

IN BRIEF



3 Biocon Malaysia units get USFDA observations

NEW DELHI
Biotechnology major Biocon said the USFDA had issued 12 observations after the inspection of three of its units in Malaysia. Biocon Sdn Bhd's insulin glargine drug substance, drug product and device assembly facilities in Malaysia underwent a pre-approval inspection by the USFDA between June 24 and July 5, Biocon said. "The inspection concluded with 12 observations issued on Form 483," a company spokesperson said. **PTI**

Renault India launches updated Duster

NEW DELHI
Auto major Renault launched the updated version of its SUV Duster in India, priced between ₹8 lakh and ₹12.5 lakh (ex-showroom). The new Duster is equipped with 25 brand new features and technology enhancements, including Apple CarPlay, Android Auto infotainment with voice recognition and EcoGuide along with safety features such as Electronic Stability Program and Hill-Start Assist. **PTI**

IOC, GAIL pact on stake in Dhamra LNG expires

NEW DELHI
State-owned refiner Indian Oil Corp. (IOC) and gas utility GAIL India Ltd.'s initial agreement to buy a 50% stake in Adani Group's ₹5,000-crore Dhamra LNG project in Odisha has expired, Oil Minister Dharmendra Pradhan said on Monday. IOC and GAIL had on September 21, 2016, signed a MoU with Adani Petroleum Terminal Pvt. Ltd. to take 39% and 11% stakes in the LNG import terminal respectively. **PTI**

SEBI gets teeth to probe new-age cases

It can fine up to ₹10 cr. if a person tampers with information to obstruct probe, destroy data

ASHISH RUKHAIYAR
MUMBAI

The Finance Bill, 2019 has given the Securities and Exchange Board of India (SEBI) new powers to act against entities that tamper or destroy electronic databases or fail to furnish information when sought by the capital markets regulator, SEBI, who can now also impose penalties of up to ₹1 crore on brokers for certain violations.

These new powers assume significance as the regulator is in the midst of probing the leak of sensitive data through WhatsApp and also recently passed fresh orders on the National Stock Exchange (NSE) co-location matter, which had been challenged at the Securities Appellate Tribunal (SAT).

As per the Finance Bill, a



SEBI can penalise brokers up to ₹1 crore if they fail to issue a contract note to clients in the prescribed format. **REUTERS**

new section – 15HAA – has been inserted in the SEBI Act that says if a person tampers with information to obstruct or influence an investigation, destroys regulatory data or tries to access data in an unauthorised manner then the

entity could be penalised up to ₹10 crore or three times the unlawful gains, whichever is higher.

"For the purposes of this clause, a person shall be deemed to have altered, concealed or destroyed such in-

formation, record or document, in case he knowingly fails to immediately report the matter to the Board or fails to preserve the same till such information continues to be relevant to any investigation, inquiry, audit, inspection or proceeding, which may be initiated by the Board and conclusion thereof," stated the Finance Bill.

WhatsApp case

Incidentally, the WhatsApp leak case or even the NSE co-location matter deal with the data being leaked through electronic means and unauthorised access to exchange data, which forms the base in most regulatory probes.

"The new section that has been inserted imposes pe-

naity on unauthorised access to regulatory data and system databases though it is not yet clear whether 'regulatory data' and 'database' as mentioned in the section refers only to SEBI data or even those maintained by exchanges, depositories and clearing corporations," said Sumit Agrawal, founder, Reg-Street Law Advisors, while adding that this is important considering the fact that SEBI is dealing with matters such as the WhatsApp leak and the NSE matter.

The Centre has also explicitly allowed the regulator to impose a fine of up to ₹1 crore on brokers if they fail to issue a contract note to clients in the format as laid down by the exchanges. Earlier, only the lower limit of ₹1 lakh was prescribed.

Tea Board to set minimum auction price,

Exports to Iran may touch 30 mn kg

SPECIAL CORRESPONDENT
KOLKATA

Tea Board of India is planning to set a floor price for the sale of tea at auctions.

It is also planning to take about 100 million kg of tea away from India's output basket in a bid to prop up the flagging fortunes of the estate-based tea industry.

"Our target is to suck around 100 million kg of teas from the system within two years," Tea Board Deputy Chairman Arun Kumar Roy told *The Hindu*.

This is proposed to be done through a slew of measures, including an early closure of tea plucking (started in 2018), allowing export of tea waste and in-siting on increasing the

fine-count level in teas (which enhances quality but takes away teas from a lot).

