

Info Capsule

Tuesday
December 01, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ NCLT/NCLAT News

Suspension of Court work (Virtual hearing) and filing etc. in the NCLAT (November 30, 2020)

The NCLAT has notified that the Court work (Virtual hearing) and filing etc. in the NCLAT will remain suspended on December 01 & 02, 2020. The office will also remain closed till December 02, 2020 as two Members of the NCLAT, who were also holding the Courts, was reported to have tested positive for COVID-19.

For details:

<https://nclat.nic.in/Useradmin/upload/17860263145fc4c08250840.pdf>



**THE INSTITUTE OF
Company Secretaries of India**

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 ORDERS (November 27, 2020)

- **In the matter of New Delhi Television Limited (NDTV)**
SEBI has barred NDTV promoters, Prannoy Roy and Radhika Roy, from the securities market for two years. SEBI has also directed them to disgorge illegal gains of more than Rs 16.97 crore for indulging in insider trading over 12 years ago. SEBI has also barred seven other individuals and entities for insider trading in the shares of the NDTV for a period varying from one to two years. Some of them have been asked to disgorge illegal gains made from trading in the shares when they were in possession of Unpublished Price Sensitive Information (UPSI).

For details:

https://www.sebi.gov.in/enforcement/orders/nov-2020/order-in-the-matter-of-new-delhi-television-limited-mr-prannoy-roy-and-mrs-radhika-roy_48314.html

https://www.sebi.gov.in/enforcement/orders/nov-2020/order-on-the-matter-of-new-delhi-television-limited-mr-vikramadiya-chandra-mr-ishwari-prasad-bajpai-and-mr-saurav-banerjee_48312.html

https://www.sebi.gov.in/enforcement/orders/nov-2020/order-in-the-matter-of-new-delhi-television-limited-mr-sanjay-dutt-mrs-prenita-dutt-m-s-quantum-securities-private-limited-m-s-sal-real-estate-private-limited-and-m-s-taj-capital-partners-priva-_48313.html

SEBI ADJUDICATION ORDERS (November 27, 2020)

S. No.	Name of Entity on which penalty is imposed	Alleged Violations	Penalty (in Rs.)
1)	M/s. MPS Infotecnics Ltd. (Earlier known as Visesh Infotecnics Ltd.)	Violated Section 12A(a), (b) and (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c) & (d), 4(1), 4(2) (f), (k) and (r) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to FUTP) Regulations, 2003, Section 21 of SCRA, 1956 read with Clause 32, 36(7) and 50 of the Listing Agreement.	10 crore
2)	Mr. Tabrez Khan Proprietor of Zoid Research, (Investment Advisor)	Made wilful misrepresentations about the nature of the investments, the exorbitant fees charged to the clients and the continuous increase in its demand for higher fees under various pretext using false identities of its employees while lacking the requisite qualification and thereafter being negligent in redressing the grievances of such clients/ investors and thus violated various clauses of the Code of Conduct specified under the SEBI (Investment Advisers) Regulations, 2013 ('IA Regulations') as well as several other provisions of the IA Regulations and the relevant Circular of SEBI.	8 lakh
3)	Mishtann Foods Ltd. (Noticee) (formerly known as HICS Cements Ltd)	The Noticee by failing to resolve the investors' complaints within the time line and to take urgent steps to resolve those pending complaints and file a satisfaction report to SEBI within a period of 45 days from the date of SEBI order dated February 20, 2020 has blatantly violated the directions given by SEBI.	15 lakh
4)	Sai Prakash Properties Development Limited (SPPDL)	The Investigating Authority of SEBI issued summons under Sections 11C(3) of the SEBI Act to various entities including SPPDL for production of documents. However, SPPDL failed to comply with the summons.	2 lakh

For details:

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

❖ ***Banking and Insurance***

- **Finance Ministry asks PSU general insurers to cut flab, rationalise branches, other expenses (November 29, 2020)**

The finance ministry has asked public sector general insurance firms, especially National Insurance, Oriental Insurance and United India Insurance, to rationalise branches and cut down avoidable expenses to improve their financial health.

Earlier this year, the Union Cabinet decided to halt the merger process of three state-owned general insurance companies due to weak financial positions of these three companies. Instead, the government approved fund infusion of Rs 12,450 crore to meet regulatory parameters.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/insure/finmin-asks-psu-general-insurers-to-cut-flab-rationalise-branches-other-expenses-sources/articleshow/79473971.cms>

❖ ***Indirect Tax***

- **Goods and Services Tax**

Waiver of Penalty – Notification No. 89/2020 – Central Tax (November 29, 2020)

The Government waived the amount of penalty payable by any registered person under section 125 of the said Act for non-compliance of the provisions of notification No.14/2020 – Central Tax, dated March 21, 2020, published in the Gazette of India, between the period from December 1, 2020 to March 31, 2021, subject to the condition that the registered person complies with the provisions of the said notification from April 1, 2021.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-89-central-tax-english-2020.pdf>

- **Customs**

Exports of Gems and Jewellery through Courier Mode – Circular No. 52/2020 – Customs (November 27, 2020)

The Courier Imports and Exports (Clearance) Regulations, 1998 place a restriction on imports of precious and semi-precious stones, gold or silver in any form and not on their exports. The extant Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 and the Courier Imports and Exports (Clearance) Regulations, 1998, do not restrict exports of gems and jewellery through the courier mode.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-52-2020-updated.pdf>

❖ Business and Economics News

• IBBI Chief hints at development of 'resolvability index' for companies

India may in the coming days legally stipulate a minimum threshold of "resolvability" to prevent closure of viable companies and facilitate increased flow of credit to the companies, said insolvency regulator IBBI Chairman Shri MS Sahoo.

For details:

<https://www.thehindubusinessline.com/economy/policy/ibbi-chief-sahoo-hints-at-development-of-resolvability-index-for-companies/article33205841.ece>

❖ Terminology for Today

Spin Off

A spinoff is the creation of an independent company through the sale or distribution of new shares of an existing business or division of a parent company. The spin-off companies are expected to be worth more as independent entities than as parts of a larger business.

❖ Market Watch

Stock Market Indices as on 01.12.2020	
S & P BSE Sensex	44655.44(+505.72)
Nifty 50	13109.05(+140.10)

Foreign Exchange Rates as on 27.11.2020 (https://www.fbil.org.in/#/home)			
INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR/ 1 JPY
73.7983	98.7057	88.0222	.7097

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082269

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