

Info Capsule

Friday
December 11, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ **Ministry of Corporate Affairs**

MCA News

MCA portal will not be available between 8:00AM to 6:00PM on December 12, 2020 due to a planned maintenance activity. Stakeholders may plan accordingly.

For details:

<http://www.mca.gov.in/MinistryV2/homepage.html>



**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 and Capital Markets**

Cabinet Decision

- **Bilateral Memorandum of Understanding between India and Luxembourg (December 9, 2020)**

The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi has given its approval for the proposal of Securities & Exchange Board of India (SEBI) to sign a bilateral Memorandum of Understanding (MOU) between SEBI and Financial and Commission de Surveillance du Secteur Financier (CSSF), Luxembourg. The MoU is likely to strengthen cross border cooperation in the area of securities regulations and facilitate mutual assistance, contribute towards efficient performance of the supervisory functions aid in imparting technical domain knowledge and enable effective enforcement of the laws and regulations governing the securities markets of India and Luxembourg.

For details

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1679347>

SEBI News

- **TCS Rs 16,000 crore buyback offer to open on December 18, 2020 (December 9, 2020)**

India's largest IT services firm Tata Consultancy Services (TCS) said its up to Rs 16,000-crore share buyback programme will commence on December 18, 2020 and close on January 1, 2021. Last month, TCS shareholders had approved a proposal to buy back up to 5,33,33,333 equity shares of the company at Rs 3,000 per scrip for an aggregate amount not exceeding Rs 16,000 crore.

For details:

<https://www.moneycontrol.com/news/business/tcs-rs-16000-cr-buyback-offer-to-open-on-december-18-6210051.html>

- **SEBI to have dept. to check price manipulation, misuse of IPO funds (December 11, 2020)**

To rein in misuse of the initial public offering (IPO) proceeds, the capital markets regulator Securities and Exchange Board of India (SEBI) is all set to have a separate specialised department, which will detect possible irregularities in the utilisation of net proceeds and even do foreign accounting of such firms. The move comes close on the heels of an extensive discussion it had with the finance ministry in November.

For details:

https://www.business-standard.com/article/markets/sebi-to-have-dept-to-check-price-manipulation-misuse-of-ipo-funds-120121100023_1.html

- **NSE to launch Derivatives on Nifty Financial Services Index From January 11, 2021 (December 10, 2020)**

The National Stock Exchange (NSE) said it will launch derivatives on the Nifty Financial Services Index from January 11, 2021. The exchange has already received an approval from SEBI to launch derivatives on the index. The Nifty Financial Services Index consists of 20 stocks and is designed to reflect the behaviour and performance of the Indian financial market, which includes banks, financial institutions, housing finance, insurance companies and other financial services companies.

For details:

<https://www.bloombergquint.com/markets/nse-to-launch-derivatives-on-nifty-financial-services-index-from-jan-11>

❖ **Corporate Restructuring**

Family-owned TVS group changes ownership model, to scrap Holding Company (December 11, 2020)

The \$8.5-billion TVS group decided to go for restructuring by giving each family group complete ownership of businesses they manage and scrapping the holding company. There won't be any cross holdings, the family has agreed, according to the new terms. In light of this development The TVS brand will be allotted to each family group for their use in their lines of business on a perpetual, royalty-free basis.

For details:

https://www.business-standard.com/article/companies/family-owned-tvs-group-changes-ownership-model-splits-businesses-120121001117_1.html

❖ **Competition Laws**

• **CCI searches offices of major cement companies (December 11, 2020)**

The Competition Commission of India (CCI) has conducted searches on the premises of leading cement producers UltraTech Cement Ltd, ACC Ltd, Ambuja Cements Ltd, Dalmia Cement (Bharat) Ltd, Shree Cement Ltd and of Cement Manufacturers Association (CMA) to find evidence of price collusion, said a person with direct knowledge of the development.

