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### In the News...

- Recovery through IBC to get better as macros look-up: RBI.
- Schedule Commercial Banks recover Rupees 47,421 Crores via IBC route in 2021-22.
- Why Indian's bankruptcy regime needs to be fixed.
- Uniform valuation standards for IBC assets, in the works.
- Chanda Kochhar's arrest is only a tip of the iceberg, according to the whistle blower- Arvind Gupta.
- Banks need to robust credit appraisal policies to limit the risk : RBI.



S.K. SINGHI  
Founder & Managing Partner

### Message from Managing Partner

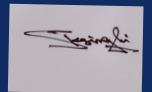
"Law is the most healing profession. While medicine heals the body and clergy heals the soul, the Law heals the social rifts."

It gives me tremendous pleasure to hand over the inaugural issue of our monthly news letter, "THE EXHIBIT", an in house endeavor of the S.K. Singhi & Partners.

Kindly accept my best wishes for a Happy New Year, 2023. I feel proud to share that the firm has successfully completed thirteen years of its customer centric services and the year just gone by has been an year of accomplishment and re-dedication to clients who continue to redeem their faith in our acumen to represent them for legal relief and guidance.

The firm moved into its own spacious office at Mumbai and forayed into the new arenas of contemporary legal consultancy like the advisory on setting up new Start Ups. We are also venturing into the realms of Data Protection and Privacy Laws including advisory on Intellectual Property Rights. As a full stack legal service firm, we endeavor to poise ourselves as a destination point for redressing various legal concerns.

The news letter contains articles to refresh and stimulate the legal thoughts. Kindly do share your thoughts to enable us to improve further.



"Fear everyone while doing wrong, fear no one while doing right."



**Supreme Court Judgment in Dashrathbhai Trikambhai Patel Vs. Hitesh Mahendrabhai Patel & Anr. - Analysis by Syed Naqvi, Senior Partner**

This Article will analyze the latest Supreme Court Judgment on Section 138 of the Negotiable Instrument Act, 1881 (for brevity we will be referring to this legislation as "The Act"), in the matter of Dashrathbhai Trikambhai Patel Vs. Hitesh Mahendrabhai Patel, which was delivered by our Supreme Court recently on October 11, 2022.

The reason we have adopted this judgement for our analysis is partly due to the fact that we are presently deliberating the best legal strategy we need to provide to our Client in an ongoing matter pertaining to a Complaint under Section 138 of the Act against our Client and to a large extent due the fascinating discovery we made of a legal proposition which is bound to assist our Client in getting the said Complaint quashed.

Most of us who have handled Section 138 Complainant well versed with the statutory steps for prosecuting Cheque Bounce (Cheque Dishonour) cases as well the process for prosecuting the accused and also defending the accused. We have, for brevity, decided not to repeat the steps and process, but for the discerning reader, have attached a Note which explains in detail these steps and process.

**?? Do you know the Supreme Court of the Judicature was founded in 1774 at Fort William Calcutta??**

This presentation addresses an interesting part of the process, whereby the Complainant has filed the Complaint under the Act for the recovery of the entire amount of the loan, after the advance security cheque issued by the accused was presented by the Complainant and was returned by the accused bank due to insufficient funds. By the time the Complainant had deposited the security cheque, the accused had returned part of the loan availed by the accused to the Complainant.

In such cases, the question that arise is, whether the Complainant is entitled to claim the entire loan amount by presenting the advance security cheque and claiming the full amount of loan in the legal notice as well as the Complaint?...[Read More](#)

**Ten Benefits of "Daksh" - the Fraud Registry of Reserve Bank of India -By Hargovind Sachdev, Corporate Advisor**



Taking the recurring financial frauds seriously, the Reserve Bank of India has launched a dedicated one-stop web portal, DAKSH, for close monitoring and focused attention. The affected financial institutions upload each fraud in a standardised format on this website for regular follow-up. Ten benefits shall accrue from DAKSH, the Fraud Registry:

- 1. Minimising the Fraudulent Activities:**  
It aims to reduce banking sector fraud by blocking identified websites or phone numbers.
- 2. Educating Lenders Against Frauds:**  
RBI would publish the aggregated fraud data to educate customers on emerging risks.
- 3. Empowering Customers to Avoid Frauds:**  
The fraud data analysis will empower the public to exercise caution while disclosing bank details to surreptitious fraudsters.
- 4. Reducing the Cost of Borrowing & Lending:**  
Bank Fraud attracts 100% provisioning, bringing down the profit. Banks pass on this cost to other loans through high-interest rates, which will go down with fraud reduction.
- 5. Disclose the Internal Control Strengths of Banks/ Lenders**  
The DAKSH site of RBI shall reveal the banks infested with repeated fraud. Viewing this data enables stakeholders to estimate Banks' internal control levels and be selective.
- 6. Warning Signs to Depositors to Avoid Fraud-Infested Banks.**  
Bulging frauds shall warn depositors to protect their money by shifting to stronger banks.

