

DAILY LEGAL CURRENT AFFAIRS FOR JUDICIARY

8 November 2024

STATE BANK OF INDIA AND ORS. v. THE CONSORTIUM OF MR. MURARI LAL JALAN AND MR. FLORIAN FRITSCH AND ANR.

- **❖ TOPIC :** Supreme Court Orders Liquidation Of Jet Airways On Failure Of Resolution Plan
- ❖ BENCH: CJI DY Chandrachud and Justices JB Pardiwala and Manoj Misra



- **FORUM**: Supreme Court
- *** MAIN ISSUE**
 - ➤ Whether the Supreme court can order liquidation of Jet Airways by invoking Article 142 of Constitution of India or not.

*** OBSERVATIONS**

- ➤ The Supreme Court invoked its extraordinary powers under Article 142 of the Constitution to order the liquidation of Jet Airways in view of the "peculiar and alarming" circumstance that the resolution plan has not been implemented for five years.
- The Court set aside the NCLAT Order which allowed the cash-strapped Jet Airways' ownership transfer to the Successful Resolution Applicant (SRA) without complete payment in accordance with the resolution plan.
- ➤ The Court directed the NCLT Mumbai Bench to appoint a liquidator forthwith and commence proceedings for the liquidation of the corporate debtor. The amount of Rs 200 crores already infused by the SRA, Jalan KalRock Consortium (JKC), stands forfeited. The lenders and creditors are entitled to encash the Performance Bank Guarantee of Rs 150 crores furnished by the SRA.
- ➤ The bench of CJI DY Chandrachud and Justices JB Pardiwala and Manoj Misra had reserved the judgment on October 16. The NCLAT order was challenged by SBI-led lenders of the cash-strapped Airlines.
- ➤ The Court held that the NCLAT order allowing the adjustment of the first tranche of payment of Rs 350 crores against the Performance Bank Guarantee

- (PBG) was in "flagrant disregard" of the order of the Supreme Court passed on January 18 and was "perverse."
- ➤ The PBG had to be kept alive until the completion of the resolution plan as it could only be forfeited in breach of the plan. The SRA by not infusing the 1st tranche has defaulted in giving the payment costs.
- ➤ The contention of SRA that adjustment of payment was permissible under resolution plan must be rejected. The SRA has failed to implement the resolution plan by not being able to infuse the first tranche payment.
- ➤ Since the resolution plan is not possible to be implemented, we have to ensure that liquidation remains an option for the corporate creditor., the Court observed. The fundamental concern is not only to do substantial justice but also to bring speedy disposal of dispute.
- ➤ The main issue before the Court was the challenge to the decision of the NCLAT which allowed the completion of the transfer of ownership of the airlines to the SRA without paying the complete 350 crores as per the approved Resolution Plan.
- ➤ As per the resolution plan, the SRA was to pay a sum of Rs 4783 Crores, and infuse 350 crores in the first tranche of the payment as agreed.
- ➤ In the January 18 order, the Supreme Court set aside the NCLAT's August 8, 2023 decision to allow the SRA to adjust the first tranche of payment of 350 crores against a Performance Bank Guarantee (PBG) which was given as security by the lenders.
- > The bench had directed that:
- ➤ (1) The SRA on or before 31 January 2023 deposit Rs 150 crores to the SBI escrow account, failing which the SRA shall be treated as non-compliant with the RP:
- ➤ (2) The PBG of 150 crores shall continue to remain in operation and effect until the final disposal of the appeal before the NCLAT and shall be subject to the outcome of the same;
- ➤ Notably, the NCLAT in March 2024 directed the monitoring committee of Jet Airways to complete the pending transfer of ownership of the airlines to JKC within a period of 90 days and allowed the adjustment of the PBG of Rs 150 Crores towards the pending tranche payment of Rs 350 crores by the SRA.

Bashir Khan v. Ishrat Bano

❖ TOPIC: Father-In-Law Can Not Be Compelled To Maintain Deceased Son's Widow: Madhya Pradesh High Court Reiterates









BENCH: Justice Hirdesh

FORUM: Madhya Pradesh High Court



* MAIN ISSUE

➤ Whether the Father-in-law is compelled to maintain the deceased son's widow or not.

