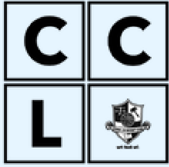

THE CENTRE FOR CORPORATE LAW
NATIONAL LAW UNIVERSITY ODISHA

#IN SIGHTS

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SPECIAL GUEST POST BY RAJITHA NAIR (PRINCIPAL ASSOCIATE, CMS INDUSLAW)

INSOLVENCY & BANKRUPTCY LAW
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From Complexity to Clarity: GST 2.0 and the Road to Rate Rationalisation

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Introduction

The Goods and Services Tax ("**GST**") was India's most ambitious indirect tax reform when introduced in July 2017, replacing a web of state and central taxes with a unified system. However, the initial GST design featured a complex five-rate structure (0%, 5%, 12%, 18%, 28% plus some cesses) that sparked classification disputes and compliance challenges for businesses. For example, debates arose over whether similar food items like different kinds of flatbreads or **popcorn** should be taxed differently. Multiple tax slabs and inverted duty structures (where inputs were taxed higher than outputs) added complexity, blocking working capital and complicating the ease of doing business. A consensus emerged on the need for "GST 2.0" reforms to simplify the tax regime, reduce anomalies, and better realize the "one nation, one tax" ideal. These second-generation **reforms** focus on radical rate rationalisation alongside improvements in administration, aiming to make the GST regime more transparent, industry-friendly, and equitable for consumers.

Key Changes under GST 2.0 Reforms

GST 2.0 brought a sweeping overhaul of the rate structure and other policy measures. The most significant change was the rationalisation of GST slabs:

- Reduction of Tax Slabs: The previous four primary rate slabs of 5%, 12%, 18%, and 28% were collapsed into two main rates – a 5% "merit" rate and an 18% standard rate. In other words, the intermediate 12% and top 28% slabs are eliminated. Roughly 99% of goods that had been taxed at 12% moved down to 5%, and about 90% of items in the 28% bracket **shifted to 18%**. This effectively simplifies GST to a dual-rate system for most products.

- Demerit Goods at 40%: A special higher rate of 40% (termed a demerit rate) was introduced for luxury and sin goods that previously fell in the 28% plus cess category. Items like pan masala, tobacco, high-end automobiles, aerated beverages, yachts etc. now attract a flat 40% tax, replacing the earlier 28% plus **varying cesses**.

- Special Lower Rates: Certain goods continue to have concessional rates even under GST 2.0. For instance, precious stones and metals retain unique rates, 0.125% on rough diamonds, 1.5% on cut and **polished diamonds**.

- Elimination of Many Exemptions: The reforms pruned exemptions and lowered rates on numerous items to broaden the tax base yet keep essentials affordable. Essential products like pencils, erasers, exercise books (educational items) are made GST-free from the earlier 5% or 12% as applicable, and many daily food items (like cheese, paneer, roti, paratha, parotta and other Indian breads by any name etc.) that previously faced ambiguity were put in the **0% or 5% bracket**.

- Services Rationalisation: Services also underwent rationalisation to promote welfare and tourism. Health and life insurance premiums for individuals were exempted (down from 18% GST) and small hotels (tariff less than equal to INR 7,500 per night) now charge 5% without input credit instead of 12%. Similarly, gym and wellness services saw GST reduced from 18% to 5% to encourage affordable fitness. These changes aim to ease the cost of living and **boost service sector growth**.

- Compliance and Structural Reforms: Alongside rate changes, GST 2.0 set the stage for simplifying compliance. The GST Council has also paved way to streamline registration, returns filing and refunds.

By rationalising rates and cleaning up exemptions, GST 2.0 strives to make the tax structure more logical and fairer. Overall, the reforms mark a shift towards a simpler GST that is easier to comply with and more aligned to economic realities.

