SC SAYS IT CAN END WAIT FOR CONSENSUAL DIVORCE

SC says it can use its extraordinary power under Article 142 of the Constitution to grant divorce on ground of irretrievable breakdown of marriage if separation is inevitable and damage irreparable

The Supreme Court on Monday held that its extraordinary discretion under Article 142 of the Constitution can be used to do "complete justice" for couples trapped in bitter marriages by granting them divorce by mutual consent, sparing them the "misery" of waiting for six to 18 months for a local court to declare the annulment final.

A Constitution Bench, headed by Justice Sanjay Kishan Kaul, observed that the same extraordinary power could be used by the court to quash pending criminal or legal proceedings, be it over domestic violence or dowry, against the man or woman. This would wipe the slate clean and help them start afresh their separate lives.

The judgment on five petitions including the lead one filed by Shilpa Sailesh in 2014, authored by Justice Sanjiv Khanna for the Constitution Bench, further observed the way the entire law of divorce was built predominantly on "assigning fault" on one or the other partner. Such an approach fails to serve broken marriages, the court noted. "If a marriage is wrecked beyond hope of salvage, public interest lies in recognising this real fact," Justice Khanna reasoned.

Taking this logic forward, the Bench held that the Supreme Court could also use Article 142 to grant divorce on the ground of "irretrievable breakdown of marriage" if the "separation is inevitable and the damage is irreparable". The judgment is significant as irretrievable breakdown of marriage is not yet a ground for divorce under the Hindu Marriage Act.

However, the judgment cautioned that grant of divorce by the Supreme Court on the ground of irretrievable breakdown of marriage was "not a matter of right, but a discretion which is to be exercised with great care and caution". The court said the facts established must show that "the marriage has completely failed and there is no possibility that the parties will cohabit together".

"The judgment does not mean people can rush straight to the Supreme Court for a quick divorce. It means that the Supreme Court, using great care and caution, can invoke Article 142 to deal with certain cases which come to it by way of transfer petitions or appeals in civil or criminal matrimonial disputes," senior advocate K.V. Vishwanathan clarified on the judgment.

Several factors would be considered by the Supreme Court before invoking Article 142 in matrimonial cases.

These include the duration of the marriage, period of litigation, the time they have stayed apart, the nature of the pending cases between the couples, the number of attempts at reconciliation and the court's satisfaction that the mutual agreement to divorce was not under coercion.

On the aspect of invoking Article 142 to grant divorce by mutual consent, Justice Khanna recounted the long process involved under Section 13-B of the Hindu Marriage Act.

First, a couple seeking divorce by mutual consent had to file a joint petition in a local court. In it, they had to claim that they were living separately for a year or more and were unable to live together again. The duo had to then wait for six to 18 months before making a second motion before the same court. This time, they had to confirm their decision to divorce. Following which, the judge would make a formal inquiry before granting them a decree of divorce by mutual consent.

On Monday, Justice Khanna said the "cooling-off period" of six to 18 months was meant as time for couples to introspect. However, he reasoned that in cases in which divorce was inevitable and the marriage was beyond salvage, a six-month or a year-and-half-long wait would only "breed misery and pain, without any gain and benefit".

"The Supreme Court, in view of settlement between the parties, has the discretion to dissolve the marriage by passing a decree of divorce by mutual consent, without being bound by the procedural requirement to move the second motion. This power should be exercised with care and caution… This court can also, in exercise of power under Article 142(1), quash and set aside other proceedings and orders, including criminal proceedings," the Constitution Bench held.

GOVT. BANS 14 APPS IN J&K, CITES USE BY TERROR GROUPS

Threema, Zangi, Crypviser, BChat and Briar are some of the apps that have been banned in J&K. Getty Images/IStockPhoto

Most of the applications are communication platforms that allow encrypted messaging; the list of apps was determined after authorities examined mobile phones used by detained operatives

The Union government has instructed service providers to ban 14 applications in Jammu and Kashmir, following recommendations by the Union Home Ministry, officials said.