OBSERVATIONS

- ➤ The Gwalior bench of the Madhya Pradesh High Court has reiterated that under Muslim Law, a father-in-law is not required to provide financial support to his deceased son's widow.
- ➤ In doing so the high court set aside the orders of the trial court and sessions courts, which had directed the petitioner father-in-law to pay monthly maintenance to his daughter-in-law after the death of his son.
- A single judge bench of Justice Hirdesh said, "In the present case, it is not in dispute that respondent is the widow of petitioner's son and according to Mahomedan Law cited above, the father of widow's husband is not compelled to maintain her. The Calcutta High Court has specifically in the case of Shabnam Parveen (supra) observed that as per DV Act, the father-in-law of the son's widow is not bound to give maintenance to her'.
- ➤ The high court thereafter said, "As per the provisions of Muslim law and the DV Act, in the considered opinion of this Court, the present petitioner being father-in-law of respondent, cannot be compelled to give maintenance to the respondent."
- ➤ The respondent, who is the widow of the petitioner's son, demanded maintenance for herself and her two children after her husband's death from the petitioner.
- ➤ The Respondent applied for maintenance under Section 18 to 22 of the Domestic Violence Act.
- ➤ The Judicial Magistrate First Class awarded her a maintenance of Rs. 3000 per month and it was upheld by the First Additional Sessions Judge as well. The petitioner's father-in-law challenged these orders before the high court stating that in

- accordance with Muslim Personal Law, he had no financial obligation to maintain his daughter in law.
- ➤ The high court observed that the trial court and the sessions court had committed an error in granting maintenance to the widowed daughter in law

Muhammad Shafi Wani V. Muhammad Sultan Bhat

- ❖ TOPIC: For Offence U/S 504 IPC, Insult Must Provoke Complainant To Breach Public Peace Or Commit Offence: J&K High Court
- **BENCH:** Justice Javed Iqbal Wani



- **❖ FORUM:** Jammu and Kashmir High Court
- *** MAIN ISSUE**
 - Regarding Section 504 of Indian Penal Code.
- OBSERVATIONS
 - ➤ The Jammu & Kashmir High Court, in a recent judgment, quashed the complaint and proceedings against an accused, holding that the provisions under Sections 504 and 506 of the Indian Penal Code (IPC) were not substantiated by the complaint's allegations.
 - ➤ The court, exercising its inherent jurisdiction under Section 482 of the Code of Criminal Procedure, underscored the necessity of specific allegations to sustain a charge under Section 504, IPC, which addresses intentional insult aimed at provoking a breach of peace.
 - ➤ Justice Javed Iqbal Wani, in delivering the judgment, stated, "For an offence under Section 504, it is incumbent that the accused's insult provokes the complainant, thereby leading to breach of peace or commission of an offence. Moreover, the complaint must specify the actual words used to insult."
 - ➤ The court emphasized that a mere assertion of insult without detailing the language or context fails to meet the statutory requirement under Section 504.
 - ➤ The complainant alleged that the accused borrowed











- a significant sum and subsequently refused to repay, instead becoming violent and threatening dire consequences. However, the court found the complaint deficient in providing the required particulars to establish a charge of criminal intimidation under Section 506.
- ➤ Referring to essential elements of the section, the court observed that "for criminal intimidation to be made out, a genuine threat must exist, beyond mere words or a disagreement." The absence of such elements, the court ruled, precluded the prosecution of the accused under Section 506.
- ➤ In conclusion, the High Court quashed the complaint and subsequent proceedings, including orders of the trial court, holding that the requirements for invoking the alleged IPC sections were not met. The court reiterated that legal proceedings should be founded upon clear and substantiated allegations, emphasizing that justice supersedes the mere application of statutory provisions.

COURT ON ITS OWN MOTION v. SANJEEV KUMAR

- ❖ TOPIC: Delhi High Court Sentences Lawyer To 4 Months In Jail For Making Derogatory Remarks, Filing Frivolous Complaints Against Judges
- ❖ BENCH: Justice Prathiba M Singh and Justice Amit Sharma



- ❖ FORUM: Delhi High Court
- *** MAIN ISSUE**
 - > Regarding lawyers who file frivolous complaints.

*** OBSERVATIONS**

➤ The Delhi High Court has sentenced a lawyer to four months in jail after finding him guilty of criminal contempt for making derogatory remarks against judges and filing repeatedly frivolous complaints against them as well as the police officers.

