Lexport Interpreting India for commerce

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LEXPORT NEWSLETTER

OCTOBER 2026 | WEEK 4

Dear Readers,

This weekly newsletter offers you a concise analysis of important developments, notable judgments, and noteworthy regulatory amendments and developments in the corporate and financial sectors.

This newsletter will cover updates inter alia from **Banking Laws & FEMA, Corporate Laws, Securities Laws and Capital Markets, Competition Laws, Indirect Taxes, Customs and Foreign Trade, Intellectual Property Laws, and Arbitration Laws.**

Acknowledging the significance of these updates and the need to stay informed, this newsletter provides a concise overview of the various changes brought in by our proactive regulatory authorities and the courts.

Feedback and suggestions will be much appreciated. Please feel free to write to us at mail@lexport.in.

Regards,
Team Lexport



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Indirect Tax

GST registration amendments relating to business name, constitution and additional places of business to be processed automatically: PIB clarifies revised procedure

The Press Information Bureau (PIB), through its Frequently Asked Questions on amendment in GST registration, clarified the revised procedure for amending registration particulars under the CGST Rules, 2017. Amendments relating to the legal name of the business, constitution of the business and Additional Place of Business (APoB), which were previously treated as core amendments requiring approval of the proper officer, are now treated as non-core amendments and processed automatically through the system without requiring such approval. Similarly, an amendment to the Principal Place of Business (PPoB) in respect of registrations obtained under Rule 14A of the CGST Rules, 2017, is treated as a non-core amendment and processed automatically. However, for registrations other than those obtained under Rule 14A, an amendment to the PPoB continues to be treated as a core amendment requiring approval of the proper officer. For amendment of the legal name, the taxpayer is required to file FORM GST REG-14 on the common portal, following which the system amends the name upon successful validation of the PAN details. For addition of an APoB, FORM GST REG-14 must be filed along with the prescribed documents evidencing the place of business, as specified in the list attached to FORM GST REG-01; the application is processed automatically, and the APoB is added to the registration. The same application and documentary requirements apply to a Rule 14A taxpayer seeking amendment of the PPoB, with the application processed automatically. In contrast, a normal taxpayer registered under Rule 9 must file FORM GST REG-14 with the prescribed supporting documents for amendment of the PPoB. Where no discrepancy is found, the proper officer is to approve the application within 15 days from its filing; where a discrepancy is found, a show-cause notice is to be issued within 15 days, the applicant must reply within seven working days from issuance of the notice, and the officer is to take action within seven working days after receiving the reply. The PIB further clarified that taxpayers seeking to add multiple APoBs need not wait for the earlier amendment application to be processed before filing another application, as amendments relating to APoBs are accepted automatically by the system.

Press Information Bureau, Government of India, "Frequently Asked Questions (FAQs) on amendment in GST registration", FAQ ID 160398.



Soumya Shrivastava





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Indirect Tax

GST Demand on Common Head Office Expenses Quashed for Incorrect Valuation and Invalid Invocation of Section 74: Gujarat High Court

