FYIs on Orders issued by courts and tribunals

SR. NO	DATE OF NOTIFICATION	FYI	LINK	CONCERNED PERSON
1	29-Mar-20	The Insolvency and Bankruptcy Board of India ("IBBI") has amended the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 for providing that period of lockdown imposed by the Central Government in the wake of COVID-19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to the lockdown, in relation to a corporate insolvency resolution process. However, the overall time limit for completion of corporate insolvency resolution process remains unaffected.	https://www.ibbi.gov.in/uploads/whatsnew/be2e769	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com); Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
2	23-Mar-20	The Central Government vide its Notification No.11/2020-Central Tax dated 21 st March 2020 (further clarified by the Central Board of Indirect Taxes and Customs ("CBIC") Circular No.134/04/2020-GST dated 23 rd March 2020), has laid down a special procedure for corporate debtors undergoing corporate insolvency resolution process ("CIRP") under the Insolvency & Bankruptcy Code, 2016 ("Code") for filing Goods & Services Tax ("GST") returns under the Central Goods and Services Tax Act, 2017 ("Act"). The salient features of this special procedure are as follows: 1) The corporate debtor who is undergoing CIRP will be treated as a distinct person of the corporate debtor and shall be liable to take a new registration in each State/Union territory where the corporate debtor was registered earlier, within thirty days of the appointment of the interim resolution professional/resolution professional ("IRP/RP"), as the case may be. 2) Where the IRP/RP has been appointed prior to the issuance of the said Notification, he/she shall take registration within thirty days of issuance of the said Notification, with effect from date of his appointment as IRP/RP. 3) RP/IRP shall file first GST return after obtaining registration under the Act till the date on which registration has been granted. 4) RP/IRP in their first GST return shall be eligible to avail Input Tax Credit ("ITC") on invoices covering the supplies of goods or services or both, received since his appointment. 5) Registered persons who receive supplies from the company undergoing CIRP shall be eligible to avail ITC on invoices issued using the GST registration of erstwhile registration entity. Such benefit can be availed only within 30 days from date of this Notification or the duration between appointment of IRP/RP and new registration, whichever is earlier. 6) Any amount deposited in the cash ledger by the IRP/RP in the existing GST registration, till the time a new registration is granted, shall be available for refund against the erstwhile registration.	http://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-11-central-tax-english-2020.pdf	Mr. Arunabh Choudhary (arunabh.choudhary@jclex.com); Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
3	23-Mar-20	The Hon'ble Supreme Court of India (" Apex Court "), taking <i>Suo Motu</i> cognizance of the challenges posed to litigants for making filings on account of Covid-19 Virus and in order to obviate such difficulties, vide an order dated 23 rd March, 2020, has directed that the period of limitation for filing proceedings, such as petitions/applications/suits/appeals/other proceedings, before any courts/tribunals including the Apex Court (irrespective of the limitation prescribed under the general law or Special Laws, whether condonable or not) shall stand extended w.e.f. 15 th March 2020 till further orders by the Apex Court. The Apex Court has passed this order in exercise of its power under Article 142 read with Article 141 of the Constitution of India. The present order is applicable to all High Courts, subordinate courts and Tribunals across the country.	https://main.sci.gov.in/supremecourt/2020/10787/1 0787 2020 1 12 21570 Order 23-Mar-2020.pdf	

SR. NO	DATE OF NOTIFICATION	FYI	LINK	CONCERNED PERSON
4	23-Mar-20	The Executive Magistrate of Greater Mumbai has passed a Prohibition Order dated 22 nd March 2020 (" this Order ") under Section 144 of CrPC with effect from 23 rd March 2020 to 31 st March 2020 to restrict the movement of five or more persons in public, private or religious places for any reason whatsoever. However, certain entities such as emergency services, establishments providing essential services, government or semi government agencies or their officers on duty are exempted from this Order.	https://mumbaipolice.gov.in/files/PressRelease/404	Mr. Avikshit Moral (avikshit.moral@jclex.com); Mr. Arunabh Choudhary (arunabh.choudhary@jclex.com).