For details:

<https://www.livemint.com/news/india/cci-searches-offices-of-major-cement-cos-11607621552574.html>

• **Regulators accused Facebook of buying up rising rivals (December 9, 2020)**

U.S. and States say Facebook illegally crushed competition. The Federal Trade Commission and more than 40 states accused Facebook of buying up its rivals to illegally squash competition. The federal and State regulators, who investigated, said in separate lawsuits that Facebook's purchases, especially Instagram for \$1 billion in 2012 and WhatsApp for \$19 billion two years later, eliminated competition that could have one day challenged the company's dominance. The lawsuits, filed in the U.S. District Court for the District of Columbia, underscore the growing bipartisan and international tsunami against Big Tech.

For details:

<https://www.nytimes.com/2020/12/09/technology/facebook-antitrust-monopoly.html>

❖ **Terminology for Today**

Total Addressable Market (TAM)

Occasionally referred to as total available market) is a form of market sizing that enables a business to define the holistic revenue opportunity offered from its product or service. It is an exercise that will shed light towards the level of effort and funding to be put into a new business line, because it provides guidelines about the largesse of its economic potential.

❖ **Market Watch**

Stock Market Indices as on 11.12.2020	
S & P BSE Sensex	46099.01 (+139.13)
Nifty 50	13513.85 (+35.55)

Foreign Exchange Rates as on 10.12.2020 <i>(https://www.fbil.org.in/#/home)</i>			
INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
73.6684	98.3959	89.0769	.7053

❖ **Business and Economics News**

• **Tata rejects Mistry's share-swap exit plan (December 11, 2020)**

The Tata group spurned the Mistry family's offer to swap its stake in Tata Sons Ltd for shares in the group's listed companies, terming the separation plan as nonsense. The cash-strapped Shapoorji Pallonji (SP) Group offered to swap its 18.4% stake in Tata Sons for shares in publicly traded companies of the Tata group, including Tata Consultancy Services Ltd, and cash.

For details:

<https://www.livemint.com/companies/news/tata-rejects-mistry-s-share-swap-exit-plan-11607647779477.html>

• **Walmart to triple Indian exports to \$10 billion by 2027 (December 11, 2020)**

US retailer Walmart said it will triple its exports of India-made goods to \$10 billion each year by 2027 up from \$3 billion at present. India is already one of the top sourcing hubs for Walmart, which is the world's biggest retailer by sales

For details:

<https://timesofindia.indiatimes.com/business/india-business/walmart-to-triple-indian-exports-to-10bn-by-2027/articleshow/79672258.cms>

• **Swiggy aims to bring 36,000 street vendors online with PM's AtmaNibhar Nidhi (December 10, 2020)**

Food delivery platform Swiggy announced the expansion of its street food vendors programme to 125 cities under the Prime Minister Street Vendor's AtmaNibhar Nidhi (PM SVANidhi) Scheme.

For details:

<https://www.livemint.com/companies/news/swiggy-aims-to-bring-36-000-street-vendors-online-with-pm-s-atmanibhar-nidhi-11607588973178.html>

• **NFRA claims Deloitte was ineligible to audit IL&FS Fin Services (December 10, 2020)**

Audit regulator National Financial Reporting Authority (NFRA) has said that Deloitte Haskins and Sells Llp's appointment as statutory auditor of IL&FS Financial Services Ltd (IFIN) for FY18 was illegal for breaching the ban on hiring firms with direct or indirect business relationships for audit.

For details:

<https://www.livemint.com/news/india/nfra-claims-deloitte-was-wrongly-hired-for-ifin-s-fy18-audit-11607594930318.html>

• **United Spirits names Hina Nagarajan as MD and CEO (December 10, 2020)**

United Spirits Ltd (USL) named Ms. Hina Nagarajan as the company's managing director (MD) and chief executive officer (CEO) effective July 1, 2021. Ms. Nagarajan, an MBA from the Indian Institute of Management Ahmedabad, will succeed Anand Kripalu.

For details:

<https://www.livemint.com/companies/news/united-spirits-names-hina-nagarajan-as-next-md-and-ceo-11607600472144.html>

Prepared by Directorate of Academics

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

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