

# Info Capsule

Monday  
December 14, 2020

**President : CS Ashish Garg**

**Vice President : CS Nagendra D. Rao**

## ❖ **Competition Laws**

### **Ports sector to have CCI-like body to settle disputes**

The ports sector will have an exclusive Competition Commission-like set-up to adjudicate on disputes and complaints, according to the Indian Ports Bill. The Bench will exercise jurisdiction, powers and authority similar to a civil court. It will adjudicate complaints raised concerning alleged anti-competitive practices or abuse of a dominant position at scheduled ports. It will also adjudicate complaints related to port charges levied by scheduled ports.

For details:

<https://www.thehindubusinessline.com/economy/logistics/soon-ports-sector-to-have-cci-like-body-to-settle-disputes/article33321659.ece>



**THE INSTITUTE OF  
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**भारतीय कम्पनी सचिव संस्थान**

**IN PURSUIT OF PROFESSIONAL EXCELLENCE**

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

## ❖ **Securities Laws & Capital Markets**

### **SEBI Final Order**

- **In the matter of Divi's Laboratories Ltd. (December 11, 2020)**

SEBI restrained from accessing the securities market and imposed a penalty of Rs. 11 lakh on an individual, Srinivas Maddineni, for insider trading activities in the shares of Divi's Laboratories Ltd. in 2017. Besides, Srinivas Maddineni, has been directed not to deal in the shares of Divi's Laboratories Ltd. for two years. Also, he has been directed to disgorge wrongful gains of Rs. 1.83 lakh along with 12 per cent annual interest.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/final-order-in-the-matter-of-divis-laboratories-ltd-in-respect-of-mr-srinivas-maddineni\\_48408.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/final-order-in-the-matter-of-divis-laboratories-ltd-in-respect-of-mr-srinivas-maddineni_48408.html)

### **News**

- **SEBI defers T+1 settlement plan after opposition from foreign investors**

Following the opposition from foreign investors, market regulator Securities and Exchange Board of India (SEBI) has deferred the plan to halve the trade settlement cycle to one day (T+1), a regulatory source said. According to an earlier schedule, the SEBI board was to decide on the issue at its final board meeting for 2020.

*For details:*

[https://www.business-standard.com/article/markets/sebi-defers-t-1-settlement-plan-after-opposition-from-foreign-investors-120121400033\\_1.html](https://www.business-standard.com/article/markets/sebi-defers-t-1-settlement-plan-after-opposition-from-foreign-investors-120121400033_1.html)

## ❖ ***Banking and Insurance***

- **DHFL Case : Latest Grant Thornton report flags fraudulent transactions of Rs. 1,058 crore (December 13, 2020)**

Crisis-ridden Non-Banking Finance Company DHFL on December 13, 2020 said fraudulent transactions of Rs. 1,058.32 crore by way of undervaluation, fraud and preferential treatment to certain entities have been detected by transaction auditor Grant Thornton (GT).

*For details:*

<https://www.financialexpress.com/industry/banking-finance/dhfl-case-latest-grant-thornton-report-flags-fraudulent-transactions-of-rs-1058-crore/2149331/>

- **Lenders to work out recast plan jointly with borrowers, says RBI (December 13, 2020)**

The Reserve Bank of India (RBI) has asked borrowers to make requests for resolution rather than working out resolution plans under the KV Kamath committee's resolution framework to tackle Covid-related stress. The resolution plan will be worked out jointly by the lenders in consultation with the borrowers. As per the RBI, borrowers do not require any resolution plan in any form to be submitted to the lending institutions at the time of request for invocation.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/lenders-to-work-out-recast-plan-jointly-with-borrowers-says-rbi-7102604/>

## ❖ ***Terminology for Today***

### **Matrix Management**

Matrix management is commonly used in organizations if they have a need to share resources across functions (i.e., different departments). In a matrix management system, an individual has a primary report-to boss and also works for one or more managers, most typically on projects.

## ❖ **Business and Economics News**

- **Legal titans Harish Salve and C.A. Sundaram clash in *Tata vs. Mistry battle* (December 13, 2020)**

The corporate war between Tata Group and the Mistry family has brought some of India's leading and most expensive advocates face to face in the Supreme Court. Backed by India's top legal firms, the Tatas have fielded senior advocates Harish Salve and Abhishek Manu Singhvi to argue on behalf of Tata Sons, while the Mistris have fielded another veteran, C. Aryama Sundaram on their behalf.