		The Hon'ble High Court of Bombay, in the matter of Standard Retail Pvt. Ltd. vs. M/s. G.S. Global Corp. & Ors., by its order dated 8th April, 2020, in a hearing convened through video conference, has delved into the specific facts of the case to hold that the Petitioners in the matter are not entitled to seek protection under the force majeure clause or Section 56 of the Indian Contract Act, 1872, on account of the COVID-19 outbreak. The said order was passed in a petition filed by Steel Importers ("Petitioners") under Section 9 of the Arbitration and Conciliation Act seeking directions restraining the Respondent -Bank ("Respondent No.3") from negotiating/encashing letters of Credit, claiming termination of their contracts with the Exporters ("Respondent No.1") on account of frustration, impossibility and impracticability under Section 56 of the Indian Contract Act, 1872, in view of the outbreak of the COVID-19. The Petitioners had also relied on the Force Majeure Clause (which included epidemics) in their contracts with the Respondent No.1, for the supply of Steel products by the Respondent No.1 to the Petitioners. After assessing the specific facts of the matter, the Bombay High Court refused to grant the ad-interim reliefs sought for by the Petitioners. The High Court, in this regard, made the following observations -		
5	8-Apr-20	1) The letters of credit were part of an independent transaction with the bank. The bank will not be concerned by the disputes between the Petitioner and the Respondent No.1.	GFUY 59VCMINAVV 5NDC 8 YIVIDIWLYZ MDMFTZ I TDQV	
		2) Since distribution of steel has been declared as an essential service, the same will not be covered under the exemption of Force Majeure.	ZyanVkZGF0ZT0mdXBsb2FkZHQ9MDkvMDQvMj AyMCZzcGFzc3BocmFzZT0xMTA0MjAxMjM5MTY =	Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
		3) The limited period lockdown cannot aid the Petitioners in escaping their contractual obligations with the Respondents.		
		4) The Force Majeure Clause in the contract between the Petitioner and the Respondent No.1, is applicable only to the Respondent No.1 (Suppliers) and cannot benefit the Petitioners.		
		5) The landmark judgments (on Force Majeure) relied upon by the Petitioners, namely, Energy Watchdog vs. CERC (2017) 14 SCC 80 and Satyabrata Ghose vs. Mugneeram Bangure & Co. (1954) SCR 310 are not relevant in the matter at hand. The said judgments are distinguishable on facts and do not assist the case of the Petitioner. The decision of the Bombay High Court, further strengthens the legal view, that inspite of the outbreak of the Covid-19 pandemic, the protection of Force Majeure would be governed as per the provisions of the relevant contract and on a case to case basis.		

SR. NO	DATE OF NOTIFICATION	FYI	LINK	CONCERNED PERSON
6	7-Apr-20	The Hon'ble High Court of Bombay, in the matter of Ideal Toll & Infrastructure Pvt. Ltd. vs. ICICI Home Finance Co. Ltd. & Anr. has, by its order dated 7th April, 2020, in a hearing convened through video conference, held that the period of moratorium of three months under the Reserve Bank of India's circular dated 27th March 2020 would apply to the payment of instalments falling due between 1st March 2020 and 31st May 2020 and will not include any instalments which were already due prior to the said period. The above finding was made in a suit filed by Ideal Toll & Infrastructure Pvt. Ltd. ("Plaintiff") seeking injunction against ICICI Home Finance Co. Ltd. ("Defendant No.1") from selling the shares pledged to it for securing a term loan. Recognising that the income stream for the Plaintiff stands depleted in the current scenario and with a view to protecting the rights of both parties, the Bombay High Court, while holding that the protection of the moratorium does not extend to the amounts falling due on 12th January 2020, restrained the sale of the pledged shares by the Defendant No.1 and provided for a repayment schedule to be abided by the Plaintiff. The court also directed that in classification of the account of the Plaintiff as a non-performing asset can be made if it defaults in adhering to the repayment schedule. Default in the repayment schedule would also entitle the Defendant No.1 to sell the shares and recover the amount.	https://images.assettype.com/barandbench/2020- 04/088e8bb3-63d2-45f8-99f3- 6a8b6e24fde4/LD_VC_7_OF_2020_07042020.pdf	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com); Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
7	15-Apr-20	Vide an order dated 15th April, 2020 (passed on its own motion) in W.P. No. 2 of 2020, the Hon'ble Bombay High Court ("Hon'ble Court") extended the tenure of the interim orders and arrangements contained its earlier order dated 26th March 2020, till 15th June 2020, subject to the same liberty to aggrieved party to move for vacation thereof. Vide the order dated 26th March, 2020, the Hon'ble Court had extended the operation of all interim orders passed by the Hon'ble Court and the Courts/ Tribunals subordinate to it, till 30th April, 2020. The Hon'ble Court also clarified that while calculating time for disposal of matters made time bound by the Hon'ble Court, the period for which the order dated 26th March 2020 continues to operate shall be added and time shall stand extended accordingly.	https://bombayhighcourt.nic.in/writereaddata/notifications/PDF/noticebom20200415164949.pdf	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