Impacts on Trade and Industry

The GST 2.0 reforms are crafted with the explicit goal of boosting economic activity while maintaining revenue neutrality in the long run. Some key impacts on trade and industry which are as follows:

- Stimulus to Consumption: With many everyday goods becoming cheaper due to tax cuts, households are expected to have more disposable income, thereby spurring consumption growth. Indeed, rate rationalisation was "meant to leave more money in people's hands, boosting household consumption.

- Easier Business Compliance: A simpler two-slab GST structure reduces classification disputes and compliance costs for industry. Earlier, subtle differences in product classification (for example, a food being taxed at 5% vs 18% based on preparation) often led to litigation and confusion. Placing similar goods in the same slab under GST 2.0 resolves **many such ambiguities**. Likewise, correcting inverted duty structures in many value-chains means businesses will face less accumulation of input tax credits and fewer refund delays, thereby easing cash-flow pressures.

In sum, GST 2.0 is expected to improve the ease of doing business in India's domestic market, as a less convoluted tax code reduces procedural burdens on trade and industry.

- Competitiveness and "Make in India": By lowering tax costs on inputs and outputs, the reforms should enhance the cost-competitiveness of Indian products. Sectors such as manufacturing, textiles, and MSMEs stand to gain as their output prices will fall, and exports become more competitive due to **lower tax incidence**. The government explicitly sees this as strengthening industrial competitiveness and supporting its self-reliance agenda .

Conclusion

The GST 2.0 reforms represent a watershed moment in India's tax policy, marking the transition of GST into a simpler, more mature phase. By significantly streamlining the rate structure and offering broad-based tax relief on essentials, the reforms aim to strike a balance between revenue considerations and the needs of a growing economy. Consumers are likely to enjoy lower prices on a range of goods and services, from food and clothing to transport etc. enhancing their welfare and purchasing power. Industries, on the other hand, benefit from reduced tax costs, fewer compliance headaches, and improved competitive position both domestically and globally. The net effect is expected to be positive for economic growth, investment, and job creation, validating the government's vision of GST 2.0.

While the intent of GST 2.0 is reformative, its abrupt implementation has created short-term friction across supply chains. The rate rationalisation took effect almost immediately after notification, leaving little time for industry to reconfigure ERP systems, billing software, price tags, and contracts. Traders and manufacturers holding pre-reform stock purchased at higher GST rates now face valuation and pricing dilemmas, whether to absorb the loss, revise MRPs, or claim refunds for tax differentials where permissible.

Smaller enterprises, lacking automated systems, are finding compliance especially burdensome. In effect, although GST 2.0 simplifies the tax structure in the long run, its immediate rollout has exposed gaps in transitional planning and stock-management guidance, underscoring the need for a calibrated transition framework in future large-scale tax reforms.

INSOLVENCY & BANKRUPTCY LAW

The National Company Law Appellate Tribunal ("NCLAT"), permits revival of insolvency proceedings despite the absence of a revival clause in the settlement agreement. [Dnyaneshwar Shankar Unde, Proprietor of Swadarshan Dairy v. Shukla Dairy Pvt. Ltd.]. [Link]