Most of these apps are communication platforms that allow encrypted messaging, which, the government said, were used by terror organisations in the region. Officials, including those from the Jammu and Kashmir Police, had initially recommended that the popular messaging platform Snapchat be included among these banned apps, but the Home Ministry and the Electronics and Information Technology Ministry ultimately did not include it. The list of apps was determined after authorities examined phones used by detained operatives, an official said.

Among the banned apps is Threema, a messaging app that requires a paying subscription to use. "We strongly believe in free speech and privacy as a human right and have built our app from the ground up with security and privacy in mind," Julia Weiss, a Threema spokesperson, told The Hindu. "Internet censorship is the means of a totalitarian society. We are convinced that Indian citizens do not appreciate this either... We will closely watch the situation and take legal measures if appropriate or needed."

Zangi, another popular private messaging app that does not collect users' phone numbers to let them register, is also banned. Other blocked apps are Crypviser and BChat, which say on their websites that they use blockchain technology to encrypt messages sent by users. Wickr Me is also a messaging app owned by Amazon Web Services that will not be available after 2023. File-sharing service Mediafire is also on the list.

Skipping the Internet

Briar, one of the banned apps, is a peer-to-peer messaging service that uses Bluetooth and other technologies to let users communicate even if they are not connected to the Internet. A similar app, Firefly, was used by protesters in Hong Kong during the pro-democracy protests. Nandbox, which is also blocked, is an app building platform that says on its website that it allows users to build their own messaging app.

"We weren't contacted by the Indian government before the app was blocked and we haven't received a copy of the blocking order," Michael Rogers, one of the founding members of the Briar Project, told The Hindu. "The first we knew about this was reading about it in the news."

Mr. Rogers said that the project would be reaching out to "friends at digital rights organisations" to explore options to challenge the blocking order.

Threema also said its representatives didn't receive a notice from authorities on the ban.

WhatsApp provides metadata, such as a user's phone book and call history, upon request from law enforcement authorities in response to legal requests.

CONSULTATIONS ON SEDITION LAW ARE IN FINAL STAGE: CENTRE

The government in the Supreme Court on Monday said it had initiated the "process of re-examination" of Section 124A (sedition) of the Indian Penal Code and consultations are in the "final stage".

Appearing before a Bench led by Chief Justice of India D.Y. Chandrachud, Attorney-General R. Venkataramani said the government was "very keen". He indicated that a "final shape" may be given to the exercise ahead of the next Parliament session.

The court recorded Mr. Venkataramani's submission that the consultations on the colonial-era law were at a "substantially advanced stage". It posted the case for hearing next in the second week of August.

In May last year, the court, in an interim order, suspended the use of Section 124A, stalling pending criminal trials and court proceedings under the section across the country. However, in October 2022, the petitioners alleged in the top court that arrests and prosecutions under Section 124A were continuing despite the freeze.

The government on October 31 last year assured the court that it was re-examining the colonial provision and "something may happen" in the then Winter Session of Parliament.

It further told a Bench led by then Chief Justice U.U. Lalit (retired) that no "transgressions", as claimed by the petitioners, had come to its attention.

On April 26, lawyers for petitioners, including senior advocate Gopal Sankaranarayanan, advocates Kaleeswaram Raj, P.B. Suresh, Vipin Nair and Prasanna S. urged the court to take up the case and strike down the provision.

Mr. Raj said the May 2022 order had only kept Section 124A in abeyance, the provision required to be struck down immediately rather than occupying space in the statute book indefinitely.

YEAR-END COMPLIANCES LIFT APRIL GST REVENUE TO RECORD ₹1.87 LAKH CRORE

Revenue from goods imports declined 4.5% even as domestic transactions yielded 16% more taxes; ICRA chief economist Aditi Nayar expects a normalising base and cooling inflation to moderate growth in GST revenue in the coming quarter

India's gross GST revenue hit a record high in April at ₹1,87,035 crore, 12% higher than the same month last year which had clocked the previous highest tax tally of ₹1.67 lakh crore.

