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- Securities and Exchange Board of India vide circular dated July 02, 2025, has opened a six month window for investors to re-lodge rejected physical shares transfer deeds.
- In order to facilitate ease of investing for investors and to secure the rights of investors in the securities which were purchased by them, it has been decided to open a special window only for re-lodgement of transfer deeds, which were lodged prior to the deadline of April 01, 2019 and rejected/returned/not attended to due to deficiency in the documents/process/or otherwise, for a period of six months from July 07, 2025 till January 06, 2026.
- During this period, the securities that are re-lodged for transfer (including those requests that are pending with the listed company / RTA, as on date) shall be issued only in demat mode. Due process shall be followed for such transfer-cum-demat requests.
- Listed companies, RTAs and Stock Exchanges shall publicize the opening of this special window through various media including print and social media, on a bi-monthly basis during the six-month period.
- The circular is attached herein.

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Securities and Exchange Board of India vide circular dated June 30, 2025, has provided extension towards Adoption and Implementation of Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (Res)

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Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (Res).

- Recognising the need for robust cybersecurity measures and protection of data and IT infrastructure, Securities and Exchange Board of India (SEBI) has issued 'Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)' vide circular SEBI/HO/ITD-1/ ITD_CSC_EXT /P /CIR /2024/113 dated August 20, 2024.
- SEBI has received multiple requests for CSCRF compliance timelines extension to ensure ease of compliance for them. Therefore, it has been decided to extend the compliance timelines by two(2) months, i.e., till August 31, 2025 to all REs, except Market Infrastructure Institutions (MIIs), KYC Registration Agencies (KRAs), and Qualified Registrars to an Issue and Share Transfer Agents (QRTAs).
- The provisions of this Circular shall come into force with immediate effect.
- The circular is attached herein.

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Reserve Bank of India vide notification dated July 02, 2025, has issued Reserve Bank of India (Pre-payment Charges on Loans) Directions, 2025

- Reserve Bank of India vide notification dated July 02, 2025, has issued Reserve Bank of India (Pre-payment Charges on Loans) Directions, 2025.
- These Directions shall apply to all commercial banks (excluding payments banks), co-operative banks, NBFCs and All India Financial Institutions.
- Regulated Entities (REs) are directed not to levy pre-payment charges on all floating rate loans extended to individuals for non-business purposes, as well as on loans granted to individuals and Micro and Small Enterprises (MSEs) for business purposes under specific institutional categories—without regard to co-obligants, source of pre-payment funds, or lock-in periods. These provisions apply if the loan is on a floating rate at the time of pre-payment. For dual or special rate loans, exemption from pre-payment charges depends on whether the loan is in its floating phase during pre-payment. In cases outside these



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specified categories, pre-payment charges may be levied based on the RE's policy—specifically, calculated on the prepaid amount for term loans, or capped at the sanctioned limit for cash credit or overdraft facilities when closed before maturity.

- In case of cash credit/ overdraft facilities, no pre-payment charges shall be applicable if the borrower intimates the RE of his/ her/ its intention not to renew the facility before the period as stipulated in the loan agreement, provided that the facility gets closed on the due date.
- An RE shall not levy any charges where pre-payment is effected at the instance of the RE.
- The notification is attached herein.

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Continued Reflection of Debt in Balance Sheet Constitutes Acknowledgment under Section 18 of the Limitation Act: NCLAT

In *Mr. Abhinav Bhatnagar v. Bank of Baroda & Ors.* (Company Appeal (AT) (Insolvency) Nos. 615 & 616 of 2025), the National Company Law Appellate Tribunal (NCLAT), New Delhi, comprising Justice Ashok Bhushan (Judicial Member), Mr. Arun Baroka, and Mr. Barun Mitra (Technical Members), held that the persistent disclosure of a debt in the balance sheets of a Corporate Debtor amounts to acknowledgment under Section 18 of the Limitation Act. Consequently, this extends the limitation period for filing an application under Section 7 of the Insolvency and Bankruptcy Code (IBC), even if the Financial Creditor's name is not expressly stated in the balance sheets.

Background:

Bank of Baroda had extended term loans amounting to ₹12.72 crore and a cash credit facility of ₹15 crore to Extol Industries Ltd., which were restructured and renewed in 2013. The borrower made regular repayments, evidenced by a No Due Certificate (NDC) dated 16.01.2016. Nevertheless, the Bank classified the account as a Non-Performing Asset (NPA) on 31.03.2016 and filed a Section 7 IBC application in 2024. The Adjudicating Authority admitted the application, prompting the present appeal.



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Appellant's Contentions:

The Appellant challenged the admission on multiple grounds, contending that:

- The classification of the account as NPA was arbitrary and contrary to RBI guidelines, given that the NDC of 16.01.2016 evidenced no default.
- For the account to be NPA on 31.03.2016, the default must have occurred by 31.12.2015, which is contradicted by the NDC.
- The Section 7 application was filed beyond the limitation period of three years from the alleged date of default.
- The order was passed without affording the Appellant a hearing, violating the principles of natural justice.

Respondent's Submissions:

The Bank argued that:

- The validity of the NPA classification was irrelevant to the maintainability of the Section 7 application.
- What matters is the existence of debt and default, both of which were not denied by the Corporate Debtor.
- The Adjudicating Authority had rightly acknowledged the existence of debt and default in paras 17–18 of the impugned order.
- The debt was continuous and subsisting even after NPA classification.