8	17-Apr-20	The Insolvency and Bankruptcy Board of India ("IBBI") has amended the IBBI (Liquidation Process) Regulations, 2016 for providing that period of lockdown imposed by the Central Government in the wake of COVID-19 outbreak shall not be counted for the purposes of the time-line for any activity that could not be completed due to the lockdown, in relation to a liquidation process. The aforementioned relief has already been extended to a Corporate Insolvency Resolution Process by IBBI vide its Notification dated 29th March 2020.	https://ibbi.gov.in/uploads/whatsnew/4697af9d01b6	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com); Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
9	13-Apr-20	The Delhi High Court ("High Court") vide its order dated 13th April 2020 has restrained a bank from classifying the loan account of an entity as a non-performing asset ("NPA"). The High Court took note of the difficulties arising on account of spread of Covid-19 virus and the Reserve Bank of India ("RBI") circular dated 27th March 2020 ("Circular") which permitted banks and financial institutions to provide three months moratorium on payments of instalment falling due between 1st March 2020 and 31st May 2020. The High Court referred to recent order of the Court in Anant Raj Limited v. Yes Bank Limited (W.P (C) Urgent 5/2020) and of the Bombay High Court in Transcon Inconia Pvt. Ltd. & Ors. v. ICICI Bank & Ors. (W.P. LD-VC.No. 30/2020) on similar issue of NPA classification. The High Court observed that the intention behind the issuance of such Circular by the RBI was to maintain a status quo with regard to the classification of accounts of the borrowers as they existed on 1st March 2020.	http://delhihighcourt.nic.in/dhcqrydisp_o.asp?pn=70 481&yr=2020	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).

SR. NO	DATE OF NOTIFICATION	FYI	LINK	CONCERNED PERSON
10	20-Apr-20	The Delhi High Court ("Court") vide its order dated 20 th April 2020 ("Order"), in the matter of Halliburton Offshore Services Inc. ("Petitioner") vs. Vedanta Limited & Anr ("Respondent")., passed an ad-interim direction restraining the Respondent from invoking or encashment of eight bank guarantees ("the bank guarantees") of the Petitioner. The Court held that the imposition of countrywide lockdown which came into force on 24th March, 2020 ("country lockdown"), owing to COVID-19 pandemic, was an unprecedented and a sudden event incapable of having been predicted by either the Petitioner or the Respondent. The Court observed that the country lockdown, which, prima facie, is in the nature of a force majeure event, has substantially, if not entirely, impeded the Petitioner's activities which would have been completed, had the country lockdown was not imposed. The Court held that special equities (i.e. circumstance which warrants restraining the invocation of any bank guarantee) do exist in the present factual matrix, to justify the grant of an ad-interim injunction, restraining invocation or encashment of the bank guarantees till the expiry of exactly one week from 3rd May, 2020, till which date the country lockdown stands presently extended. The petitioner was, however, directed to ensure that the bank guarantees remain alive during the pendency of the present proceedings	http://delhihighcourt.nic.in/dhcqrydisp_O.asp?pn=7 0700&yr=2020	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
11	29-Apr-20	A Division Bench of the Hon'ble Delhi High Court, vide its Order dated 29th April 2020, in the matter of The Association of Mutual Funds of India ("Petitioner") vs. Indiabulls Housing Finance Limited & Anr. ("Respondents"), has granted ad-interim relief to Petitioner by allowing stay on the operation of the impugned order passed by a Single Judge on 15th April, 2020 which, basis the Circular dated 27th March, 2020 issued by RBI to tackle the disruptions caused by the outbreak of Covid-19, allowed Respondent to avoid their obligations under non-convertible debentures issued by it. The Order of the Court remains in force until the next date of hearing scheduled for 4th May, 2020.	http://delhihighcourt.nic.in/dhcqrydisp_o.asp?pn=71 571&yr=2020	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
12	4-Mar-20	The Delhi High Court in the matter of Shri Chand Construction and Apartments Private Limited and Another vs Tata Capital Housing Finance Ltd., while evaluating a dispute resolution clause has held that providing for arbitration of claims of one of the parties and providing for remedy of the court or any other fora for claims of the other party is against the public policy. Delhi High Court further observed that while the Arbitration & Conciliation Act, 1996 allows for classification of disputes, i.e., parties agreeing that only certain set of disputes may be referred to arbitration, it disallows classification of claims which means that only one-party may have recourse to arbitration. The above observations of the Court were made while examining a dispute resolution clause which provided reference of certain claims to arbitration, at the option of Tata Capital Housing Finance Ltd., cease to have any effect on happening of a certain event.	http://164.100.69.66/jupload/dhc/RSE/judgement/0 4-03-2020/RSE04032020S1792019_142255.pdf	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