Iran exports

Mr. Roy said that he expected Indian exports to Iran to touch 30 million kg this fiscal, against 27.1 million kg a year ago. "As of now, we see no problem," he said (due to the ongoing sabre rattling between the U.S. and the Iran government).

Iran is India's highly-prized export market, buying expensive orthodox teas. Importing 27.1 million kg in 2018-19, it accounted for 30% of the tea export earnings at ₹2,240.9 crore.

Unit value realisation at ₹269.6 was among the highest.

BPSL default: PNB shares tank 11%

PRESS TRUST OF INDIA
NEW DELHI

Shares of Punjab National Bank on Monday tanked over 11% after the bank detected a fraud of over ₹3,800 crore by Bhushan Power & Steel Ltd (BPSL).

The scrip plummeted 10.95% to close at ₹72.80 on the BSE. During the day, it plunged 11.31% to ₹72.50. On the NSE, shares dropped 11.24% to close at ₹72.60. On the volume front, 50.02 lakh shares were traded on the BSE and over 8 crore shares changed hands on the NSE.

PNB on Saturday said BPSL misappropriated bank funds and manipulated its books of accounts to raise funds from consortium lender banks.

NCLT admits insolvency plea against Sivasankaran's company

IDBI Bank says the firm defaulted in paying ₹130.30 crore

SANJAY VIJAYAKUMAR
CHENNAI

The Special Bench of the National Company Law Tribunal (NCLT), Chennai has admitted insolvency petition against industrialist Sivasankaran's Siva Industries and Holdings Ltd. for defaulting ₹130.30 crore and failing to discharge duty as a guarantor in respect of loans given to another firm.

The case was filed by IDBI Bank Limited.

Siva Industries and Holdings had given guarantee to Rudhra Minerals Pte Limited which had defaulted in paying ₹79.45 crore as on October 1, 2018.

According to court documents, Siva Ventures Limit-



Siva Ventures merged with Siva Industries and Holdings in 2013 and became liable for the loans

ed had availed credit facilities totalling ₹62 crore in 2011 from IDBI Bank. Later, the company again availed ₹15 crore and a loan equivalent receipt limit of ₹4.5 crore to Rudhra Minerals Pte Limited over and above the original sanction already provided to Siva Ventures.

Siva Ventures merged with Siva Industries and Holdings in 2013 and the latter become liable for the loans. An one time settlement for an amount of

₹48.68 crore was also rejected and IDBI Bank filed the insolvency petition against Siva Holdings.

In 2010, Rudhra had availed a working capital facility for \$50 million in the form of letter of credit and Siva Industries had given corporate guarantee, which was later reduced to \$35 million. The firm defaulted in paying \$11 million.

IDBI Bank claimed Siva Industries had failed to discharge its liability on both accounts. NCLT admitted the petition as the company did not dispute the existence of debt and default and appointed Savan Godiawala as the interim resolution professional.

Madras Fertilizers to monetise surplus land

Firm has fixed price at ₹976 per sq.ft.

N. ANAND
CHENNAI

Public Sector Madras Fertilizers Ltd. (MFL) is planning to dispose of its surplus land of 70 acres at its premises in Manali, near here.

The company had sought shareholders' approval through a postal ballot for the same.

"Chennai Petroleum Corporation Ltd. (CPCL) has come forward to buy 4.98 acres, and the balance at a later date," said a top company official.

"However, CPCL has not given us firm commitment and, hence, we are scouting for other parties to dispose of the remaining land," he said.

The surplus land is being sold following a directive

from the Department of Fertilizers last year, that asked MFL to explore the possibility of monetising surplus land available at its premises.

After obtaining a 'no objection certificate' from the State government for selling the land to CPCL, MFL, in consultation with the district collector, fixed selling price at ₹976 per sq.ft.

"The remaining land will be sold either to CPCL, any other public sector units, Tamil Nadu government or to any other party," the official said.

In a separate communication, the department had also asked MFL to comply with the listing norms for maintaining minimum public shareholding.

Bangladesh Army to get Tata Hexa SUVs

SPECIAL CORRESPONDENT
MUMBAI

Tata Motors has won an order to supply over 200 units of the Tata Hexa four-wheel drive SUVs to Bangladesh Army for an unspecified amount.

The vehicle had met all the requirements and specifications of the Bangladesh Army.

"This order has been won against the other competitive brand SUVs and this has been the first key order from the Bangladesh Army," Tata Motors said in a statement. "The superior performance of the Tata Hexa and widely available service and spares in Bangladesh made it the most preferred brand for the army," it added.