

TBA BULLETIN

Aug 10 to Aug 16

The TBA Bulletin is a weekly summary of the most important legal news from India and around the world.

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E-COMMERCE

- Delhi HC Grants Interim Injunction against Flipkart
- Microsoft joins ONDC network, to launch a shopping app in India

MERGERS AND ACQUISITIONS

- Tata motors EV subsidiary acquires Ford's Sanand plant for INR 726 crore

BANKING

- RBI releases first set of norms for digital lending

DATA PRIVACY

- Government assures international passengers' data privacy

COMPANY LAW

- NCLT approves demerger of Piramal Enterprises

E-COMMERCE

Delhi HC Grants Interim Injunction against Flipkart

- E-Commerce Platforms can't Permit Third-Party Sellers to latch on to Bestseller's Trademark.
- Delhi High Court has held that permitting this latching on is nothing but 'riding piggyback', which also constitutes passing off.
- Passing an interim injunction against Flipkart, the Court had ensured that third party unauthorised sellers are unable

to misuse the name of a bigger company.

- The suit was filed by the sole proprietor of an entity operating under the trademark 'V Tradition', engaged in sale of women clothing on various retail e-commerce platforms including the defendant Flipkart.
- It was claimed that when a third-party seller wishes to place a listing on Flipkart, the platform's software itself suggests 'V Tradition' as one of the most popular listings allowing such third-party sellers to add various products under Plaintiff's mark into their own listings.

- It was claimed that by doing so, various third-party sellers were portraying themselves as 'V Tradition' and were riding on the popularity of its products and designs.

Source: [Link](#)

Microsoft joins ONDC network, to launch a shopping app in India

- Microsoft has become the first big tech company to join ONDC.
- Through ONDC it intends to introduce social e-commerce in the Indian market. It will also launch a shopping app in India, which will be available on the ONDC network.
- It will allow buyers to discover the best price offered by retailers and sellers.
- "It is a win-win for both buyers and sellers as it will enable them to connect without dependency on any e-commerce solution," a Microsoft spokesperson said in a statement after the announcement.

Source: [Link](#)

MERGERS AND ACQUISITIONS

Tata motors EV subsidiary acquires Ford's Sanand plant for INR 726 crore

- Tata Passenger Electric Mobility Ltd has signed a Unit Transfer

Agreement for the acquisition of Ford India's manufacturing plant at Sanand in Gujarat.

- Tata Motors will get entire land and buildings, along with machinery and equipment situated therein.
- All the eligible employees at the Sanand unit of Ford India will be transferred to Tata Motors.
- Ford India will continue to operate its powertrain manufacturing facility by leasing back the land and buildings of the powertrain manufacturing plant from Tata Passenger Electric Mobility on mutually agreed terms.
- The closure of the transaction will be subject to the receipt of relevant approvals from the government authorities.
- This acquisition is timely and a win-win for all stakeholders. It will unlock a state-of-the-art manufacturing capacity of 300,000 units per annum which is scalable to 420,000 units per annum.

Source: [Link](#)

BANKING

RBI releases first set of norms for digital lending

- RBI on August 10 released norms to regulate digital lending to crack down on the growing

number of frauds and unlawful activities.

- All loan disbursements and repayments must be executed between the bank accounts of the borrower and the regulated entity without any pass-through or pool account of the lending service provider or any third party.
- Any fees to LSPs in the credit intermediation process shall be paid directly by the regulated entity.
- Digital lenders are classified into three categories: those regulated by the RBI and permitted to carry out lending business, those authorized to carry out lending as per other statutory provisions but not regulated by RBI and those lending outside the purview of any statutory or regulatory provisions.
- A standardized Key Fact Statement (KFS) must be provided to the borrower before executing any loan contract.
- Any automatic increase in the credit limit without the explicit consent of borrower is prohibited.

Source: [Link](#)

DATA PRIVACY

Government assures international passengers' data privacy

- The government has assured that there would be adequate safeguards to ensure strict information privacy and data protection.
- The finance ministry stated that processing of the information to reveal ethnicity, race, religious or philosophical beliefs, health etc. is strictly prohibited.
- The intention of the regulations is to enhance the detection, and investigative capabilities of Customs Authorities for combating offences related to the smuggling of narcotics, gold, arms & ammunition.
- It clarified that passengers are neither required to individually submit any information to Customs nor do they need to furnish any additional information to the Airlines on account of these regulations.

Source: [Link](#)

COMPANY LAW

NCLT approves demerger of Piramal Enterprises

- The National Company Law Tribunal approved the demerger of Piramal Enterprises' Pharma business

and the simplification of the company's corporate structure.

- It paves the way towards creation of two separate listed entities viz. Piramal Enterprises Limited and Piramal Pharma Limited.
- The Board had approved the demerger of the Pharma business and the simplification of the corporate structure in October 2021.
- In July 2022, PEL also received the RBI approval for the NBFC license.
- The demerged entities will have greater focus and ability to pursue accelerated growth.
- In consideration of the demerger, shareholders of PEL will get 4 shares of PPL for every 1 share in PEL, in

addition to their existing holding in PEL.

- The demerger creates of one of India's large listed diversified NBFCs, with a loan book of nearly \$9 Billion.
- It will have significant presence across both retail and wholesale financing, leveraging technology at its core.

Source: [Link](#)

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Sources: Mint, LiveLaw, MoneyControl NewsIndiaExpress