13	27-Apr-20	The Hon'ble High Court of Delhi, vide its interim order dated 27th April 2020, in the matter of Eastman Auto & Power Ltd. vs. Reserve Bank of India & Ors., restrained the respondent banks from taking any coercive action including declassification of the petitioner for the default committed by the Petitioner in the Reverse Factoring Facility, subject to conditions stipulated by the Court by further orders. The Hon'ble Delhi High Court further clarified that the object of the notifications/circulars dated 27th March 2020 and 17th April 2020 issued by the Reserve Bank of India ("RBI"), was to provide financial relief to the parties availed the term loan and working capital facilities and to maintain status quo as on 1st March 2020 with regard to the financial facilities that have fallen due. The Court also observed that the Factoring Facility was to be considered as par with loans and advances extended by the banks.	http://delhihighcourt.nic.in/dhcqrydisp_o.asp?pn=71 215&yr=2020	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).

SR. NO	DATE OF NOTIFICATION	FYI	LINK	CONCERNED PERSON
14	29-Apr-20	Hon'ble Supreme Court ("Apex Court") vide its order dated 29th April 2020 has held that a party must be deemed to have waived all its objections when it chooses not to participate and raise its objections in proceeding before the arbitral tribunal. Apex Court relying on section 4 of the Arbitration & Conciliation Act, 1996 observed that respondent failed to participate in the proceedings before the arbitral tribunal and did not raise any submissions that the arbitral tribunal did not have jurisdiction or that it was exceeding the scope of its authority, the respondent must be deemed to have waived all such objections.	https://main.sci.gov.in/supremecourt/2019/13391/1 3391 2019 32 1505 21906 Judgement 29-Apr-	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) or Mr. Dhruv Malik (dhruv.malik@jclex.com).
15	5-May-20	A five Judge Constitution Bench of the Hon'ble Supreme Court of India, vide its Judgment dated 5th May 2020, in the matter of Pandurang Ganpati Chaugule vs. Vishwasrao Patil Murgud Sahakari Bank Ltd., held that the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") is applicable to Cooperative Banks incorporated under the State legislation as well as Multi-State Cooperative Banks incorporated under Multi State Cooperative Societies Act, 2002 ("MSCS Act") (collectively "Cooperative Banks"). The Apex Court, while deciding the issue of applicability of SARFAESI Act to Cooperative Banks, analysed the position of Cooperative Banks registered under State laws or under MSCS Act, in relation to their banking related activities are governed by the legislation relatable to Entry 45 of List I of the 7th Schedule of the Constitution of India. (b) Cooperative societies providing banking services or Cooperative Banks are Banking Companies as defined under Section 5(c) r/w. Section 56(a) of the Banking Regulation Act, 1949. (c) Cooperative Banks cannot carry on any activity without compliance of the provisions of the Banking Regulation Act, 1949 and any other legislation applicable to such banks relatable to 'Banking' in Entry 45 of List I and the RBI Act relatable to Entry 38 of List I of the Seventh Schedule. (d) Cooperative Banks are 'banks' under section 2(1)(c) of SARFAESI Act, 2002. The recovery procedure under section 13 of the SARFAESI act is an essential part of banking, as such, the same is applicable to Cooperative Banks. (e) The provisions of Section 2(1)(c)(iva), of SARFAESI Act, 2002, as well as the notification dated 28.1.2003 adding Cooperative Banks under the scheme of SARFAESI Act, were declared to be intra vires and have been upheld.	https://main.sci.gov.in/supremecourt/2008/27183/2 7183 2008 31 1501 21915 Judgement 05-May- 2020.pdf	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
16	6-May-20	Vide an order dated 06.05.2020 in Suo Moto W.P. No. 3 of 2020, the Hon'ble Supreme Court ("Apex Court") has ordered that 'all periods of limitation prescribed under the Arbitration and Conciliation Act,1996 and under section 138 of the Negotiable Instruments Act 1881' shall stand extended with effect from 15.03.2020, till further orders to be passed by the Apex Court in the present proceedings. The Apex Court has, further, clarified that in the event the period of limitation has expired after 15.03.2020, then the period from 15.03.2020 till the date on which the lockdown is lifted in the jurisdictional area (i.e. where the dispute lies or where the cause of action arises) shall be extended for a period of 15 days after the lifting of lockdown. Earlier, vide an order dated 23.03.2020, the Apex Court had directed that the period of limitation for filling proceedings, such as petitions/applications/suits/appeals/other proceedings, before any courts/tribunals including the Apex Court (irrespective of the limitation prescribed under the general law or Special Laws, whether condonable or not) shall stand extended w.e.f. 15.03.2020, till further orders by the Apex Court.	https://main.sci.gov.in/supremecourt/2020/10787/1 0787 2020 31 6 21961 Order 06-May-2020.pdf	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).