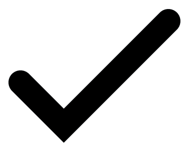
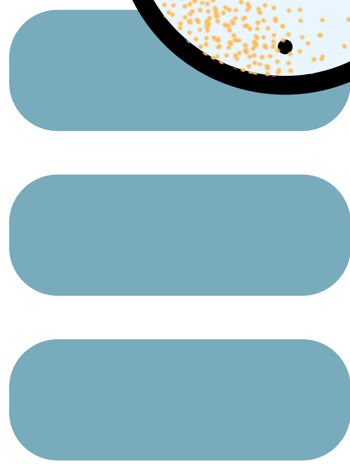
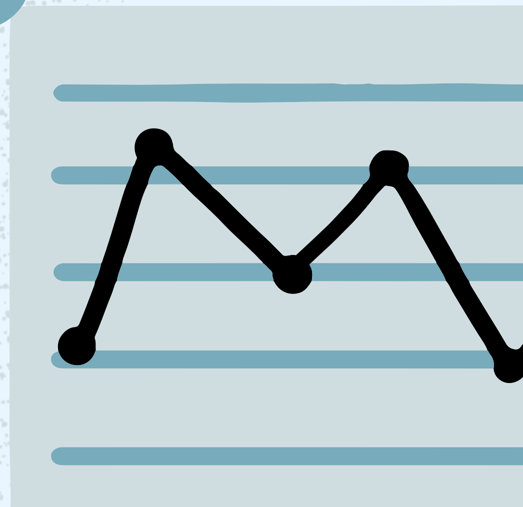
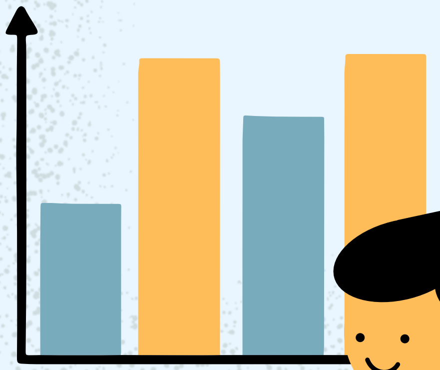
The NCLAT, Principal Bench, New Delhi, ruled that the Tribunal can revive insolvency proceedings under the Insolvency and Bankruptcy Code, 2016, ("**IBC**") without an explicit revival clause in a settlement agreement. The bench overturned the National Company Law Tribunal's ("**NCLT**") dismissal of a restoration application. The NCLT had allowed the appellant to apply for revival of the main case in the event the Memorandum of Understanding ("**MoU**") failed.

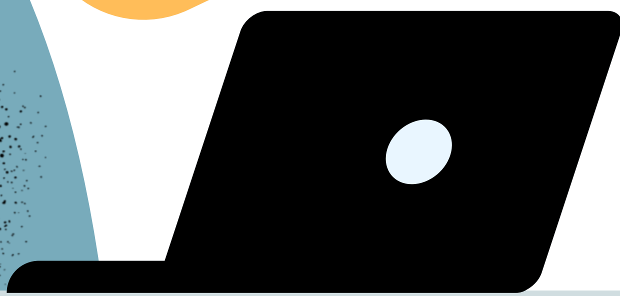
Previously, adjudicating authorities often dismissed restoration applications strictly if settlement agreements omitted revival clauses, as evidenced by the NCLT's rejection in this case. In this case, the debtors also avoided the Corporate Insolvency Resolution Process ("**CIRP**") by entering into an MoU. The debtor later defaulted, and there was no provision in place to ensure revival. The NCLT dismissed the restoration application by focusing strictly on the absence of revival clauses, overlooking the broader equity of the matter, allowing debtors to "blow hot and cold" by settling to avoid CIRP and later defaulting. However, the NCLAT clarified that where original orders expressly granted liberty to revive, creditors' remedies could not be denied. This would, in turn, curb the opportunistic conduct by debtors and prevent unnecessary prolongation of disputes.

This ruling will empower operational creditors by easing the revival of petitions and deterring debtors from exploiting settlements without an intention to comply with their terms. Creditors will gain stronger leverage in negotiations, as courts can now prioritize original tribunal orders and equitable considerations over absent clauses, reducing breaching of incentives.

Debtors, however, face heightened accountability, risking swift CIRP revival for non-payment, which may encourage genuine settlements but increase compliance costs. Overall, the decision promotes IBC's efficiency by curbing abuse, benefiting resolution professionals and tribunals through fewer frivolous oppositions. Related stakeholders, including advocates, should anticipate more revival applications, potentially streamlining insolvency resolutions and enhancing creditor protections in future disputes.

