

Info Capsule

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**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)

President : CS Nagendra D. Rao

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❖ Competition Law

Tata Group to buy majority stake in BigBasket for approx Rs. 9,100 crore (February 17, 2021)

The Tata Group and leading e-grocer Bigbasket have finally inked a deal, with the former set to acquire a 68 percent stake in the Bengaluru-headquartered startup. The companies are now awaiting approval from the Competition Commission of India (CCI) before the deal is formally announced, according to sources.

For details:

<https://www.cnbctv18.com/business/companies/tata-group-to-buy-majority-stake-in-bigbasket-for-13-billion-8329071.html>

❖ Ministry of Corporate Affairs

Call for Research Proposals under "Funding Research and Studies, Workshops and Conference, Etc." under the plan scheme "Corporate Data Management" (February 17, 2021)

The MCA has invited research proposals under the scheme "Funding Research and Studies, Workshops and Conferences etc." with the objective of extracting knowledge from the extensive data available with MCA. This will eventually enable to form policy and facilitate decision making in a market driven economy in areas related, *inter alia*, to corporate growth and corporate functioning in the overall macro-economic perspective. The detailed guidelines for funding "Research and Studies, Workshops and Conferences etc." can be accessed at:

http://www.mca21.gov.in/Ministry/pdf/GuidelinesCDM_30072018.pdf

Research Proposals received in prescribed format on or before February 26, 2021 will be considered. Proposals, queries, clarifications etc. may be mailed at cdm.research@mca.gov.in or rajen.km@gov.in.

For details:

http://www.mca.gov.in/Ministry/pdf/ResearchProposalNotice_16022021.pdf

❖ Terminology for today

Bimetallism

Bimetallism is a monetary standard in which the value of the monetary unit can be expressed either with a certain amount of gold or with a certain amount of silver: the ratio between the two metals is fixed by law.

❖ ***Securities Laws and Capital Markets***

Settlement Orders

- **Settlement Orders in respect of Axis Bank Limited and United India Insurance Company Limited in the matter of Axis Bank Limited (February 15, 2021)**

Axis Bank Ltd. and its promoter United India Insurance Company Ltd. have settled with SEBI cases of alleged disclosure lapses and have paid more than Rs. 51.5 lakh as total settlement amount as per two settlement orders. The matter pertained to delay in making disclosures as required under Regulations 7(2)(a) and 7(2)(b) of the SEBI (Prohibition of Insider Trading), 2015, in respect of trading in the shares of the Axis Bank Ltd. by United India Insurance Company Ltd. a promoter entity of the Axis Bank Ltd.

For details:

https://www.sebi.gov.in/enforcement/orders/feb-2021/settlement-order-in-respect-of-united-india-insurance-company-limited-in-the-matter-of-axis-bank-limited_49167.html

https://www.sebi.gov.in/enforcement/orders/feb-2021/settlement-order-in-respect-of-axis-bank-limited-in-the-matter-of-axis-bank-limited_49168.html

❖ ***Business and Economics News***

- **Supreme Court asks Centre to inform on steps being taken to regulate OTT platforms (February 16, 2021)**

The Supreme Court was not convinced with the Centre's submission that it is "contemplating" regulations for over-the-top (OTT) platforms like Amazon Prime Video, Netflix, Hotstar, etc. The top court has now asked the government to inform in definitive terms as to what it proposes to do to regulate OTT platforms.

For details:

<https://www.businesstoday.in/current/economy-politics/sc-asks-centre-to-inform-on-steps-being-taken-to-regulate-ott-platforms/story/431448.html>

- **Amazon to make devices in Chennai, cut China sourcing (February 17, 2021)**

Amazon India said it will start local manufacturing of its devices here, reducing its dependence on China. This would give a leg up to the government's Make-in-India push. The e-commerce major will work with Foxconn's subsidiary Cloud Network Technology in Chennai to make its Fire TV Stick (which helps streaming on smart TVs).

For details:

<https://timesofindia.indiatimes.com/business/india-business/amazon-to-make-devices-in-chennai-cut-china-sourcing/articleshow/81016732.cms>

- **Bitcoin trade may attract I-T, GST; taxes to be paid in this fiscal year (February 17, 2021)**

Ahead of the cryptocurrency Bill, the government is likely to levy both Income-tax (I-T) and Goods and Services Tax (GST) on gains and trading of bitcoins or cryptocurrencies, said a senior finance ministry official privy to the development. A circular will be released soon, he added. "Bitcoins will be categorised as financial services attracting 18 per cent GST on fee commission collected under this segment".

For details:

https://www.business-standard.com/article/economy-policy/bitcoin-trade-may-attract-i-t-gst-taxes-to-be-paid-in-this-fiscal-year-121021700010_1.html

- ❖ **Banking and Insurance**

- **Margin for Derivative Contracts (February 15, 2021)**

The Reserve Bank of India had invited Foreign Exchange Management (Margin for Derivative Contracts) Regulations, 2020 on October 23, 2020. Accordingly, directions are being issued to allow posting and collection of margin for permitted derivative contracts between a person resident in India and a person resident outside India.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12028&Mode=0>

- **RBI releases Draft Reserve Bank of India (Credit Derivatives) Directions, 2021 under Section 45 W of the RBI Act, 1934 (February 16, 2021)**

The Reserve Bank of India has released the Draft Reserve Bank of India (Credit Derivatives) Directions, 2021 on February 16, 2021. Comments on the Draft Directions are invited from banks, market participants and other interested parties by March 15, 2021.

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51138

- **Finance Minister addresses the Central Board of Directors of Reserve Bank of India (February 16, 2021)**

The 587th meeting of the Central Board of Directors of Reserve Bank of India was held under the Chairmanship of Shri Shaktikanta Das, Governor, through video conferencing.

Smt. Nirmala Sitharaman, Hon'ble Union Minister of Finance & Corporate Affairs, addressed the Directors of the Central Board. The Hon'ble Finance Minister in her address outlined the thinking behind the Union Budget 2021-22 and the priorities of the Government. Complimenting the Finance Minister on the Budget, the Board members made various suggestions for consideration of the Government.

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51136

- **Budget plan to privatise two PSBs: Centre may have to tweak the 'nationalisation' laws (February 17, 2021)**

The Centre may have to amend at least two banking laws to take forward its Budget announcement of privatisation of two public sector lenders. While the Centre is yet to decide on the two public sector banks it will privatise in 2021-22, multiple sources said it is clear that the government will have to bring changes to what are popularly known as bank nationalisation laws — the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 and the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980.

For details:

<https://www.thehindubusinessline.com/news/centre-may-have-to-tweak-the-nationalisation-laws/article33854252.ece#>

❖ Market Watch

Stock Market Indices as on 17.02.2021

S & P BSE Sensex	51703.83 (-400.34)
Nifty 50	15208.90 (-104.55)

Foreign Exchange Rates as on 16.02.2021

(<https://www.fbil.org.in/#/home>)

INR / 1 USD	INR / 1GBP	INR / 1 EUR	INR/ 1 JPY
72.7219	101.3297	88.2587	.6891

Prepared by Directorate of Academics

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

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