SR. NO	DATE OF NOTIFICATION	FYI	LINK	CONCERNED PERSON
17	8-May-20	The Madras High Court, vide its Judgment dated 8th May 2020, in the matter of Suryadev Alloys and Power Pvt. Ltd. v. Shri Govindaraja Textiles Pvt. Ltd., set aside an Arbitral Award, holding that where an arbitral award has been made after the expiry of the statutory period for making the same, the Court cannot retrospectively validate such an award by granting an extension of time afterwards. In the matter in question, the court had extended the time for concluding the proceedings by six months from the date of receipt of the order. After receiving the order, the Arbitrator held sittings and ultimately made an award after a period of seven months therefrom, when he had become functus officio and his mandate had terminated. The Madras High Court, while dealing with the said issue in a Section 34 petition, delved into the scope of Section 29A of the Arbitration and Conciliation Act, 1996 and held that, the power to grant extension is restricted by the provisions of Section 29A(3) and 29A(4), whereby if an award is not made within the stipulated period or the extended period then, unless it is extended by Court either prior to or after the expiry of the period so specified, the mandate of the Arbitrator stands terminated and therefore award cannot be made. The power to enlarge time for making an award made after expiry of the time limit even after the award has been made (that was present in section 28 of the 1940 act) has been curtailed by Section 29A of the 1996 Act. Under the present law, the Court cannot ratify an award ex post facto by extending the period for making of an award in a petition filed under Section 34 by an aggrieved party.	https://mhc.tn.gov.in/lockdown_orders/pdf_logo/15 889342035828.pdf	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) or Mr. Dhruv Malik (dhruv.malik@jclex.com).
18	12-May-20	The Hon'ble National Company Law Tribunal ("NCLT"), vide its public order dated 12th May 2020, has mandated filing 'record of default' maintained with the Information Utility ("IU") along with all new petitions to be filed under Section 7 of the Insolvency & Bankruptcy Code, 2016 ("Code") by financial creditors. Applications under Section 7 of the Code pending admission are also required to comply with the above direction before the next date of hearing in such applications.	nttps://ncit.gov.in/sites/default/files/Feb-All-	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).
19	15-May-20	Vide an order dated 15th May, 2020 (passed on its own motion) in W.P.(C) 3037/2020, the Hon'ble Delhi High Court ("Hon'ble Court") in continuation to its earlier order dated 25th March, 2020, has ordered that the interim orders issued in all matters pending before the Hon'ble Court and Courts subordinate to the Hon'ble Court, which were subsisting as on 15th May, 2020 and expired or would expire thereafter, shall be automatically extended till 15th June 2020, or until further orders. Earlier, vide an order dated 25th March, 2020, the Hon'ble Court had ordered that the interim orders issued in all matters pending before the Hon'ble Court and Courts subordinate to the Hon'ble Court, which were subsisting as on 16th March, 2020 and expired or would expire thereafter, shall be automatically extended till 15th May, 2020, or until further orders. The Hon'ble Court also clarified that the same shall apply to the all matters except where any orders to the contrary have been passed by the Hon'ble Supreme Court of India, during the intervening period.	http://delhihighcourt.nic.in/dhcqrydisp_O.asp?pn=7 4621&yr=2020	Mr. Shubhabrata Chakraborti (shubhabrata.chakraborti@jclex.com) and Mr. Ashish Mukhi (ashish.mukhi@jclex.com).