SECURITIES LAW



Securities and Exchange Board of India ("SEBI") introduces the September 2025 Reforms in its board meeting to balance ease of doing business with Investor Protection. [Link]

On September 12, 2025, SEBI held its board meeting and approved a series of amendments to some key regulations. These include the Securities Contracts (Regulation) Rules, 1957, ("**SCRR**") the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, ("**ICDR Regulations**") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("**LODR Regulations**"). The decisions aimed to balance investor protection with ease of doing business, Initial Public Offering ("**IPO**") norms, Related Party Transactions ("**RPTs**"), Foreign Portfolio Investor ("**FPI**") participation, and governance across market intermediaries. These amendments are yet to be notified in the Official Gazette.

In the past, IPO-bound companies with large equity bases faced strict Minimum Public Shareholding ("**MPS**") requirements, often causing significant dilution within three years under Regulation 19 of the SCRR. The anchor investor framework under the ICDR Regulations was also rigid, limiting participation by insurers and pension funds. For RPTs, the prior framework set a flat Rs. 1,000 crore ("**cr**") or 10% of consolidated turnover threshold, measured subsidiary-level transactions on standalone turnover, and capped omnibus approvals at one year, resulting in compliance-heavy procedures without always ensuring risk-sensitive oversight.

The September 2025 meeting introduced calibrated reforms across these areas. For IPOs, SEBI has recommended a scale-based approach to minimum public offer and shareholding timelines. Companies with market capitalization above Rs. 50,000 cr may now list with lower initial floats, with extended timelines of up to ten years in some cases to reach the 25% MPS threshold. This lets large issuers reduce shares gradually to match market demand.

Further, the anchor investor framework has been rationalized by merging categories and permitting up to 15 additional investors for allocations beyond Rs. 2,500 million. Importantly, insurance companies and pension funds are now permitted as anchor investors alongside mutual funds, with the anchor portion increased to 40%, thereby widening the institutional base.

On RPTs, SEBI has adopted a scale-based threshold system that varies with consolidated turnover, ensuring that approvals are proportionate to the size of the company. For subsidiaries, audit committee approval is now linked to both standalone turnover and the parent company's materiality thresholds, thereby addressing earlier gaps. Routine purchases by directors, Key Managerial Personnel ("**KMP**"), and their relatives at uniform terms have been excluded from the definition of RPTs, offering practical clarity.

From a commercial perspective, these reforms are likely to reduce unnecessary compliance costs for large corporates while improving market stability and investor confidence. Calibrated MPS timelines prevent oversupply of shares, protecting valuations, while the expansion of anchor participation deepens the institutional pool for IPOs, making books more stable and diverse. The risk-based approach to RPTs eases the burden of shareholder approvals for immaterial deals but closes loopholes around subsidiaries, ensuring promoter-driven transactions remain subject to scrutiny. At the same time, extending omnibus approvals could dilute real-time oversight if audit committees are not vigilant.

SEBI notifies the SEBI (Alternative Investment Funds) (Second Amendment) Regulations, 2025 ("the Amendment"). [Link]

Through a notification on September 8, 2025, SEBI has amended the SEBI (Alternative Investment Funds) Regulations, 2012 ("**AIF Regulations**"). The Amendment expands the scope of co-investments, revises the rules for Angel Funds under Category I, and prohibits Angel Funds from launching new schemes apart from making other operational changes.

Earlier, co-investments were facilitated through SEBI (Portfolio Managers) Regulations, 2020 ("**PMS Regulations**"). However, this route was cumbersome due to additional operational cost, limitations due to investors profile, documentation by multiple investors, etc. Thus, to promote ease of doing business, SEBI provides an alternative route for co-investments within the Alternative Investment Fund ("**AIF")** framework.

As per the new regulations, managers of the Category I and Category II AIFs shall carry out the investment through a Co-Investment Vehicle ("**CIV**") scheme. A shelf placement memorandum shall be placed before the board prior to welcoming investments and a separate co-investment scheme must be launched for each co-investment.