*For details:*

[https://www.business-standard.com/article/companies/legal-titans-harish-salve-and-c-a-sundaram-clash-in-tata-vs-mistry-battle-120121300358\\_1.html](https://www.business-standard.com/article/companies/legal-titans-harish-salve-and-c-a-sundaram-clash-in-tata-vs-mistry-battle-120121300358_1.html)

- **Walmart's Asia CEO steps down (December 13, 2020)**

Walmart's CEO for the Asia area – Dirk Van den Berghe has give up, an individual within the know of the matter instructed ET. Berghe can be prone to step down from the board of Walmart-owned ecommerce market Flipkart.

*For details:*

[https://www.pehalnews.in/walmarts-asia-ceo-steps-down/371403/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=walmarts-asia-ceo-steps-down](https://www.pehalnews.in/walmarts-asia-ceo-steps-down/371403/?utm_source=rss&utm_medium=rss&utm_campaign=walmarts-asia-ceo-steps-down)

- **Tatas bid for Air India, 67 years after exit (December 14, 2020)**

TATA Group, India's largest conglomerate, is believed to have submitted an expression of interest for the beleaguered national carrier Air India. It is learned that the vehicle used to file the interest in AI is Air Asia India, where TATA Sons has a significant majority stake.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/tatas-bid-for-air-india-67-years-after-exit/articleshow/79712441.cms#:~:text=NEW%20DELHI%2F%20MUMBAI%3A%20Tata%20Group,has%20a%20significant%20majority%20stake.>

## ❖ **Market Watch**

<b>Stock Market Indices as on 14.12.2020</b>	
S & P BSE Sensex	46253.46 (+154.45)
Nifty 50	13558.15 (+44.30)

<b>Foreign Exchange Rates as on 11.12.2020</b> <i>(<a href="https://www.fbil.org.in/#/home">https://www.fbil.org.in/#/home</a>)</i>			
<b>INR / 1 USD</b>	<b>INR / 1 GBP</b>	<b>INR / 1 EUR</b>	<b>INR/ 1 JPY</b>
73.5914	98.0031	89.4665	.7073

❖ **Pronouncement**

December 1, 2020	Fauzdar Motors (Petitioner) vs. Lok Nath Kushwaha & Ors. (Respondent)	NCDRC
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**Delivery of Vehicle without the original documents is illegal : NCDRC****Fact of the case**

Lok Nath Kushwaha (complainant) had purchased a Tata Spacio Car on 18.02.2006 from Fauzdar Motors. The complainant, towards purchase of car, had paid Rs. 30000/- and Rs. 8100/- for registration, insurance, service charges etc. Petitioner had retained original documents of registration and insurance. The petitioner case was and continues to be that these were retained as the complainant had not paid the balance Rs.1,15,236/- to him. The District Forum, in its order dated 25.01.2007, accepted the complaint and directed petitioner to send the original documents to the complainant and also pay compensation. On appeal, the State Commission was in total agreement with the District Forum and dismissed the appeal. The State Commission held that they would not like to go into the claim and counter claim regarding outstanding amount if any, due. Once the vehicle has been delivered, the dealer cannot withhold the said documents on the plea of some dues still remaining to be paid. Now, the revision petition is filled before National Consumer Dispute Redressal Forum.

**Judgment**

The national commission found no error apparent or any material infirmity in the impugned order of the State Commission. If Petitioner had sold the vehicle and accepted the arrangement implicit in the Ikararnama, it has to bear the consequences. A responsible dealer could not have delivered the vehicle without the original documents. Such a delivery was illegal. The revision petition was dismissed after consideration with No order as to costs.

*For details:*

<https://www.scconline.com/blog/post/2020/12/08/ncdrc-delivery-of-vehicle-while-withholding-its-original-documents-would-amount-to-illegal-delivery-of-the-vehicle-commission-answers/>

<http://cms.nic.in/ncdrcusersWeb/GetJudgement.do?method=GetJudgement&caseidin=0%2F0%2FRP%2F1644%2F2008&dtofhearing=2020-12-01>

**Prepared by Directorate of Academics**

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