GST revenue from domestic transactions carried out during March, including import of services, grew at a sharper 16% pace year-on-year in April, accelerating from the 14% recorded a month earlier.

While the Finance Ministry did not explicitly disclose the revenue growth attributable to goods imports for April, back-of-the-envelope calculations indicate there was a 4.5% decline from last April — the first contraction in revenue from goods imports in more than a year.

The first three quarters of 2022-23 had recorded more than 25% growth in GST revenue from goods imports. That growth was more tepid in the two months prior to April — 6% in February and 8% in March, indicating cooling domestic demand.

Masher Jaising, partner at Deloitte India, said the phenomenal growth in the overall collections was attributable to year-end compliances by taxpayers for 2022-23 along with rising economic activity and the official push for GST audits.

April 20 also marked the highest-ever single-day GST collection, the ministry said, with ₹68,228 crore remitted by taxpayers .

"GST collections have maintained a healthy 11% to 13% growth in recent months, but a normalising base and some cooling of inflation may moderate the pace of expansion slightly in the coming quarter," said ICRA chief economist Aditi Nayar.

PMI SIGNALS APRIL MANUFACTURING HIT A 4-MONTH HIGH, INPUT COSTS CLIMBED

India's manufacturing sector saw new orders and output record their strongest growth so far in 2023 during April, as per the survey-based S&P Global India Manufacturing Purchasing Managers' Index (PMI), which rose to 57.2 from 56.4 in March.

Overall sentiment about prospects a year ahead improved from March's eight-month low, as manufacturers gained confidence that volumes will rise going forward. New orders at producers rose at the quickest pace since December.

After a fractional reduction in the workforce in March, April saw firms seeking to expand capacities by hiring additional workers and stockpiling inputs. However, while overall job creation was "only slight", producers resorted to a record expansion in inventories last month.

Within inputs, raw materials and semi-finished items' stocks surged. "Not only did buying levels expand for the 22nd successive month, but also at a sharp rate that was the strongest since February 2021," S&P Global noted, adding suppliers were able to meet higher demand.

Finished products' stocks, on the other hand, depleted at the fastest pace this year, as demand stayed resilient. Output charges were raised at the sharpest pace in three months — but only 6% of the surveyed firms raised prices, while 92% left prices unchanged from March.

Inflation in input costs accelerated afresh. Cost increases were linked to fuel, metals, transportation and some other raw materials.

"Reflecting a robust and quicker expansion in new orders, production growth took another step forward," said Pollyanna De Lima, economics associate director at S&P Global Market Intelligence. "Companies also benefited from relatively mild price pressures... and improving supply-chain conditions."

TRADE PACT LIFTS INDIA'S FY23 EXPORTS TO UAE TO $31.3 BN

Exports from India to the UAE have grown by almost 12% in 2022-23 to hit $31.3 billion, more than double the 5.3% growth in India's overall exports, following the implementation of the bilateral trade pact (CEPA) last May, the Commerce Ministry said on Monday.

"During the CEPA Implementation period (May 2022 to March 2023), bilateral trade increased from $67.5 billion a year earlier to $76.9 billion – an annual increase of 14%," Commerce Secretary Sunil Barthwal said.

While oil continues to dominate trade between the two nations, India's automotive exports to the UAE jumped 42% while imports of aircraft parts from the Emirates surged more than 50-fold — from a mere $39 million in 2021-22 — to almost $2 billion last fiscal.

India's imports from the UAE grew 18.8% to $53.2 billion in 2022-23, faster than the 16.1% increase in its overall import bill.

Slashing tariffs

In terms of utilisation, the CEPA has already surpassed all free trade pacts entered into by India, barring the one with ASEAN, the ministry said, citing the issuance of over 54,100 certificates of origin to traders since its implementation.

Under the CEPA, the UAE eliminated duties on 97.4% of its tariff lines on goods corresponding to 99% of imports from India. India has obtained immediate duty elimination on more than 80% of its tariff lines corresponding to 90% of India's exports in value terms.