Managers must ensure investors do not gain indirect interests in investee companies that are not allowed directly. CIV schemes cannot invest in a manner triggering additional disclosures or where direct investment is prohibited. Co-investment terms cannot be more favorable than those of the AIF. Each scheme must maintain separate bank, asset, and demat accounts. Additionally, investor co-investments through CIV schemes linked to an AIF cannot exceed three times their AIF contribution. However, development financial institutions, state industrial development corporations, and government-controlled entities are exempt from this restriction. These schemes will follow standards formulated by the competent authority.

Further, Regulation 19D on investment in Angel Funds has been significantly amended. Angel Funds can now raise capital only from accredited investors through the issuance of units, with no minimum investment limit. The earlier requirement of a Rs. 25 lakh minimum investment per investor for up to five years has been removed. However, Angel Funds are now barred from launching any scheme and may invest only in start-ups not affiliated with corporate groups having a turnover above Rs. 300 cr. Further, each investment by an Angel Fund must range between Rs.10 lakh and Rs. 25 cr.

Thus, amendments to Regulation 19D make Angel Funds more accessible by fixing no minimum value of investment. Accountability is still ensured in accepting funds from accredited investors only. The changes will also help in promoting independent start-ups.

The framework established through this Amendment also opens an alternative route, expanding the scope for co-investments without the added operation costs and compliance burden. However, adequate safeguards are in place to ensure that benefits which could not be obtained under the PMS Regulations still remain out of reach. Given that CIV schemes will still be attached to AIFs, it will be interesting to see how the main AIF schemes decide the fate of CIVs.

COMPANY LAW

The Ministry of Corporate Affairs ("MCA") introduces the Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2025 ("the Amended Rules"). [Link]

On September 4, 2025, the MCA notifies the Amended Rules to broaden the scope of Fast-Track Mergers ("**FTM**") by increasing the combination of companies that can be merged under Section 233 of the Companies Act, 2013 ("**CA, 2013**").

The Amended Rules now permit the merger of unlisted companies, provided their outstanding loans, debentures, or deposits do not exceed rupees Rs. 200 cr, and there are no repayment defaults. Furthermore, mergers between a holding company and its subsidiary, as well as between fellow subsidiaries of the same holding company, are now allowed, provided the transferor companies are not listed. The fast-track process has also been extended to include the merger of a foreign transferor holding company with its Wholly-Owned Subsidiary ("**WOS**") in India. Lastly, the provisions now also cover schemes for the division or transfer of a company's undertaking.

Prior to the amended rules, the provision of FTM, in consonance with section 233 of the CA, 2013, was applicable only to a limited set of companies which included small companies, holding and its WOS, two or more start-up companies, one or more startup companies with one or more small companies. The ambit of FTM was restricted to mitigate risk and enhance investor confidence, and to account for the high threshold requirement of 90%, under the CA, 2013.

This significant amendment aligns with the greater policy of ease of doing business, as time and again held by MCA. A wider range of companies will now benefit from a quicker and more cost-effective merger process. The introduction of new and revised forms further provides clearer guidelines for companies to follow, from the initial notice to the final confirmation order. However, the Central Government, through the Regional Director, still retains the authority to confirm the schemes.

ARBITRATION LAW

The High Court ("HC") of Delhi holds that Arbitral Tribunals can order transfer of shares in Joint ventures [*Roger Shashoua & Ors. v. Mukesh Sharma & Ors*]. [Link]

Recently, Delhi HC upheld a foreign award that directed the transfer of a shareholder's stake in a joint venture. The court also affirmed that Tribunals can grant such remedies where they arise from a contractual framework, irrespective of whether such remedies were contemplated in the agreement.

Earlier, disputes that affected the rights of shareholders, required statutory remedies which are beyond the jurisdiction of Arbitration Tribunals. Though the judgment does not contradict this position of law, it distinguishes statutory claims from contractual claims that merely mirror statutory claims.

In this case, the decision of the Arbitral Tribunal directing a party to transfer shares to the other party was challenged on the basis of oppression and mismanagement. It was argued that it is a remedy that only the NCLT can grant.