The petitioner, Gujarat Co-operative Milk Marketing Federation Limited, popularly known as "Amul", a farmers' co-operative federation with its Head Office (HO) at Anand, incurred common corporate expenditure, including advertisement and publicity, IT infrastructure, annual maintenance services, legal fees, litigation expenses and employee salaries, for services utilised by the Federation and its branches and depots during July 2017 to March 2019. The petitioner held an Input Service Distributor (ISD) registration for its HO and a common GST registration for its branches and depots in Gujarat, while maintaining separate GST registrations for establishments outside Gujarat. The expenditure was recorded in the HO's books of account, but the petitioner did not allocate it to its branches and depots through cross-charging or issue corresponding tax invoices. The GST authorities issued a show-cause-cum-demand notice dated 31 August 2022 under Section 74 of the Central Goods and Services Tax Act, 2017, proposing IGST on the common expenditure apportioned according to branch turnover. By Order-in-Original dated 1 January 2025, the Additional Commissioner of CGST confirmed an IGST demand of ₹43,43,12,441, along with applicable interest and penalty. The petitioner challenged the order, relying on CBIC Circular No. 199/11/2023-GST dated 17 July 2023 and Circular No. 210/4/2024-GST dated 26 June 2024, which clarify the valuation of services supplied between offices of the same organisation, including cases where the recipient is eligible for full input tax credit (ITC). The Gujarat High Court held that establishments having separate GST registrations across States are distinct persons under Sections 25(4) and 25(5) of the CGST Act, and services supplied between such persons in the course or furtherance of business fall within Entry 2 of Schedule I, even without consideration. However, establishments operating under a single GST registration do not constitute distinct persons for this purpose and are outside the scope of cross-charging. On valuation, the Court relied on the second proviso to Rule 28 of the CGST Rules, 2017, the aforesaid CBIC circulars and the decision in Metal One Corporation India (P.) Ltd. v. Union of India. Since the petitioner had not issued tax invoices for the services in question, the Court held that their value was required to be treated as nil, with the consequence that no tax liability arose in the circumstances of the case.

The authorities could not determine the value of the services by proportionately allocating common expenditure according to branch turnover merely because the petitioner had not adopted cross-charging. The Court further held that invocation of the extended limitation under Section 74 required foundational facts establishing fraud, wilful misstatement or suppression of facts with intent to evade tax; mere recitation of statutory expressions or the fact that information was unearthed during a DGGI investigation was insufficient. The Court noted that the expenditure had been duly recorded in the petitioner's books of account and that any tax paid on cross-charged services would have been available as ITC to the recipient branches and depots, rendering the situation revenue-neutral. Accordingly, the adjudicating authority had mechanically invoked Section 74 without establishing its essential ingredients. The writ petition was allowed, and the impugned Order-in-Original was quashed and set aside.

Gujarat Co-operative Milk Marketing Federation Ltd. v. Union of India, R/Special Civil Application No. 7085 of 2025, High Court of Gujarat at Ahmedabad. (2026) 47 Centax 181 (Guj.)



Soumya Shrivastava



Litigation

M/s Jpee Drugs v. State of Madhya Pradesh & Ors., Civil Appeal arising out of SLP (C) Nos. 14499–14500/2026 (Supreme Court of India, decided on 06.10.2026)

The Supreme Court set aside the blacklisting and debarment orders imposed on Jpee Drugs, a licensed manufacturer and supplier of medicines to Government hospitals, after four batches of supplied drugs were declared "Not of Standard Quality" (NSQ). The firm had been blacklisted for three years in respect of Ascorbic Acid tablets and debarred for two years in respect of Ethambutol tablets, based on the initial laboratory reports.

The Court held that the authorities had failed to comply with Clause 6 of Annexure IX to the tender document, which mandatorily required a second sample from the same batch to be sent to another laboratory for testing before blacklisting. Although the High Court had directed fresh testing, the authorities failed to draw the samples within the stipulated 15 days. By the time the matter reached the Supreme Court, all four batches had expired, rendering further testing ineffective and depriving the firm of a meaningful opportunity to challenge the original laboratory reports.

Relying on Medipol Pharmaceutical India Pvt. Ltd. v. Post Graduate Institute of Medical Education & Research, the Court emphasised that where delay attributable to State authorities deprives a party of an effective opportunity for retesting, adverse action founded on the disputed test results cannot be sustained. This principle applies even where the consequences arise from administrative or contractual action rather than criminal prosecution. Given the serious civil consequences of blacklisting and the irretrievable loss of the opportunity for retesting, the Court quashed the orders dated 30.09.2024 and 01.10.2024 and set aside the High Court's decisions to the contrary.

Law: Where blacklisting is founded on disputed drug-quality reports, failure to follow a mandatory retesting procedure, coupled with State-attributable delay that destroys the effective opportunity for retesting, renders the resulting punitive action legally unsustainable.