**?? Do you know the First Chief Justice of India was H.J. Kania (26.01.1950-06.11.1951) ??**

- 7. Nipping Cyber Crimes to Popularise Online Banking with Risk-Averse Seniors:**  
Rural folks and senior citizens avoid online banking for fear of fraud. DAKSH shall restore their confidence in expeditious online transactions to optimise the effort and cost.
- 8. Increased FDI Inflow Shall Create Surpluses for Upgradation**  
Due to the fragile data protection, many NRIs and FDIs refrain from investing in India. A compelling fraud monitoring ambience would induce them to the Indian markets.
- 9. Chanelling Parallel Economy to boost the GDP**  
Scared of bank frauds, people transact in cash, impacting tax collections. With DAKSH firewalling the bank funds, enhanced productivity will boost GDP and living standards.
- 10. Improving the Economic Eco System of India**  
Frauds demoralise the public shaking their confidence in the systems. Many HNI families migrate out of India due to a lack of control. DAKSH may address this Brain Drain.  
A robust data protection framework like RBI's DAKSH promotes integrity and fosters user confidence. It is usually stated that our ability to manufacture fraud now exceeds our ability to detect it. RBI's 'DAKSH' is poised to reduce fraud in the long term.

"Lawyers are operators of tall bridges which anyone in search of justice must pass"

# Legal Updates

## 1. Income Tax Act, 1961

- Direct tax collection for Financial Year (FY) 2022–23 (till 10 November 2022) Rs. 10,54,000 Crore (approx.) 69% higher than gross collection for the corresponding period last year. Notified vide Press release dated 11th November 2022...[Read more.](#)
- CBDT has issued the Explanatory Note for Finance Act, 2022. Notified vide Circular / 2022 dated 03rd November 2022...[Read more.](#)

## 2. Goods and Services Tax (GST) 2017

- Ministry of Finance has announced the revenue collection for Nov 2022 INR 59678 Crore as higher than GST revenue collection in Nov 2021 – Notified vide Read the Press Release. dated 1st December 2022...[Read more](#)
- CBDT has notified the amendment in Form GSTR-9 (annual return for regular taxpayers) for FY 2021-22. Notified vide Notification 22, dated 15th November 2022...[Read more](#)

## 3. NCLAT Judgments

- Debtors' status arrived at finality cannot be modified: NCLAT Delhi In the case of Raghavendra G Kundangar & Ors v. Shashi Agarwal & Anr. dated August 24, 2022, the NCLAT bench comprising of Ashok Bhushan, J., M Satyanarayana Murthy, J. and Mr. Barun Mitra(TM), applied the Doctrine of Prospective Overruling while observing that when the quality of a debtor becomes final, it cannot be modified on the basis of a subsequent judgement in different proceedings... [Read more](#)
- NCLAT Delhi rescinded liquidation order, giving additional opportunity for inviting resolution plans In the case of Nikhil Tandon v Sanjeev Bindal & ors, the Principal Bench of the NCLAT comprising of Justice Ashok Bhushan and Mr. Brun Mitra cancelled a winding-up order of the debtor company and gave an additional opportunity for the Committee of Creditors (CoC) and the Resolution Professional to check whether there may be a resolution plan to revive the debtor company...[Read more](#)

## 4. Securities Exchange Board of India (SEBI) 1992

- SEBI has notified the procedural requirements for entities against listed the non-convertible debt securities like NCDs + non-convertible redeemable preference shares (NCRPS) with stock exchange + intend to undertake scheme of merger or arrangement...[Read more](#)
- II. SEBI has notified the registration + regulatory framework for Online Bond Platform Providers (OBPPs)...[Read more](#)

