

TBA Bulletin #39

Week gone by- June 1 – 8, 2021

BFSI – SEBI puts a ban on two Infosys employees over prohibition of Insider trading regulations.

Taxation- U.S. plans to impose tariffs on U.K. along with five other countries over digital-service tax.

Anti-Trust and Company – U.S. social media giant Facebook has committed to clear ad data access for partners. The German competition authorities have launched a probe into Google's news showcase, a part storage which makes news accessible. Strength in numbers for SMEs with new ACCC collective bargaining rules.

Tech – On tech side, Google Photos is ending its unlimited free storage policy for pictures and in a recent landmark U.S. ruling on Computer Fraud and Abuse Act, court puts limits on what kind of conduct can be prosecuted.

EdTech- Guild Education, which provides employer-sponsored learning opportunities, has raised \$150 million in a Series E round. Valuations of the company stand at \$3.75 billion.

BFSI

NATIONAL

SEBI bans two Infosys employees over insider trading charges.

- A Sebi order by whole-time director Madhabi Puri Buch said that the Infosys officials had leaked unpublished price sensitive info about the firm's audited Q1FY21 financial results, which resulted in ill-gotten gains for those involved.
- In its investigation, Sebi found that Pranshu Bhutra was connected to Amit Bhutra via frequent telephonic conversations.
- The Sebi order said, "There is ample prima facie evidence that demonstrates that entities have been in violation of Sebi Act and Prohibition of Insider Trading (PIT) Regulations. This has not only violated the integrity of the market but also prima facie resulted in undue benefit to them over general investors".

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TAXATION

INTERNATIONAL

U.S. to Levy Tariffs over Digital-Service Tax, but Suspend Implementation.

- U.S. is all set to impose tariffs on the U.K. and five other countries in response to their taxes on U.S. technology companies, but will suspend the levies for six months.
- U.S. trade representative Katherine Tai said tariffs were justified because of digital-services taxes imposed on U.S. companies by the U.K., Australia, India, and Italy.
- The tariffs would be suspended while the U.S. focuses on finding "a multilateral solution to a range of key issues related to international taxation."
- U.S. is looking to resolve the issue through the Group of 20 economic powers and other international groups.

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ANTI TRUST

INTERNATIONAL

Strength in numbers for SMEs with new ACCC collective bargaining rules.

- The matter Small businesses, franchisees and fuel retailers would now be able to rally for more prominent bartering power with the bigger organizations that purchase their items, with the introduction of new Australian Competition and Consumer Commission (ACCC) collective bargaining rules.
- This new class exemption is the first ever made by the ACCC and will allow collective negotiation without the need for ACCC approval.
- ACCC representative Mick Keogh said "This class exemption will help the majority of small businesses and franchisees, including groups of farmers wanting to bargain with the companies who buy their produce, and small businesses wanting to jointly buy electricity".
- Mr. Keogh said it doesn't expect anybody to join a collective bartering group, or require a client, provider or franchisor to manage the bargaining group. It only implies that the group can collectively bargain with the provider or franchisor on a willful premise, without worrying about the possible competition law breach.
- The other party would in any case be allowed to decide to negotiate with every individual from the gathering separately.

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Facebook ready to commit to clear ad data access for partners, says French watchdog.

- U.S. online media goliath Facebook has offered to focus on giving its

partners clear and objective conditions of admittance to publicizing inventories and advertisement information, France's antitrust regulator said.

- Facebook's proposed commitments followed a protest by French internet promoting bunch Criteo, which highlighted its withdrawal from the Facebook Marketing Partner (FMP) plot in 2018 and claimed the US monster's practices constituting denigrating conduct.
- FMPs are part of a group of more than 100 technology providers that offer advertisers services and to obtain this status companies undergo a selection process along with abiding by certain set of rules.
- The Regulator's examination found that Facebook's practices were "likely" to debilitate access to promoting inventories and advertisement crusade information on Facebook.
- Facebook offered at the early stage of probe to look after objectivity, clearness and non-separation around the performance criteria expected of FMPs, and offer regular compliance to sales team, the regulator said.
- Facebook has offered to follow these commitments for a period of 3 years and it only apply to companies that target French users of Facebook and Instagram.

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German competition authority launches probe into Google's news showcase.

