

MDP LEGAL UPDATES

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MDP **HIGHLIGHTS**

FORENSIC AUDIT ORDERED IN THE MATTER OF P AND S JEWELLERY LIMITED

The Liquidator of P and S Jewellery Limited had moved an Applications seeking directions that a forensic audit be carried out in respect of the affairs of the Corporate Debtor, since certain irregularities were noticed in the books of accounts. Vide an order dated 28th September 2018, the Hon'ble National Company Law Tribunal, Mumbai Bench was pleased to allow the Application and directed that a forensic audit be carried out in respect of P and S Jewellery Limited.

The Liquidator of P and S Jewellery Limited was represented by Mr. Nishit Dhruva (Managing Partner), Mr. Prakash Shinde (Partner), Mr. Rohan Agrawal, Mr. Darshit Dave and Ms. Swati Maradani (Associates) of MDP

LEAVE UNDER CLAUSE XII OF THE LETTERS PATENT OF THE BOMBAY HIGH COURT, 1865 REVOKED

Vide an Order dated 9th October, 2018 passed by His Lordship the Hon'ble Mr. Justice G. S. Patel, leave under Clause XII of the Letters Patent of the Bombay High Court, 1865 had been granted to prosecute a suit being Comm. Suit (L) No. 1375 of 2018 ("the **Suit**") on the ground that the same was a suit for specific performance of a Memorandum of Understanding ("**MOU**") between parties, some of whom are outside the jurisdiction of the Hon'ble Bombay High Court.

On behalf of Defendant No. 4 in the Suit, Comm. Chamber Summons (Lodg.) No. 1504 of 2018 ("the **Chamber Summons**") praying for revocation of the leave was filed by Godrej Properties, Defendant No. 4 in the suit, since the Suit was a 'Suit for Land' as could be borne from the prayers in the Plaint which inter-alias sought delivery of possession of immovable property lying wholly outside the jurisdiction of the Hon'ble Court. Mr. Gaurav Joshi, Senior Advocate on behalf of Godrej Properties and by Mr. Tulzapurkar, Senior Advocate on behalf of Defendant No. 2 argued the matter relying on the judgments of the Supreme Court in Adcon Electronics Pvt. Ltd. v/s Daulat & Anr. [(2001) 7 SCC 698] and Excel Dealcomm Pvt.Ltd. v/s Asset Reconstruction Company (India) Ltd.& Ors [(2015) 8 SCC 219], His Lordship the Hon'ble Mr. Justice G. S. Patel, by his Order dated 11th October, 2018 made the Chamber Summons absolute and revoked the leave which had been previously granted by the Order dated 9th October, 2018, in terms of the reasons recorded in a separate order also dated 11th October, 2018

It was held that a Suit for specific performance of a MOU coupled with a prayer for delivery of possession of immovable properties would necessarily be a 'Suit for Land'. If such a suit relates to immovable property lying outside the original jurisdiction of the Hon'ble Bombay High Court, it would have no jurisdiction to try and entertain the same

by granting Leave under Clause XII of the Letters Patent. Pursuant to the said Order, the Suit was also withdrawn.

Nirmal Lifestyle Limited, the Defendant No. 2 was successfully defended by Mr. Ashok Paranjpe (Managing Partner), Mr. Tushar Kadam (Senior Associate), Mr. Vishal Jathar (Associate) and Ms. Shivani Vora (Articled Clerk) of MDP & Partners

MDP & PARTNERS SUCCESSFULLY REPRESENTED ACC LIMITED BEFORE THE HON'BLE BOMBAY HIGH COURT IN COMMERCIAL SUIT FILED BY EUROTAS INFRASTRUCTURE LIMITED IN BANK GUARANTEE INVOCATION MATTER

Eurotas Infrastructure Limited (“**Eurotas**”) and Gregarious Construction Materials Limited (“**Gregarious**”) have filed the Commercial Suit before the Hon’ble Bombay High Court relating to the Cement Purchase Agreement executed by and between Eurotas and ACC Limited (“**Agreement**”) thereby restraining ACC Limited from invoking the Bank Guarantees issued by Gregarious at the instance of Eurotas and grant injunction against invocation of said Bank Guarantees.