## NOC Required by Bank Defaulters to Invest Abroad- By Soumya Kumari , Associate and Mr. Syed Naqvi, Senior Partner



The Government of India, on 22 August 2022, through the Ministry of Finance and in consultation with the Reserve Bank of India (RBI) notified the Foreign Exchange Management (Overseas Investment) Rules, 2022, Foreign Exchange Management (Overseas Investment) Regulations, 2022 and Foreign Exchange Management (Overseas Investment) Directions, 2022 (OI guidelines). These Rules have been issued to amend regulatory framework concerning overseas investments and acquisition of immovable property outside India and are notified in supersession of Foreign Exchange Management (Transfer or issue of any Foreign Security)(Amendment) Regulations, 2004 Master Direction -Direct Investment by Residents in Joint Venture (JV)/ Wholly Owned Subsidiary (WOS) Abroad and the Foreign Exchange Management (Acquisition and Transfer of immovable Property Outside India) Regulations, 2015. Under this amended scheme, the net worth of a registered firm or LLP will be the sum of the capital contribution of partners and undistributed profits of the partners after deducting them from the aggregate value of accumulated losses, Deferred Expenditure, and miscellaneous expenditure not written off as per the last audited balance sheet. The amendment gives direction where investment by a person resident in India in the equity capital of a foreign entity classified as ODI (Overseas Direct Investment), such will continue to be treated as ODI even if investment falls below ten per cent of the paid-up equity capital or such a person loses control in the foreign entity. Any Indian resident who has acquired and continues to hold equity capital of any foreign entity can invest in the equity capital issued as a rights issue or may be granted bonus shares subject to the terms and conditions under these rules. Indian resident whose account is classified as Non-Performing Assets (NPA), as a willful defaulter by any bank, or currently under investigation by a financial service regulator. Such a person will have to obtain a 'No Objection Certificate' (NOC) from the lender bank or regulatory body or the investigative agency before making any financial commitment or undertaking disinvestment. The amendment states that the pricing will be on an arm's length basis. Any Indian resident may transfer equity capital through sale to a person resident in India, who is eligible to make such investment under these rules or to a person outside India.

A resident in India shall not make a financial commitment to a foreign entity that has earlier invested or Invested in India, at the time of making such a financial commitment, either directly or indirectly, which will result in a structure with more than two layers of subsidiaries as per the amended rule. An Indian entity which is having an overseas office may require immovable property outside India for the Business and residential purposes of its staff. An Indian Resident may acquire immovable property outside India from a person resident outside the country by way of inheritance, purchase out of foreign exchange held in RFC account, purchase out of the remittances sent under the Liberalized Remittance Scheme instituted by RBI., jointly with their relative or out of the income or sale proceeds of the assets other than ODI. An Indian entity which is not engaging in the insurance sector may make an ODI in general health insurance where such an insurance business is giving support to the core activity undertaken by an overseas entity.

"Law is not law if it violates the principles of eternal justice."



**SKS**  
S.K. SINGHI & PARTNERS

**HALL OF FAME**

*Delighted to share that S.K. Singhi & Partners have been awarded -*

*"Most Innovative Organization of the Year in Legal Services"*

By ASSOCHAM, one of the Most government Business & Industry Chamber in the Country at its Annual Business Excellence Awards held at Kolkata.

The Award was received by our team led by Senior Partner Mr. Akshay Singhi and team comprising Senior Associates Mr. Sunam Roy, Mr. Vidusha Mondal.

The award was presented by Mr. Shashi Prasad, Hon'ble Cabinet Minister of Industries, Commerce & Enterprise, Government Of West Bengal, Mr. Akshay M BHASKAR, Consulate General, Rasta & other office bearers of ASSOCHAM.

We thank all our Well-wishers, Associates, Friends and Clients for their continuous Support, Trust and Confidence.



**Inauguration of new office at Nariman Point Mumbai 16.09.2022**



**SKS**  
S.K. SINGHI & PARTNERS

**CONGRATULATIONS**

On the momentous occasion of completion of Thirteen years of accomplishment and stepping into the Fourteenth year of journey as a Leading Full Service Law Firm, we thank all partners, advisers and associates for their combined efforts to actualise this stature.

Your untiring support and hardwork has made the years count rather than we counting the years.

To consolidate and add sparkling speed to our growing practice areas, addition of new practices and expanding footprints to unrepresented domestic and international territories, we proudly announce the elevation and appointment of:-



**ANKUR SINGHI**  
Jr. Managing Partner



**ANANYA PANDEY**  
Senior Partner



Birthday celebration of Ms. Piyali Pan



Birthday celebration of Mr. Ankur Singhi



Birthday celebration of Ms. Anita Patra

**MEET OUR CREATIVE TEAM**



New Year 2023 celebration

**HAPPY NEW YEAR  
2023**



**Soumya Kumari**



**Srishti Agrawaal**



**Sangini Singhal**



**Aanchal Gupta**



**Ananya Pandey**

**ज्ञान की दीप्ति का आँचल जिस संस्था की संगिनी हो, सृष्टि उसे और सौम्य एवं अनन्य बनाती है। शुभम्।**

The firm is headquartered in Kolkata, with offices in New Delhi and Mumbai and practices in a number of other Indian cities and abroad. It enjoys an international presence through global alliances with leading law firms.

The firm was setup as a sole proprietorship concern under the leadership of Managing Partner, Mr. S.K. Singhi and was subsequently converted into a Limited Liability Partnership (LLP) as it exists today.

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**Coming Soon...**

**Watch this space for the announcement of a path-breaking disruptive initiative of transforming the Indian Legal System...**

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