The court upheld the Tribunal's reasoning that Arbitral Tribunals can deal with disputes when rights of the parties are rooted in a contract and a breach would be a part of the contractual cause of action. After analyzing the nature of the Shareholder's Agreement ("**SHA**") executed between the parties, the court held that the Tribunal is fully empowered to direct the transfer of shares because such a remedy directly arises from the contractual arrangement between the parties.

The HC also held that the award did not run contrary to fundamental policy of Indian law or basic notions of justice. This is because even if it is presumed that the remedy does not stem from the SHA, the public policy exception under Section 48(2)(b) of the Arbitration and Conciliation Act, 1996 ("**A&C Act**") does not cover awards contrary to the agreement between the parties.

Through this judgment, the court made a clear pronouncement of its intent to promote ease of doing business. The court also established India's position as a nation that upholds contractual rights and provides only a limited scope for non-enforceability of foreign awards. This may boost foreign parties' confidence regarding protection of their rights under a contract.

The judgment also means that awards need not always be in the form of traditional remedies. Through this, the court has also affirmed that not every dispute involving corporate structure automatically becomes a case of oppression and mismanagement for NCLT. Alternative remedies that are practical, innovative and equitable find favor in Indian courts. However, the HC's view still awaits approval from the Supreme Court.

Financial Distress of the Opposite Party ("OP") is not a ground for seeking Interim Relief under Section 9 of the A&C Act [*RESCOM Mineral Trading FZE v. Rashtriya Ispat Nigam Limited*]. [Link]

On August 28, 2025, the Delhi HC observed that mere financial difficulties of the OP cannot justify granting interim relief or permitting enforcement of an unadjudicated claim under Section 9 of the A&C Act. The court further opined, while the court is not rigidly bound by the Civil Procedure Code, 1908 ("**CPC**"), it cannot ignore its foundational principles. Therefore, before granting an interim order similar to attachment prior to an award, the Court must be satisfied that the requirements of Order XXXVIII Rule 5 CPC are fulfilled.

The dispute arose from a long-term coal supply agreement where the respondent failed to clear payments despite consuming the supplied coal. Further petitioner, citing respondent's weak financial condition, approached the Court under Section 9 of the A&C Act seeking interim reliefs such as securing the claim and restraining the alienation of assets.

Section 9 A&C Act empowers parties to seek interim measures from the court either before, during, or after arbitral proceedings but before enforcement of the award. Such reliefs include preservation of the subject matter of the dispute, securing the amount in dispute, detention or inspection of property, appointment of a receiver, or grant of injunctions. The court also retains a residuary power to grant any measure deemed just and convenient to protect the arbitral process. While exercising this power, courts are guided by the underlying principles of the CPC, ensuring that interim protection is granted only when a strong prima facie case, balance of convenience, and risk of irreparable harm are demonstrated, thereby preventing misuse of the provision and safeguarding the efficacy of arbitration.

ARBITRATION LAW

The Delhi HC has clarified that mere financial distress of a party is not a ground for interim relief under Section 9 A&C Act, unless backed by a strong prima facie case and evidence of asset dissipation. This ruling raises the threshold for claimants seeking security, shields financially stressed respondents from premature attachment, limits undue judicial interference in arbitration, and enhances commercial certainty for investors and lenders. It further reinforces fairness and discipline in the use of interim measures within the arbitral process.

COMPETITION LAW
MARKET

NCLAT ruled that Competition Law cannot be invoked to challenge government policy decisions on atomic minerals [*Beach Minerals Producers Association v. Government of India*]. [Link]

Recently, NCLAT clarified that the term "enterprise" under Section 2(h) of the Competition Act, 2002 does not include any sovereign functions of the government. This included all activities carried on by the Central Government, dealing with atomic energy, etc.