THE IMPORTANCE OF CONSTITUTIONAL PUNCTUALITY

Recently, the Tamil Nadu Legislative Assembly passed a resolution seeking to provide for a time frame for Governors to act on Bills passed by the State Legislature. The motivation was that the Governor of Tamil Nadu, R.N. Ravi, had withheld assent to as many as 13 Bills passed by the Tamil Nadu Legislative Assembly. Last week, the Supreme Court of India, while disposing of a case filed by the State of Telangana against its Governor Dr. Tamilisai Soundararajan, remarked that Governors should not sit over Bills indefinitely. Taking this sentiment farther, the idea of constitutional punctuality need not be restricted to gubernatorial offices alone. All constitutional high offices including those of the President of India and Speakers of Assemblies must suo motu evolve guidelines to discharge duties in a time-bound manner.

In the resolution passed on April 10, 2023, the Tamil Nadu Legislative Assembly urged the Union Government and President to advise the Governor to decide on the bills passed by the State Legislatures within a reasonable time period. The resolution, proposed by the Chief Minister, M.K. Stalin, argued that it was important to protect the sovereignty of the Legislatures and, ultimately, safeguard parliamentary democracy.

Subsequently, the Chief Minister of Tamil Nadu wrote to his counterparts in other Opposition-ruled States and encouraged them to pass similar resolutions in their Assemblies. So far, the Chief Ministers of Delhi, Kerala, and West Bengal have expressed their support for the resolution and its underlying principles. In the case of Telangana, the State had already filed a writ petition seeking direction from the Supreme Court to the Governor to decide on the Bills, passed by the Assembly, in a timely manner. Looking at these developments, it would be fair to say that the time has come to evolve a new constitutional architecture that would deliver on the demands for a time-bound constitutional delivery mechanism.

Evolving constitutional scheme

When the Constitution was adopted, in consequence of independence from British rule, some of the sovereign functions were retained for the sake of continuity in governance. As such, there was no time limit fixed for various authorities to discharge duties that arose out of the constitutional scheme. It may also be understood that the drafters of the Constitution, in their contemporaneous wisdom, expected Raj Bhavans to be nominated with those who would discharge sovereign duties beyond the confines of political partisanship.

Article 200 of the Constitution, as it stands today, limits the options before the Governor to give assent to the Bill sent by the legislature, or withhold assent, or reserve a Bill for the consideration of the President. The nub of the issue is that Governors have wrongly understood the function to grant assent to have endowed them with some discretionary responsibility. However, the direct import of the words used in the Constitution as well as a composite reading of the debates in the Constituent Assembly (when this portion of the Constitution was deliberated and, subsequently, adopted) portrays an altogether different interpretation.

The original draft Article 175 moved for discussion in 1949 read as follows: "Provided that where there is only one House of the Legislature and the Bill has been passed by that House, the Governor may, in his discretion, return the Bill together with a message requesting that the House will reconsider the Bill."

While moving the amendment to this Article on July 30, 1949, B.R. Ambedkar said there "can be no room for a Governor acting on discretion" and recommended removing the phrase "the Governor, in his discretion". Therefore, the final Article, adopted by the Constituent Assembly and embedded in the Constitution explicitly negates any discretionary power.

This position has been fortified by a seven-Judge Bench of the Supreme Court in Shamsher Singh & Anr vs State Of Punjab (1974), wherein it was held that the discretion of the Governor is extremely limited and, even in such rare cases shall act in a manner that is not detrimental to the interest of the state. Furthermore, the Supreme Court has repeatedly held that the Governor shall only act on the aid and advice of the Council of Ministers.

Moreover, a simple and plain reading of the Article is sufficient to show how the meaning of the phrase "withholds assent therefrom" has been wilfully misinterpreted to mean holding back the Bill — an act which is colloquially referred to as pocket veto. There can be nothing further from constitutional reality and literary meaning. Any straightforward reading of withholding assent can only mean to return the Bill; and not to hold back. The problem is accentuated as there is no time-limit prescribed to return the Bill, and, as such, Governors have considered themselves to be unaccountable to the principles of time-bound governance.

