

## 'Conflicting Judgments by Courts'

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"Prima facie, the assessee has clearly converted cash into cheque through long-term capital gains. In substance, these are not genuine transactions. But various courts giving conflicting judgments on mostly the same set of facts have compounded the problem," Lakhani said.

The penny stock deals, which have also drawn the ire of the Securities

and Exchange Board of India (Sebi), are played out over a year to avoid capital gains tax. In most cases, back-to-back transactions are entered into with the promoters of these companies, who directly or indirectly control the bulk of the shares.

Here's how these deals happened: A person holding undisclosed cash bought shares of a thinly traded illiquid scrip via regular trade on the exchange. After a year, by when the

stock price was rigged up, the person sold the shares to a promoter-controlled entity. He received a cheque (the proceeds from the stock sale) and handed over the cash along with a fee for the 'service'. This cash was then used for another person with a different intention — who booked losses to reduce his tax outgo.

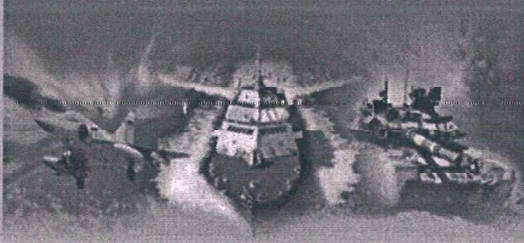
"The second person bought the stock at the high, rigged-up level and then waited for the price to collapse. Once

the stock fell, he dumped the shares at a loss while simultaneously collecting the cash, minus the service charges," said a source. In this two-legged deal, the first person bought low, sold high and regularised hidden cash. The second person bought high, sold low, received cash, and booked a loss to reduce his tax outgo. With the share price down, the game was replayed with a different person looking for an avenue to legitimise his cash.

Since Sebi and government agencies are now aware of such trades and the mechanisms, these deals have almost dried up. The situation is

similar with disputes involving invocation of Section 68 of the Income tax Act, where the department has made additions while questioning the genuineness of deals where stocks are issued at absurdly high prices to investors. "As regards share capital transactions, where the assessee has proved his identity and creditworthiness, the department is alleging the transactions are not genuine," said Lakhani. Under the circumstances, there should either be an option for quick settlement or for ensuring that one set of judicial pronouncements are delivered.

## Defence Electronics and beyond



QUALITY, TECHNOLOGY, INNOVATION

### BHARAT ELECTRONICS LIMITED

(A Govt. of India Enterprise under the Ministry of Defence)

(CIN: L32309KA1954GOI000787)

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### Extract of Standalone & Consolidated Unaudited Financial Results for the Quarter and Nine Months Ended 31.12.2019.

(₹ in Lakhs)

Sl. No.	Particulars	Standalone						Consolidated					
		Quarter ended		Nine months ended		Year ended	Quarter ended		Nine months ended		Year ended		
		31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
(Unaudited)		(Unaudited)		(Audited)	(Unaudited)		(Unaudited)		(Audited)				
1.	Total revenue from operations	2,27,104	2,74,271	2,71,649	7,11,527	8,19,996	12,08,460	2,27,808	2,74,832	2,73,871	7,15,090	8,26,493	12,16,417
2.	Net profit for the period before tax and exceptional items	30,166	47,290	70,603	1,06,495	1,75,059	2,70,319	29,827	48,780	70,260	1,05,831	1,74,568	2,62,834
3.	Net profit for the period before tax after exceptional items	30,166	47,290	70,603	1,06,495	1,75,059	2,70,319	29,827	46,780	70,260	1,05,831	1,74,568	2,62,834
4.	Net profit for the period after tax and exceptional items	21,509	33,949	50,763	75,931	1,25,867	1,92,729	22,283	34,427	51,555	77,775	1,28,589	1,88,667
5.	Total comprehensive income for the period (comprising profit for the period (after tax) and other comprehensive income (after tax))	24,375	32,455	46,546	77,876	1,24,482	1,88,708	25,147	32,934	47,334	79,719	1,27,193	1,84,540
6.	Paid up equity share capital	24,366	24,366	24,366	24,366	24,366	24,366	24,366	24,366	24,366	24,366	24,366	24,366
7.	Other equity excluding revaluation reserves	-	-	-	-	-	8,77,025	-	-	-	-	-	8,96,784
8.	Earnings per share (of ₹ 1/- each not annualised) (for continuing and discounting operations) Basic and Diluted (in ₹)	0.89	1.39	2.09	3.12	5.17	7.91	0.91	1.42	2.12	3.19	5.28	7.74

#### NOTES:

1. The above is an extract of the detailed format of Quarterly / Annual Financial Results filed with the Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended. The full format of the Quarterly / Annual Financial Results are available on the Stock Exchange Websites ([www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)) and on Company's website ([www.bel-india.in](http://www.bel-india.in)).

2. The above statement of Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at the meeting held on 30th January, 2020.

For and on behalf of Board of Directors  
Sd/-

M V Gowtama

Chairman and Managing Director

Place: New Delhi

Date: 30<sup>th</sup> January 2020



### GODFREY PHILLIPS INDIA LIMITED

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Corporate Office: Omega Square, Plot No. 14, Jasola District Centre, Jasola, New Delhi - 110 026  
CIN : L18004MH1936PLC004537

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#### NOTICE

Pursuant to Regulation 29(1)(a) read with Regulation 47(1)(a) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby notified that a Meeting of the Board of Directors of the Company will be held on Friday, the 7th February, 2020 at 12:30 P.M. to, inter-alia, consider, approve and take on record of the Unaudited Standalone and Consolidated Financial Results for the third quarter ended 31st December, 2019.

The information contained in this notice is also available on the Company's Corporate website [www.godfreyphillips.com](http://www.godfreyphillips.com) and on the website of the stock exchanges, [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

For GODFREY PHILLIPS INDIA LIMITED

Place : New Delhi  
Dated : 31st January, 2020

(SANJAY GUPTA)  
COMPANY SECRETARY



## NCL INDUSTRIES LTD

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### EXTRACT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2019

(₹ in Lakhs)

PARTICULARS	Quarter ended	Quarter ended	Quarter ended	Nine Months ended	Nine Months ended	Year ended
	31.12.2019	30.09.2019	31.12.2018	31.12.2019	31.12.2018	31.03.2019
	Unaudited					Audited
Total Income	20,921.16	19,418.31	24,266.95	69,129.09	71,346.30	98,622.92