Hardik Jain





Litigation

Tejaram v. State of Rajasthan, Criminal Appeal arising out of SLP (Crl.) No. 11709/2025 (Supreme Court of India, decided on 16.10.2026)

The Supreme Court dismissed the appeal challenging the framing of a charge under Section 7 of the Prevention of Corruption Act, 1988, against a police constable accused of demanding illegal gratification of ₹1.5 lakh on behalf of the Superintendent of Police. The principal contention was that the investigation was vitiated for want of prior approval under Section 17A of the Act.

The Court held that Section 17A does not confer blanket immunity upon public servants. Its protection is attracted only where the alleged offence is relatable to a recommendation made or decision taken by the public servant in the discharge of official functions or duties. The decisive consideration is the connection between the alleged offence and an official recommendation or decision. A demand for illegal gratification, being a criminal act unconnected with the discharge of official duties, does not fall within the provision.

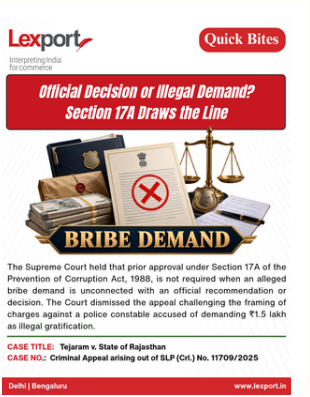
Relying on CBI v. Santosh Karnani, Surendra Dhariwal v. State of Rajasthan and Anil Daima v. State of Rajasthan, the Court reiterated that prior approval under Section 17A is not required for allegations of demanding a bribe unrelated to any official decision or recommendation. It further held that the pending reference concerning the validity of Section 17A before a larger Bench did not prevent adjudication, since the provision was inapplicable on the facts. The Court also observed that the prosecution sanction under Section 19, having been obtained before cognizance, did not invalidate the proceedings merely because of the alleged delay.

Law: Prior approval under Section 17A of the Prevention of Corruption Act is required only for offences connected with a public servant's official recommendation or decision; allegations of demanding illegal gratification as an independent criminal act do not attract its protection.



Hardik Jain







Litigation

Sri Rajkumar Madki v. Dr. Shailendra Beldale, Criminal Appeal No. 3387/2026 (Supreme Court of India, decided on 16.10.2026)

The Supreme Court considered whether a private individual can institute a complaint under Section 200 CrPC against an elected candidate for an offence under Section 125A of the Representation of the People Act, 1951, alleging false disclosure in an affidavit accompanying the nomination papers. The Karnataka High Court had quashed the complaint on the ground that Section 195(1) CrPC required the complaint to be initiated by the Election Commission or the concerned public servant.

The Supreme Court held that Section 195(1)(a) CrPC expressly restricts cognizance of offences under Sections 172 to 188 IPC, but does not include Section 125A of the Representation of the People Act. Since Section 125A was introduced in 2002 and Section 195 was subsequently amended in 2006 without including Section 125A, the legislative omission was deliberate. The Court further noted that Section 125A prescribes punishment notwithstanding anything contained in any other law, and no statutory provision mandates that complaints under this section can be instituted exclusively by a public servant.

Accordingly, the Court held that a private complaint alleging an offence under Section 125A need not satisfy the requirements of Section 195(1) CrPC. It clarified that the Election Commission's guidelines or press notes do not bind courts in interpreting statutory provisions. However, on the facts of the present case, the allegation of false declaration concerning the respondent's residential address had been prima facie effectively rebutted, making the possibility of conviction remote. The Court therefore upheld the quashing of the complaint, albeit for reasons different from those adopted by the High Court.

Law: Section 195(1) CrPC does not bar a private complaint under Section 125A of the Representation of the People Act, 1951; however, courts retain the power to prevent frivolous or harassing proceedings.