Tribunal's Observations:

Upon examining the NDC, the Tribunal noted that:

- The certificate lacked clarity and failed to specify the account details or the scope of its issuance.
- It did not conclusively establish the absence of default.

It was further observed that:

- The classification of the account as NPA on 31.03.2016 was done by the Financial Creditor's Central Statutory Auditors, along with a request for deposit of overdue amounts.
- No payment was made by the Appellant to regularize the account, demonstrating an ongoing default.

The Tribunal also emphasized that:



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- The balance sheets from FY 2015–16 to 2021–22, although not naming the Financial Creditor, consistently reflected the outstanding liability.
- The FY 2022–23 balance sheet explicitly acknowledged the liability towards the Financial Creditor.
- There was no evidence of fresh borrowing, indicating that the long-term borrowings pertained to the same creditor.

Thus, the continued reflection of the debt amounted to acknowledgment under Section 18 of the Limitation Act, thereby extending the limitation period.

Conclusion:

The NCLAT upheld the Adjudicating Authority's conclusion that the Section 7 application was filed within the extended limitation period due to the consistent acknowledgment of debt in the Corporate Debtor's financial statements. The appeal was dismissed, and the admission of Xyron Technologies Ltd. into Corporate Insolvency Resolution Process (CIRP) under Section 7 of the IBC was confirmed.

WhatsApp and Email Exchanges Can Constitute a Valid Arbitration Agreement: Delhi High Court

In a significant ruling, the Delhi High Court held that communications exchanged via WhatsApp and email between parties can amount to a valid arbitration agreement under Indian law.

Justice Jasmeet Singh, while interpreting Section 7(4)(b) of the Arbitration and Conciliation Act, 1996, clarified that a formal, concluded contract is not a prerequisite for the existence of a valid arbitration agreement. What is necessary is a clear and mutual understanding between the parties regarding arbitration as the mode of dispute resolution, which may be gleaned from their conduct and communications.

Background:

The ruling came in a petition filed by UAE-based company **Belvedere Resources DMCC**, seeking monetary security of approximately ₹23.34 crores (USD 2.77 million) from **OCL Iron and Steel Ltd.**, **Oriental Iron Casting Limited**, and **Aron Auto Limited**.

The dispute arose in 2022, when **S.M. Niryat Pvt. Ltd. (SMN)** initiated negotiations through WhatsApp, requesting an offer for coal cargo. Belvedere responded with an offer, which was accepted via WhatsApp on the same day—thus forming a binding agreement, as contended by the petitioner.



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To formalize the terms, Belvedere emailed a **Standard Coal Trading Agreement (SCoTA)** outlining the specifics of the transaction, including shipping and dispute resolution clauses. Subsequent communication, including requests to nominate the vessel and settle the transaction, continued through a combination of WhatsApp and emails.

SMN confirmed the deal multiple times, including through an email request to "send the final contract." Belvedere complied by sending the final version and sought the signed copy and advance payment. However, SMN failed to provide the signed document or payment, eventually replying that it was not receiving a "positive response" from its end and sought to postpone or alter delivery terms.

In November 2022, Belvedere communicated that the vessel had reached the loadport as agreed, but with no signed contract or advance received, the petitioner invoked arbitration based on the transaction summary.

Belvedere alleged a concluded SCoTA agreement had been reached and SMN had wrongfully repudiated the contract, leading to losses mitigated through sale at a lower market rate. Conversely, **OCL Iron and Steel Ltd.** argued that there was no binding arbitration agreement in the absence of a formally executed SCoTA.

Court's Findings:

The High Court evaluated whether the correspondence and conduct of the parties evidenced a valid arbitration agreement. It noted:

- The SCoTA was shared via email by Belvedere and duly acknowledged by the respondent.
- The respondent informed Belvedere over WhatsApp that the agreement would be signed and returned shortly.

Based on this conduct, the Court concluded that there was sufficient intent and acknowledgment between the parties to constitute a valid arbitration agreement, even without a physically signed contract.

However, the Court also held that **it lacked territorial jurisdiction** over the matter since no part of the cause of action arose in Delhi. The mere existence of a branch office in Delhi, unconnected to the transaction, was insufficient to confer jurisdiction. It also noted that **Respondent No.1 no longer operated from the Delhi address** listed.

On the issue of interim relief, the Court declined to direct the respondent to furnish security of USD 2.77 million. It observed that:



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- The petitioner's claim had not yet been adjudicated or quantified.
- The petitioner had not established that the respondent was in poor financial health or was acting to defeat a potential decree.
- Attachment orders should not be passed mechanically, particularly in the absence of evidence suggesting intent to obstruct enforcement proceedings.

Conclusion:

The Delhi High Court recognized that electronic communications—such as WhatsApp messages and emails—can evidence a binding arbitration agreement under Section 7 of the Arbitration Act, even in the absence of a formally signed contract. However, due to lack of jurisdiction and insufficient grounds for interim relief, the petition was dismissed.

Case Title: *Belvedere Resources DMCC v. OCL Iron and Steel Ltd. & Ors.*

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