- Germany's Competition authority is exploring Alphabet Inc.'s Google News Showcase, a stage which makes news accessible on the tech goliath's news site.
- Cooperation with Google could be attractive for publishers and other news

providers and offer consumers better information services, it said.

- "However, it must be ensured that this does not lead to discrimination between individual publishers," the statement said. "Nor must Google's strong position in access to end customers lead to a crowding out of competing offerings from publishers or other news providers."
- Accordingly, Google said that its Showcase item, which was dispatched last autumn, was one of numerous ways it upheld news-casting, expanding on products and funds that everything distributors can profit by.
- "Showcase is an international licensing program for news - the selection of partners is based on objective and non-discriminatory criteria, and partner content is not given preference in the ranking of our results," said spokesperson Kay Oberbeck.

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Facebook's marketplace in EU, UK antitrust crosshairs.

- The European Union and the UK have launched antitrust investigations into Facebook's use of advertising data in its classified ads business, probes which could force it to change its business model on top of hefty fines.
- The EC and Britain's CMA are investigating whether Facebook uses data from advertisers to compete with them. Vestager said it will look into the data of near 7 million companies that advertise on Facebook and will look whether this data gives Facebook any undue advantage in the online classified ads sector – where people buy and sell goods every day and Facebook also compete with companies from which it collects data.

- CMA has also announced its investigation to assess whether the network is abusing its dominant position in social media or digital advertising through the data it collects.

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TECH

INTERNATIONAL

No more unlimited storage on Google Photos. What should you do?

- Google Photos is ending its unlimited free storage policy for pictures at high resolution and express resolution starting today, June 1. Launched in May 2015, more than 4 trillion photos have been uploaded to the platform over the last five years.
- The policy change was announced late last year. If you have relied only on Google Photos to back up all your pictures and videos, you will soon need to start worrying about the storage space on your account.
- The policy change also means that Google wants more consumers to pay for its storage service. Starting June 1, every Google Photos user will receive just 15GB of storage space for free.
- The one exception to the changing Google Photos plans is for existing Google Pixel phones. While future versions of Google's smartphone line will also have to pay for Google Photos storage.
- Google offers 15GB of free storage space. This space is divided across Gmail, Google Drive and Photos. Under the previous policy, photos at the high or express resolution, which are both compressed formats, did not account for free storage.

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U.S. ruling on Computer Fraud and Abuse Act, or CFAA- putting limits on what kind of conduct can be prosecuted.

- The Supreme Court has ruled that a police officer who searched a license plate database for an acquaintance in exchange for cash did not violate U.S. hacking laws.
- In the ruling, the Supreme Court said that the CFAA “covers those who obtain information from particular areas in the computer- such as files, folders, or databases- to which their computer access does not extend,” and that while Nathan Van Buren, a former Georgia police sergeant “plainly flouted” the police department’s rules for law enforcement purposes, he did not violate the CFAA.
- “This is an important and welcome decision that will help protect digital research and journalism that is urgently necessary. But more is needed,” said Alex Abdo, litigation director of the Knight First Amendment Institute.

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EDTECH

INTERNATIONAL

Guild Education valued at \$3.75 billion with newest round.

- Guild Education, which pairs employees with employer-sponsored

learning opportunities, has raised \$ 150 million in a Series E round. Value of the company is at \$3.75 billion.

- The funding will be used to grow its coaching team and to expand its learning marketplaces with short-term certificate opportunities and also to double its outreach with Black colleges and universities.
- This funding has come when lifelong learning- the concept of students learning up-skill in early adulthood is becoming more mainstream.
- Guild works with three different stakeholders: employees, employers and colleges. The up-skilling platform partners with large employers, such as Walmart, Chipotle and The Walt Disney Company, as well as low-cost universities, bootcamps and learning providers. Then, it offers a marketplace for students to choose content, giving them optionality to pick which skills will best prepare them for the future.
- The startup connects employers with these learning providers, and then takes a cut of tuition revenue as its core business model.
- The up-skilling world is crowded, with platforms like Udemy, Coursera, Degreed and others all competing to help students get better employment opportunities. Guild sits in a niche spot, by helping those employed, stay employed. Or as Carlson puts it, taking people out of today’s job, for tomorrow’s job.

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