Hardik Jain





Litigation

K. Ramalingam & Ors. v. Government of Tamil Nadu & Ors., Civil Appeal arising out of SLP (C) Nos. 20051–20052/2019 (Supreme Court of India, decided on 16.10.2026)

The Supreme Court allowed the appeals challenging the validity of a Gift Deed dated 30.08.2017, through which a temporary trustee of the Nagapalayam Mariamman-Ponnachiamman Temple gifted 1 acre and 10 cents of temple land to the Government of Tamil Nadu for construction of a Taluk Office. The Court held that the land was an inam granted for the support and maintenance of the deity and was therefore governed by Section 41 of the Tamil Nadu Hindu Religious and Charitable Endowments Act, 1959.

The Court clarified that Section 41(1) expressly prohibits gifts of such inam property and declares them null and void, without any possibility of subsequent validation by the Government. Unlike other transactions, such as sales or leases, a gift cannot be sanctioned even if claimed to serve a public purpose. The Gift Deed was consequently void ab initio, and its registration could not cure the illegality under Section 22-A of the Registration Act, 1908, as applicable in Tamil Nadu. The Court further emphasised that trustees, whether temporary or permanent, must exercise fiduciary responsibility and administer temple property for the benefit of the deity and devotees. The State, as statutory custodian, cannot become the beneficiary of an unauthorised transfer of the very property it is obliged to protect.

Considering that a Taluk Office had already been constructed, the Court allowed the lease in favour of the Government to continue but enhanced the rent to ₹31,000 per month with effect from 08.03.2019, subject to revision every three years and not below that amount. The State was directed to pay rent arrears within three months and costs of ₹1 lakh to the Temple.

Law: A gift of inam property dedicated to a religious institution is void under Section 41 of the Tamil Nadu Hindu Religious and Charitable Endowments Act, 1959, and cannot be validated by Government sanction, registration or the assertion of public interest; the interests of the religious institution must remain paramount.



Hardik Jain





Litigation

Nagendra Ray v. State of Bihar

Criminal Law / Bail / Duty to Record Reasons

Supreme Court Sets Aside Patna High Court Bail Orders in Murder Case for Ignoring Video Footage and Witness Statements, Remits Matters for Fresh Consideration

The Supreme Court has set aside three Patna High Court orders granting anticipatory bail and regular bail to accused in a murder case, holding that the High Court failed to consider key material and to give its own reasons. A Bench of Justices Dipankar Datta and Sheel Nagu remitted the bail applications for fresh decision, while allowing the accused to remain on interim bail meanwhile.

The appeals were filed by the father of the deceased, Chandan Ram. The High Court had granted anticipatory bail to Kamakhya Singh @ Deepu Singh (order dated 23 October 2024) and regular bail to Ram Pratap Singh @ Ravi Kant Singh (20 December 2024) and Ramakant Solanki @ Ramakant Singh (10 January 2025). The prosecution alleged that on 21 May 2024, after an earlier incident during the Lok Sabha elections, a group of 40 to 50 armed persons surrounded the appellant's son and others at Bhikhari Chowk in Saran district and opened fire. The appellant's son was shot in the chest and died. FIR No. 346/2024 was registered under the IPC and the Arms Act, a chargesheet and supplementary chargesheet were filed, and the trial is pending.

The sessions court had refused bail to all three accused, relying substantially on police video footage of the incident showing their presence, and recording that Ram Pratap Singh was seen holding a rifle. The Supreme Court found that the High Court omitted any consideration of this footage, even though the sessions court's orders referred to it. It also found that the High Court ignored the statements of witnesses under Section 161 of the CrPC who had identified the accused after being shown the footage. In Ramakant Solanki's case, the High Court recorded the Investigating Officer's submission on the footage but gave no independent analysis. Relying on Assistant Commissioner, Commercial Tax Department v. Shukla and Brothers, the Court stressed that merely recording the parties' submissions is not a proper approach and that courts must give their own reasons, however concise.