Time-bound governance

Other jurisdictions where similar powers have been bestowed show a starkly different picture. In the United Kingdom, there has been no royal veto since 1708 when the assent to the Scottish Militia Bill was vetoed by Queen Anne. Whereas in the United States, there is a time limit of 10 days for the President to give assent or veto a bill. If the President does not sign or vetoes the Bill within this time, it automatically becomes an Act. If the President vetoes and returns the bill to the Congress or Senate, then both the chambers of the Congress must override the veto for it to become a law.

Over time, matters involving an inexplicable delay in exercising powers by various authorities have been brought under the ambit of judicial review by constitutional courts. The Supreme Court, in Keisham Meghachandra Singh vs The Hon'ble Speaker Manipur (2020), issued a writ of mandamus to the Speaker of the Meghalaya Legislative Assembly to decide on the disqualification petitions under the 10th Schedule of the Constitution within a period of four weeks.

In the case filed by the State of Telangana against the Governor, the Supreme Court found it fit to highlight the spirit of Article 200. While disposing of the case on April 24, 2023, the Court acknowledged that the words in Article 200, "as soon as possible after the presentation of the Bill", held significant constitutional content and that Governors should necessarily bear this in mind.

As such, it would be appropriate for various constitutional authorities such as Governors exercising powers under Article 200 and Speakers acting as quasi-judicial tribunals under Tenth Schedule to evolve strict time frames and avoid unnecessary delays. Only such an approach will advance the constitutional scheme and safeguard the will of the people exercised through the legislatures.

CHINA'S AMENDED ANTI-ESPIONAGE LAW

The amendments come amid a string of high-profile cases involving journalists, foreign executives, as well as international companies in China, who have come under the lens of authorities on national security grounds. The idea behind the legislation is "to prevent, stop and punish espionage conduct and maintain national security."

The story so far:

On April 26, China's legislature approved sweeping amendments to China's anti-espionage law, broadening the scope of what may be defined as activities related to spying and national security. The amendments come amid a string of high-profile cases involving journalists, foreign executives, as well as international companies in China, who have come under the lens of authorities on national security grounds. The expanded law follows the Xi Jinping government's increasing focus on "security" and a recent policy shift that now emphasises the dual importance of "development and security", rather than a focus solely on economic development.

What is China's anti-espionage law?

The recent amendments are to China's 2014 anti-espionage law. Article 1 of the law says the idea behind the legislation is "to prevent, stop and punish espionage conduct and maintain national security." The broad ambit of what constitutes "national security" as well as the law's focus on involving a "whole of society" approach to counter-espionage, including from Chinese enterprises and organisations, evoked concerns among both rights groups and foreign enterprises in China.

Foreign governments are especially concerned whether Chinese companies, particularly in the tech sector, would be mandated to offer their vast amounts of data to the authorities. For instance, one article of the law mandates that "all State organs, armed forces, political parties and public groups, and all enterprises and organisations, have the obligation to prevent and stop espionage activities and maintain national security."

Another article encourages ordinary citizens to take part in national anti-espionage efforts by reporting to the authorities any activity deemed to be suspicious and endangering national security.

The latest amendments are the first changes since 2014, and will take effect on July 1, 2023. They have further broadened the law's scope, with one of the changes declaring that "all documents, data, materials, and items related to national security and interests" will be protected on par with what are deemed state secrets.

The definition of espionage has also been expanded to include cyber attacks. Essentially, the transfer of any information deemed by authorities to be in the interest of what they define to be "national security" will now be considered an act of espionage.

What prompted the changes?

Rang Tiewei, spokesperson for China's National People's Congress (NPC), the ceremonial Communist Party-controlled legislature, said the latest change "improves the regulations on cyber espionage" and "clearly defines cyberattacks, intrusions, interference, control and destruction" as espionage. Other changes, he said, would include "clarifying the responsibility of national security organs in guiding and arranging publicity as well as provisions to strengthen the protection of personal information in counter-espionage work."