The case arose in 2019 when the appellants approached the Competition Commission of India ("**CCI**") alleging that the Directorate General of Foreign Trade and Indian Rare Earths Limited ("**IREL**") abused their dominant position by restricting exports of Beach Sand Minerals ("**BSMs**") exclusively through IREL, thereby distorting competition.

The CCI dismissed the complaint, holding that BSMs are classified as atomic minerals under the Mines and Minerals (Development and Regulation) Act, 1957 and as prescribed substances under the Atomic Energy Act, 1962. It was held that the impugned notification was a matter of government policy. Given the strategic importance of BSMs in space, defence and nuclear applications, such policy decision lies outside its jurisdiction.

The NCLAT dismissed the appeal against this 2019 order, ruling that competition law cannot be invoked to challenge government policy decisions on atomic minerals. The Tribunal observed that the notification did not prevent private entities from trading BSMs, but statutory mandates required that all exports be routed through IREL.

This ruling upholds the stance that Competition Law will not second-guess policy in strategic sectors such as defence, atomic energy, space, etc. The CCI is thus expected to show institutional restraint when the State acts under sovereign powers, even if such actions have exclusionary effects on competition. Meaning, businesses in strategic or sensitive industries cannot rely on CCI to challenge exclusionary policies.

On the other hand, this ruling legitimises the creation of dominant positions by policy, reducing checks on efficiency, fairness, and consumer harm in the name of national interest. Future governments may label certain activities as “strategic” to evade competition scrutiny. Drawing the line between sovereign function and commercial conduct may become contentious going forward.

MISCELLANEOUS

The Government rolls out Goods and Services Tax ("GST") 2.0 with two slabs and relief for essentials. [Link]

The Government of India has rolled out its much-anticipated next-generation GST reforms, effective September 22, 2025. The reform replaces the earlier slab system of 12% and 28% with two primary slabs of 5% and 18%, while also introducing an additional 40% rate for luxury and "sin" goods such as tobacco, high-end vehicles, aerated drinks, etc. Essentials such as soaps, kitchenware, and some food items now attract 0% or 5% tax rate, while consumer durables like TVs, cement, and cars fall under the 18% slab. This significantly benefits the common man, farmers, women, youth, middle-class families, and also ensures ease of doing business for all, including small traders and businessmen.

Earlier, the system of multiple tax rate slabs created confusion due to inverted duty structures and compliance hurdles for sectors like textiles, agriculture, and construction. The new structure addresses these concerns by simplifying the regime, making it more predictable and citizen-friendly. Moreover, it also ensures fairness and revenue balance through the special 40% slab. Products such as cigarettes, chewing tobacco, beedi, etc. will continue under the existing rates and compensation cess until pending liabilities are cleared, ensuring stability during the transition.

These reforms are built around the seven pillars of GST 2.0, namely simplification, fairness, support for Micro, Small, and Medium Enterprises, rationalisation of inverted duty structures, demand generation, stronger state revenues, and enhanced competitiveness. By reducing rates on items of household, medical and educational purposes, it seeks to boost demand, reduce costs and encourage broader economic growth.

Moving forward, this move brings significant changes to the tax regime. For citizens, it reduces the burden on essentials, thereby improving the standard of living. Making filing easier and compliance simpler, businesses no longer have to stress themselves with associated hurdles. Lastly, for the economy, the changes are expected to boost consumption, attract investment, and create a fairer balance between affordability and revenue. As stakeholders adapt to the changes, the reforms represent a decisive step towards a more competitive tax system aligned with India's global growth ambitions.

Centre unveils Draft Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025 ("the Draft Rules") to modernise regulatory framework. [Link]

On September 5, 2025, the government introduced the Draft Rules under the Telecommunications Act, 2023, aimed at modernising India's telecom regulatory framework. Published in the Gazette of India and open for public consultation for 30 days, the Draft Rules, propose a structured licensing system to replace provisions of the colonial-era Indian Telegraph Act, 1885 ("**Telegraph Act**"). It seeks to streamline licensing, enhance compliance, and foster investment and innovation in the telecom sector.