Meyank Pandey

The Court set aside the impugned orders and revived the bail applications before the High Court for fresh consideration. The three accused will remain on interim bail on the existing terms until the roster Bench decides the applications after hearing the accused, the complainant and the police. The Court clarified that its observations are not findings on the merits.

Nagendra Ray v. State of Bihar & Anr.

Case No.: Criminal Appeals arising out of SLP (Crl.) Nos. 2171, 4385 and 6026 of 2025 (2026 SCC OnLine SC 2199)
Forum: Supreme Court of India





Litigation

Anil Valiaparampil Abraham v. Directorate of Enforcement

Criminal Law / Money Laundering / Bail

Supreme Court Grants Bail to PMLA Accused After Over One Year in Custody, Directs Trial Court to Frame Charges Within Four Months

The Supreme Court has granted regular bail to an accused in a money laundering case, noting the time he has already spent in custody, the nascent stage of the trial and the likelihood that the trial will take long to conclude. A Bench of Justices M.M. Sundresh and Prasanna B. Varale also directed the trial court to frame charges within four months.

The appellant is an accused in M.L. Case No. 11 of 2025, arising out of ECIR No. KLZO-I/21/2023 registered by the Enforcement Directorate, Kolkata Zone-1, for offences under Sections 3 and 4 read with Section 70 of the Prevention of Money Laundering Act, 2002. The Special Court rejected his bail plea on 22 December 2025, and the Calcutta High Court dismissed his bail application on 24 July 2026.

The appellant argued that cognizance of the prosecution complaint had not yet been taken against him and that he had been in custody for about one year and three months. The Additional Solicitor General submitted that the appellant had misappropriated huge sums despite the transactions being monitored by the Court. The Bench noted that the other accused who were arrested had been granted bail and that many others had not been arrested at all. It observed that the trial would take substantial time, so continued incarceration was not required to secure the trial. It also noted that the trial was at a nascent stage as cognizance was yet to be taken against the appellant.

The Court set aside the High Court's order and granted bail on terms to be fixed by the trial court. Considering the facts of the case, it directed the trial court to frame charges within four months of receiving the order.

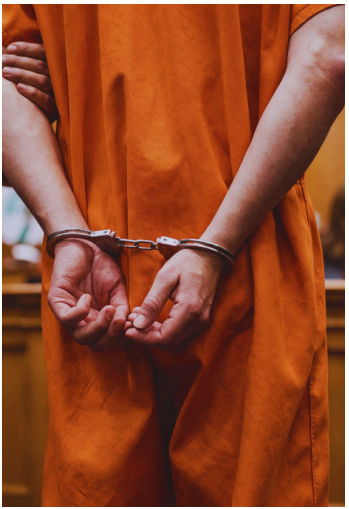
Anil Valiaparampil Abraham v. Directorate of Enforcement, Kolkata Zone-1

Case No.: Criminal Appeal arising out of SLP (Crl.) No. 15488 of 2026 (2026 SCC OnLine SC 2206)
Forum: Supreme Court of India



Meyank Pandey





Litigation

3. R. Saravanan v. Periyar University

Service Law / Writ Jurisdiction / Letters Patent Appeal

Supreme Court Holds Letters Patent Bench Cannot Interfere With Well-Reasoned Writ Court Decision Merely Because It Takes a Different View, Restores Order Setting Aside Removal of University Official

The Supreme Court has held that a Letters Patent Bench cannot disturb a just and reasonable decision of a writ court exercising powers under Article 226 merely because it holds a different view. A Bench of Justices P.K. Mishra and Shree Chandrashekhar restored a single judge's order that had set aside the removal from service of a Periyar University Deputy Registrar, finding that the findings against him rested on no evidence.