The amendments have also coincided with a number of recent high-profile cases which observers have seen to reflect a broadening scope for "anti-espionage" activities as well as widening definitions of "national security".

Only days before the amendments were approved, the family of a senior Chinese newspaper editor, Dong Yuyu, said he had been arrested almost a year ago while meeting with a Japanese diplomat and for his contacts with the Americans and Japanese. He has been accused of spying.

The cases of two other journalists have also drawn wide attention. In June last year, Bloomberg News reported that a journalist at its Beijing bureau, Haze Fan, had been released on bail pending trial in January 2022, citing a statement from the Chinese Embassy in the U.S., but it had not been able to contact her. Cheng Lei, an Australian reporter and television anchor with the State run English-language channel China Global Television Network (CGTN), was in 2020 detained and accused of carrying out activities "endangering national security". Till date, no details have been made public on both their cases. However, it isn't only journalists who are under the lens of the authorities. During the end of March, a prominent figure in the Japanese business community in China and an executive at Asellas Pharma, Hiroshi Nishiyama, was detained and accused of espionage. So far, little detail has also been provided on his case, in keeping with cases involving "national security".

What will be the impact of the amended law?

The amended law is likely to have a chilling impact both within China and beyond. Chinese journalists, academics and executives who frequently engage with foreign counterparts are likely to think twice before doing so, at least without explicit government sanction, particularly in the wake of the arrest of Dong Yuyu. Unrestricted engagement between Chinese and foreign scholars, which has already become limited in the Xi Jinping era, is likely to become even rarer.

Foreign enterprises are also likely to be concerned following recent reported investigations by Chinese authorities on the U.S. consulting firm Bain & Company and a raid on the American due diligence company Mintz Group.

Indian companies with a presence in China, particularly in sectors deemed to be sensitive such as pharma and IT, will likely need to review their exposure to risks under the expanded law and broadened definitions of "national security", particularly amid deteriorating relations between the neighbours.

Chinese State media have, however, sought to push back against suggestions that the law signals a chilling in China's business environment.

The Communist Party-run Global Times in a recent commentary hit out at Japanese media for suggesting this was the case following the arrest of the Astellas executive, saying it was "a far-fetched slander that twists the facts."

The newspaper quoted the Chinese Foreign Ministry as saying, in the wake of the case, that "as long as one operates within the law, there is nothing to worry about." The concern for many companies, however, is that the law doesn't spell out what may or may not be a "national security" issue.

The Global Times argued that "an increasing number of espionage cases against China have been found" since 2014, requiring the amendments. "This fully demonstrates the necessity and urgency for China to update its anti-espionage law to protect its national security. No one is in the position to criticise China's legitimate actions," the newspaper said, "and no one has the right to use this to throw mud at China's business environment."

POLITICAL REMISSION

The circumstances of the release of Anand Mohan Singh are unsettling

The Bihar government's decision late last month to grant remission to Anand Mohan Singh is a disturbing political signal given the circumstances under which the remission was done. At the time of his release, the former MP, who was out on parole for his son's engagement, was serving life sentence after being convicted for the murder of the then District Magistrate of Gopalganj and young IAS officer, G. Krishnaiah, in December 1994. It was to avenge a police encounter death that a mob owing allegiance to Singh had murdered the Scheduled Caste civil servant, who hailed from a landless family. Apparently aimed at benefiting Singh, the government, on April 10, amended the Bihar Prison Manual, 2012, removing the "murder of a public servant on duty" clause from the case list for which remission cannot be considered. The Patna District and Sessions Court, in 2007, had awarded capital punishment to Singh, which was judicially commuted to life sentence. The tweaking of the rules was followed up with another notification ordering the release of 27 prisoners, including Singh (they had all spent at least 14 years in jail). The State's defence that it "followed all rules and regulations" is no argument as the change in rule appears to have been made to benefit a specific person. Also, the argument that the amendment has brought Bihar on a par with other States is weak because the original stipulation was meant to have a deterrent effect in a State that is notorious for the criminalisation of politics. That Singh's "good conduct" was a factor too falls flat as in October 2021, a search of his jail ward led to the seizure of mobile phones.