Previously, the Telegraph Act had imposed a rigid, one-size-fits-all licence for telecom operators with detailed conditions in every contract. This outdated system was heavily criticised for having many compliance hurdles and not being suited to emerging technologies such as virtual networks, internet telephony, etc. Entry barriers and overlapping conditions often prevented innovation and growth in the sector.

Under the Draft Rules, telecom services are categorised into four classes, namely, core, niche, captive and broadcasting. Within the core category, licences are proposed for unified services, access services which are both wireless and wireline, internet services, and long-distance communications. Entities applying must be incorporated companies meeting equity and net worth thresholds, while blacklisted companies or those with pending dues will remain ineligible. The licences will be valid for 20 years, renewable thereafter.

These will have to be strictly complied with the requirements for cybersecurity, lawful interception, know your customer norms, and continuity of services during emergencies. A major feature under this framework is the recognition of virtual network operators, who can now operate without owning infrastructure. This allows space for smaller operators, increasing competition in the sector. Captive networks for industrial and enterprise use are also addressed, but these cannot be offered commercially.

In terms of future implications, these rules are expected to simplify licensing, reduce compliance burden, and attract new investment, while maintaining national security safeguards. Once notified, they are set to shape the next phase of India's telecom growth, with implications for service providers, technology firms and consumers alike.

Supreme Court ("SC") explains "Publication of Notice" under Section 13(8) of the SARFAESI Act, 2002 [*M. Rajendran & Ors v. M/S KPK Oils and Proteins India Pvt. Ltd. & Ors*]. [Link]

The SC has clarified the scope of the term "publication" under Section 13(8) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest ("**SARFAESI**") Act, 2002 which governs a borrower's right to redeem a mortgaged property. The Court held that this expression cannot be confined to newspaper publication alone, but must be understood to include all forms of service, affixation, uploading, or publication required under the SARFAESI Rules, 2002 ("**the Rules**").

Earlier, there was ambiguity whether the extinguishment of redemption rights under Section 13(8) was triggered only upon newspaper publication of a public auction notice. The Rules, however, provide different forms of notice depending on the mode of sale, such as public auction, tender, obtaining quotations, or private treaty. The SC harmonised these provisions, holding that all such forms are part of a single "composite notice of sale." Thus, whether through newspaper publication, borrower service, or property affixation, the relevant date is when the secured creditor completes all mandatory steps under the Rules. This shifts the focus from a narrow reading to a contextual compliance-based standard.

The ruling will have a practical impact on enforcement actions by secured creditors and borrowers' last window to redeem. By linking redemption extinguishment to the completion of all required notice modes, creditors must ensure strict procedural adherence, failing which their sale process could be challenged. Borrowers, meanwhile, now have a clearer understanding of when their rights expire, which varies by the mode of sale adopted. This harmonized interpretation should reduce litigation over whether redemption was validly exercised at the last moment. It also introduces accountability by requiring creditors to carefully track the "latest" of service, affixation, or publication before proceeding with the sale.

The judgment is significant as it resolves a recurring interpretive conflict between the statute and the rules. It underscores that a "notice of sale" is not a fragmented process but a composite requirement, thereby protecting borrower rights until all steps are duly completed. At the same time, it ensures that creditors are not indefinitely delayed, since the thirty-day clock runs from the date of the last effective notice. By balancing borrower protections with enforcement certainty, the Court aligns procedural rigour with substantive fairness.

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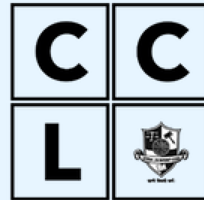
Aditya Danturty Amritanshu Rath Gauri Dudeja Kavya Jindal Manya Bansal Paavanta Arya Roshan Kumar Behera Sohini Chakraborty Shivam Gupta Shubham Singh Shreya Tiwari Surbhi Goyal	

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