The appellant, a Deputy Registrar, faced a disciplinary inquiry after a complaint about assets disproportionate to his income. A One-man Commission headed by a retired judicial officer found Charge Nos. 1, 4 and 10 proved, and the Syndicate removed him from service with effect from 27 July 2013. Charge 1 alleged that he influenced the grant of affiliation to a college of which his wife was Managing Trustee. Charge 4 concerned a house in his mother's name, and Charge 10 concerned a car bought without the University's permission. The writ court set aside the removal, holding that the findings had no evidentiary basis. A Division Bench of the Madras High Court reversed that decision in a Letters Patent Appeal under Clause 15 and restored the punishment.

The Court first rejected the appellant's challenge to the validity of the inquiry. A memorandum of charges had been served, 22 witnesses were examined in his presence, he participated throughout, and Rule 17(g) of the T.N. Civil Services (Discipline and Appeal) Rules, 1955 permitted appointing the Commission. On the merits, however, the Court held that the findings were perverse. Charge 1 was held proved only because influence "could not be ruled out", and Charges 4 and 10 were based on adverse inferences from the appellant's failure to produce documents. A finding resting on no evidence is an error of law correctable by certiorari, and the Court distinguished such a case from one involving mere appraisal of evidence. It also held that the rule of exhausting statutory remedies is one of convenience, and that a writ court should not stay its hand where removal from service has such drastic consequences.



Meyank Pandey

On the Letters Patent Bench's powers, the Court traced the history of Letters Patent and Clause 15 and noted that such an appeal is not equivalent to a second appeal and can extend to questions of fact. It held, however, that the Bench must be slow to interfere with the exercise of discretion by the writ court and may do so only where findings are demonstrably erroneous and the mistake is glaring. The Division Bench had re-appreciated the entire evidence without any cogent reason. The Court set aside its judgment of 29 August 2019 and restored the writ court's decision, with no order as to costs.

R. Saravanan v. Periyar University, Rep. by its Registrar & Ors.

Case No.: Civil Appeal arising out of SLP (C) No. 4216 of 2020 (2026 SCC OnLine SC 2202)
Forum: Supreme Court of India





Corporate

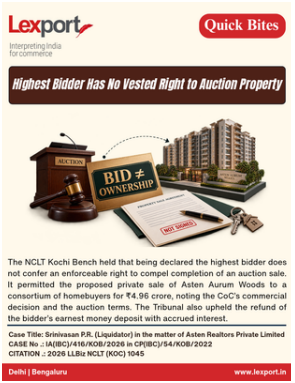
Highest Bidder Has No Vested Right to Enforce Auction Sale Before Completion; NCLT Kochi Permits Private Sale to Homebuyers

The National Company Law Tribunal (NCLT), Kochi Bench, held that a person declared the highest bidder in an auction does not acquire a vested or enforceable right to compel completion of the sale before the transaction is concluded. The proceedings arose from an application filed by the liquidator of Asten Realtors Private Limited seeking approval for the private sale of the Asten Aurum Woods Project in Ernakulam to a consortium of homebuyers for ₹4.96 crore, following approval of the proposal by the Committee of Creditors (CoC). The property had earlier been offered through e-auction, in which Muhammed Aslam emerged as the highest bidder with an offer of ₹4.96 crore; however, the sale remained incomplete because the balance consideration was not paid after the Kerala High Court stayed further proceedings pursuant to the auction notice. Meanwhile, the homebuyers approached the Kerala High Court for relief concerning the project, and the CoC subsequently resolved to consider a private sale to them. During the NCLT proceedings, counsel for Aslam sought time to file an impleadment application, but the Tribunal declined the request, observing that being declared the highest bidder did not confer a vested right in the property. The Tribunal noted that the auction notice expressly reserved the liquidator's right to cancel, modify or extend the auction terms and, relying on the Supreme Court's decision in Eva Agro Feed v. Punjab National Bank, reiterated that an auction sale does not become enforceable merely upon declaration of the highest bid. It further held that the CoC could exercise its commercial wisdom in deciding whether to proceed with an auction or a private sale, subject to the applicable regulatory framework. The Tribunal also upheld the decision to refund the earnest money deposit to Aslam along with accrued interest, notwithstanding the absence of a specific provision for interest in the auction terms. Accordingly, the NCLT disposed of the application and permitted the proposed private sale to the homebuyers.