It is not difficult to decipher the rationale behind Singh's release as Chief Minister Nitish Kumar, in January, had assured Singh's supporters at an event that he was "doing his best" to set the former MP free. The compulsions of electoral politics confound the situation. What is of solace is that the government's action is being challenged in courts including the Supreme Court; the civil servant's wife, Uma Krishnaiah, has made an appeal. Apart from demoralising civil servants, the move sets an unhealthy precedent that shakes the principle of good governance. The circumstances of this case cannot be justified on any ground. This has the danger of compelling a government official to take decisions in his or her day-to-day affairs, keeping in mind only the influence wielded by extra constitutional persons. Other States would do well to treat the Anand Mohan Singh release as a case study to show how a decision in governance should not be taken. As a matter of propriety, the Bihar government should reconsider its decisions of tweaking the remission rules and releasing the former MP.

BUYING TIME

Dithering on the Adani group probe will dent SEBI's credibility

Barely two days before the expiry of a Supreme Court-stipulated deadline to probe allegations raised by Hindenburg Research about misdemeanours and violations of stock market norms by the Adani group, the Securities and Exchange Board of India (SEBI) has sought at least six more months from the Court to finalise its findings. Following the bloodbath in the prices of most Adani group stocks after the publication of Hindenburg's report in late January, the Court had responded to a PIL and set up an expert committee to investigate the causal factors behind investor losses and ascertain regulatory failures. The SEBI chief, who termed the Hindenburg-Adani-linked issues as "the elephant in the room", was to ensure the committee gets the information it needs. Separately, the Court tasked the regulator to speedily conclude its ongoing probe into the group for violations of its regulations. It also sought a look into whether the group had flouted the minimum public shareholding norms, failed to disclose related-party transactions, and manipulated stock prices. The two-month deadline set for SEBI and the expert committee, led by former Court judge A.M. Sapre, ends on May 2. SEBI's last-minute plea for more time, shall also affect — if not effectively derail — the deliberations of the Justice Sapre panel.

The regulator has "crystallised a prima facie view" on some issues, including a dozen suspicious transactions that pertain to misrepresentation of financials, circumvention of norms and possible fraud. However, it has cited the complexities of the transactions to argue that a detailed assessment would normally take 15 months and it is trying to do it in six months. Even if one leaves aside the merit of the complexity card played by a professionally-led independent regulator with a primary mandate to protect investor interests, the timelines suggested are disingenuous. If SEBI does submit its report to the Court by this November, it would mark 10 months since the Hindenburg report,

and almost two years since it initially started examining complaints against the group. Where wrongdoing has been found, it need not take six months to confirm them. Interim findings must be presented with any caveats deemed fit, just as interim orders can be passed on established violations (thus, informing and protecting investors) rather than condoning them in the name of uncovering the big picture. For an issue that has undermined the credibility of the Indian market and its governance standards at a scale unmatched by the Satyam fiasco and the IL&FS implosion, SEBI's petition does not inspire confidence. And that is bad news for investors in India's financial markets.

Head Office:
Vedhik IAS Academy
Mercy Estate,
MG Road, Ravipuram,
Ernakulam-682 015,

Corporate office:
Vedhik IAS Academy
Samkalp Bhawan, Plot No.15,
Sector 4, Rama Krishna Puram,
New Delhi,Delhi-110022

Regional office
Vedhik IAS Academy
202, Raheja Chambers, 12,
Museum Road. Bangalore -
560001. Karnataka, India.

GCC Office:
Bobscoedu,
Bobsco Trading & Contracting Co. W. L . L
Office 22, Dream Tower 1,
Road: 2701, Adliya, Kingdom of Bahrain
www.bobscoedu.com