- ➤ A division bench comprising Justice Prathiba M Singh and Justice Amit Sharma observed that the lawyer neither showed any remorse for his conduct nor expressed any apology and that his entire conduct was merely an attempt to scandalize and malign the Courts.
- ➤ "Such conduct on behalf of the Contemnor, especially, someone who is qualified as an Advocate cannot be left unpunished," the Court said.
- ➤ In May, a single judge had initiated suo moto criminal contempt case against the lawyer after he made personal remarks on judges and posted contemptuous comments in the chat box while appearing through virtual mode during proceedings.
- The comments were-"hope this court will pass the order on merit without pressure of bar members review no 120/2024", "Jo darta hai wo kabhi justice nhi kar payega", "janboojhkar slow slow hearings karti hai", "galat order pass karti hai, pandit ki tarah bhavishya vani karti hai...Without merit order pass karti hai", "Mere cases na sunne ke liye bar members ka pressure."
- ➤ Perusing 30-40 complaints filed by the lawyer as well as the comments made by him in the chat box, the bench observed that scandalous and derogatory allegations were made by him against trial court judges, High Court judges and police officers in order to settle scores with his wife and her family.
- "The fact that hybrid hearings which are meant to assist litigants and advocates are in fact being misused to put such derogatory remarks in the chat box, leaves no manner of doubt in the mind of the Court that the Contemnor is liable to be punished for criminal contempt," the court said.
- ➤ While sentencing the lawyer to simple imprisonment of four months, the bench also imposed a fine of Rs. 2,000 on him.
- "It is directed that the police authorities shall take Contemnor into custody from the Court itself and the Contemnor be sent to Jail," the bench further ordered while refusing to suspend the order of sentencing.







State of Haryana v. Suresh Kumar and others

- **TOPIC:** Punjab & Haryana High Court Awards Life Sentences To Three Army Officers In 1998 Murder
- **BENCH:** Justice Sureshwar Thakur and Justice Sudeepti Sharma



- **FORUM:** Punjab & Haryana High Court
- **MAIN ISSUE**
 - Regarding life sentence to three army officers in 1998 murder case

OBSERVATIONS

- > The Punjab & Haryana High Court has convicted three formers army officers and another in a 1998 murder case, wherein they shot a man dead in Haryana's Sonepat
- > The Court while overturning the trial court's decision of acquittal granted to the convicts, rejected the plea of alibi taken by the army officers.
- > The Trial Court had accepted Army records and officer statements that all the three convicts namely Captain Anand, along with Yudhvir Singh and Raj Kumar, in Roorkee on the day of the crime.
- > Justice Sureshwar Thakur and Justice Sudeepti Sharma noted, "conjoint readings of the report of the doctor concerned, who proved the apposite postmortem report of the deceased concerned, with the efficaciously proven signature disclosure statement...as made by the accused-respondents, and, also with the consequent thereto made valid recovery through recovery memo..., does there by foster an inference, that there by there is inter se corroboration inter se the medical account and the report of the ballistic expert, besides with the memos supra.
- Resultantly, the plea of alibi which otherwise for reasons.., becomes not cogently proven, thus also becomes inconsequential."

- The Court held accused persons guilty for committing the offences punishable under Sections 302 read with Section 34 IPC and under Section 25 of the Arms Act.
- According to the prosecution's case, altercations had earlier taken place between Mahender Singh and Raj Kumar's family during panchayat elections resulting in an ill-will between the parties.
- After examining the submissions, the Court noted that the Trial Court has committed "a gross perversity or absurdity in the appreciation of the adduced relevant evidence."
- ➤ It took note of the disclosure statement of Rai Kumar which led to the discovery of the "country made weapon."
- Taking note of account of eye-witnesses the bench opined that the discovery of the weapon is a "pivotal corroborative link" even in a case based upon eye witness account.
- > The court highlighted that the defence must show that the disclosure statement and any resultant recovery were forged or fabricated by proving that the alleged discovery did not directly arise from the custodial statement of the accused.
- "In a case based upon circumstantial evidence when the appositely made signatured disclosure statement by the accused and the consequent thereto prepared recovery memos, do not fall foul, of the...principles, therebys they acquire grave evidentiary vigor, especially when in pursuance thereto able recoveries are made," added the Court.
- While relying on the disclosure statement of the accused, discovery of weapon, eye-witness account and linking the chain of circumstantial evidence, the Court allowed the appeal against acquittal.