Srinivasan P.R. (Liquidator) in the matter of Asten Realtors Private Limited*, IA(IBC)/416/KOB/2026 in CP(IBC)/54/KOB/2022, 2026 LLBiz NCLT (KOC) 1045, National Company Law Tribunal, Kochi Bench.



Rishav Sagar





Corporate

Allegations of Proxy Claims and Family Ties Insufficient to Exclude Creditors from CoC Without Conclusive Evidence: NCLT Delhi

The National Company Law Tribunal (NCLT), New Delhi Bench, held that creditors cannot be excluded from the Committee of Creditors (CoC) merely on allegations that they are proxies or benamidars of the suspended management, or on the basis of family relationships, common addresses or financial transactions. The application was filed by 20 homebuyers led by Vivek Khanna, seeking the exclusion of seven alleged proxy claimants from the CoC constituted during the Corporate Insolvency Resolution Process (CIRP) of Spaze Towers Pvt. Ltd. The applicants alleged that the claimants had entered into assured-return arrangements, received payments despite allegedly not paying the full consideration for their units, and were connected with the suspended management, thereby raising doubts about the genuineness of their claims and their eligibility to participate in CoC decisions. They also relied on alleged discrepancies in payment records, missing historical accounting data and police proceedings, and challenged two voting decisions taken at the third CoC meeting held on 9 January 2025. The Resolution Professional contended that the claims had been verified and admitted in accordance with Sections 18 and 21 of the Insolvency and Bankruptcy Code, 2016, read with Regulations 13 and 14 of the CIRP Regulations, and that the CoC's composition had already been placed on record. The Tribunal observed that discrepancies in records and assured-return arrangements could warrant further examination but did not, without a conclusive determination, establish that the claimants were not genuine creditors. It further held that an assured-return clause, by itself, did not disqualify an allottee from being treated as a financial creditor or included in the CoC. The Tribunal also noted that the Resolution Professional lacked adjudicatory powers to conclusively determine disputed questions of fraud, benami ownership or criminality, and that incomplete historical accounting data did not automatically establish that previously verified claims were fabricated. Finding insufficient grounds to establish the claimants' ineligibility, the NCLT declined to exclude the seven creditors or set aside the challenged voting decisions and dismissed the application.

Vivek Khanna & Ors. v. Gaurav Katiyar, I.A. 843 ND 2025 in C.P. (IB) 284 (PB) of 2021, 2026 LLBiz NCLT (DEL) 1047, National Company Law Tribunal, New Delhi Bench.



Rishav Sagar





Corporate

NCLT Delhi Admits Insolvency Plea Against Vatika IT Parks for ₹233.75 Crore Debenture Default; Conversion Notice Alone Insufficient