Mr. Nishit Dhruva (Managing Partner), Mr. Prakash Shinde (Partner) and Mr. Chirag Bhavsar (Senior Associate) acted as Legal Advisors and represented ACC Limited before the High Court. It was inter alia submitted that ACC Limited has rightfully invoked the Bank Guarantees in accordance with the terms of the Cement Purchase Agreement and has terminated the said Agreement, as Eurotas has failed to perform its obligation under the Agreement. Further, it was submitted that Bank Guarantee is an independent contract between the Bank and the beneficiary thereof and the Bank is always obliged to honour its guarantee as long as it is an unconditional and irrevocable.

The Hon’ble High Court after hearing submissions of respective parties, was pleased to allow ACC Limited to invoke the said Bank Guarantees issued by Gregarious at the instance of Eurotas and vacated the Ex-parte Ad-interim Order of stay passed by the Hon’ble High Court.

MDP & PARTNERS ACTED AS LEGAL ADVISORS IN RESPECT OF THE LOAN DOCUMENTATION FOR REVISED WORKING CAPITAL FACILITIES OF INR 100,00,00,000 AVAILED OF BY SANATHAN TEXTILES PRIVATE LIMITED.

Siddartha Karnani (Associate Partner), Chirag Bhavsar (Senior Associate) and Sunay Kargatia (Associate), of MDP & Partners, Advocates & Solicitors acted as the sole legal advisors for both the Borrower i.e. Sanathan Textiles Private Limited and the Consortium of Lenders comprising of Bank of Baroda and Union Bank of India and drafted the Supplemental Working Capital Consortium Documents and Security Documents in respect of revision in the existing Credit Facilities to the tune of Rs. 100.00 Crores availed of by Sanathan Textiles Private Limited.

**MDP & PARTNERS ACTED AS THE LEGAL ADVISORS
FOR PRIVATE CLIENTS TO SECURE THE REPAYMENT
OF THE LOAN PROVIDED BY THEM**

Malav Virani (Partner) and Sunay Kargatia (Associate), of MDP & Partners, Advocates & Solicitors, carried out the title due diligence in respect of the immovable property being offered as security, drafted the loan agreement and the mortgage deed and advised on various legal issues such as stamp duty and registration of the security documents as well as the applicability of the Maharashtra Money – Lending (Regulation) Act, 2014 to secure the repayment of the loan provided by private individuals to private individuals.

**MDP & PARTNERS ACTED AS THE LEGAL ADVISORS
IN RESPECT OF THE LOAN DOCUMENTATION FOR
CREDIT FACILITIES OF INR 500,00,00,000
AVAILED OF BY THE BOMBAY DYEING &
MANUFACTURING COMPANY LIMITED**

Siddartha Karnani (Associate Partner) and Sunay Kargatia (Associate), of MDP & Partners, acted as the sole legal advisors for both the borrower (The Bombay Dyeing & Manufacturing Company Limited) and lender (Bank of Baroda) and drafted the loan documents in respect of a facility of INR 500,00,00,000 availed of by The Bombay Dyeing & Manufacturing Company Limited

**MDP & PARTNERS REPRESENTED BANK OF INDIA
IN PROCEEDINGS UNDER THE INSOLVENCY AND
BANKRUPTCY CODE 2016 AGAINST HOUSING
DEVELOPMENTS AND INFRASTRUCTURE LIMITED
(HDIL)**

Nishit Dhruva, Managing Partner and Mr. Prakash Shinde, Partner at MDP & Partners represented Bank of India in proceedings under the Insolvency and Bankruptcy Code 2016 against Housing Developments and Infrastructure Limited (HDIL) before the National Company Law Tribunal, Mumbai Bench. Pursuant to a One Time Settlement Offer by HDIL, Bank of India has withdrawn the proceedings.

The link to the article:

[HTTPS://WWW.LIVEMINT.COM/COMPANIES/06GcFR2UYVU1MSYxUGIXrM/BoI-TO-WITHDRAW-PLEA-AGAINSTHDIL-IN-NCLT.HTML](https://www.livemint.com/companies/06GcFR2UYVU1MSYxUGIXrM/BoI-TO-WITHDRAW-PLEA-AGAINSTHDIL-IN-NCLT.html)

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