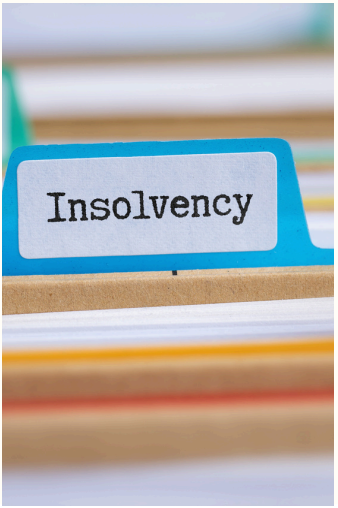
The National Company Law Tribunal (NCLT), New Delhi Bench, admitted the insolvency petition filed by Beacon Trusteeship Limited against Vatika IT Parks Private Limited under Section 7 of the Insolvency and Bankruptcy Code, 2016 ("IBC"), after finding that the corporate debtor had defaulted on its obligation to redeem optionally convertible debentures (OCDs) amounting to ₹233.75 crore. Beacon Trusteeship acted as the debenture trustee for Asset Reconstruction Company (India) Limited in relation to 12,50,000 OCDs of ₹1,000 each issued under a Debenture Trust Deed dated 29 July 2019, which provided for redemption upon exercise of a put option after 60 months. On 7 January 2025, the debenture holder exercised the put option and demanded payment of the outstanding amount, which remained unpaid. Vatika IT Parks contended that the OCDs had already been converted into compulsorily convertible debentures (CCDs) through conversion notices and subsequent resolutions, thereby extinguishing the redemption obligation. The corporate debtor also relied on an arbitration clause contained in a separate Settlement Agreement. Rejecting these objections, the Tribunal held that the issuance of a conversion notice, without compliance with the prescribed statutory procedures, did not effect a valid conversion of the OCDs into CCDs. Referring to Section 29 of the Companies Act, 2013, and Rule 9B of the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Tribunal noted that the requisite securities-related formalities, including maintenance of an active International Securities Identification Number (ISIN), had not been completed. It further held that the arbitration clause in the Settlement Agreement did not govern the debt arising under the separate Debenture Trust Deed and would not prevent the insolvency proceedings from continuing. Since the OCDs retained their character as debentures and the non-redemption following exercise of the put option constituted a default under the Debenture Trust Deed, the Tribunal found the requirements for admission under Section 7 to be satisfied. Accordingly, the NCLT admitted the petition, initiated the Corporate Insolvency Resolution Process against Vatika IT Parks, appointed Megha Agrawal as the Interim Resolution Professional and declared a moratorium under Section 14 of the IBC.

Beacon Trusteeship Limited v. Vatika IT Parks Private Limited, CP (IB) No. 203/(ND)/2025, 2026 LLBiz NCLT (DEL) 1046, National Company Law Tribunal, New Delhi Bench.



Rishav Sagar





Article

RBI's New EDF Framework: What Service Exporters and Law Firms Need to Know

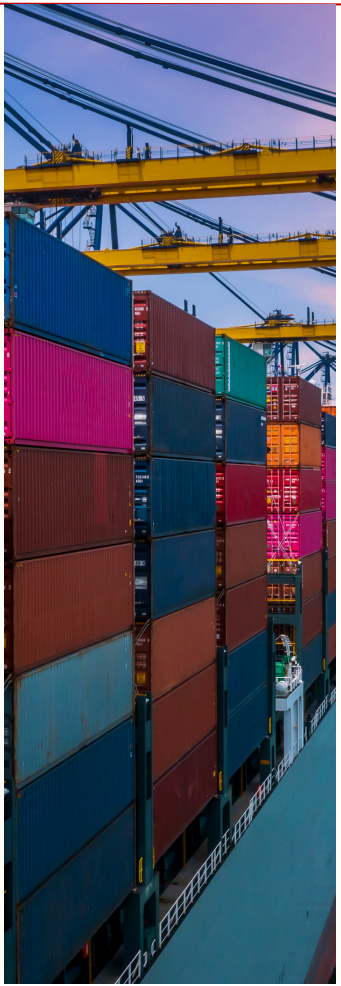
In this article, Soumya Shrivastava, Junior Associate at Lexport, highlights the significant shift introduced by the RBI's new Export Declaration Form (EDF) reporting framework for service exports, effective from 1 October 2026. The article examines how the new requirements impact service exporters, particularly law firms, partnerships, LLPs and companies providing professional services to overseas clients. It also discusses the RBI's clarification on freelancers and individuals, EDF filing timelines and procedures, bank charges, realisation of export proceeds, and the practical compliance steps businesses should take to navigate the revised FEMA framework.

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Soumya Shrivastava





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The core competencies of our firm's practice *inter alia* are Trade Laws (Customs, GST & Foreign Trade Policy), Corporate and Commercial Laws and Intellectual Property Rights.

The firm also provides Transaction, Regulatory and Compliance Services. Our detailed profile can be seen at our website www.lexport.in.

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