

M&A Lab

February 12, 2009

SATYAM: THE GREAT DECEPTION

Dear All,

The extent and audacity of what transpired at Satyam Computer Services in January, culminating in the historic confession letter of former chairman B Ramalinga Raju, admitting a fraud of US\$1.6 billion, has caused investors and regulators everywhere to re-examine corporate governance standards.

Need has now arisen to introspect into how this happened and whether the current laws are adequate to counter such frauds? The Indian corporate governance regime is fairly detailed and similar to most developed countries. It is for this reason that stakeholders need to be more careful post-Satyam, because if a Satyam can happen in India, it can happen elsewhere as well. A post mortem is clearly essential. Where did the systems fail? Whose fault was this? Will the shareholders and investors receive any pecuniary compensation for the losses that they suffered? A detailed insight into the corporate governance regime is much warranted. Satyam does offer salutary lessons to companies across the globe.

We, at Nishith Desai Associates, in step with our tradition of being a research oriented law firm have attempted to answer these questions and in that stride, analyzed certain key aspects of the scandal.

Please click here to view our article "[Satyam: The Great Deception](#)" written by Ruchir Sinha and Nishchal Joshipura of Nishith Desai Associates in collaboration with Asialaw (www.asialaw.com) which not just provides a detailed step by step insight into what and how did Satyam happen, but also what should be the next steps for the regulators and those vested with corporate responsibility to ensure that a Satyam is never repeated.

Asialaw is one of the most prestigious legal journals in the Asian legal market, and the article "Satyam: The Great Deception" features as the cover story for Asialaw's February edition.

As you would be aware, we have been providing regular information on latest legal developments. M&A Lab is our latest initiative to provide you in depth and knowledge based analysis of latest M&A deals. We will be happy to have your views / comments on our initiative. Please read the disclaimer carefully.

– Team M&A

You can direct your queries or comments to Team M&A

DISCLAIMER

The contents of this hotline should not be construed as legal opinion. View detailed disclaimer.

This Hotline provides general information existing at the time of preparation. The Hotline is intended as a news update and Nishith Desai Associates neither assumes nor accepts any responsibility for any loss arising to any person acting or refraining from acting as a result of any material contained in this Hotline. It is recommended that professional advice be taken based on the specific facts and circumstances. This Hotline does not substitute the need to refer to the original pronouncements.

This is not a Spam mail. You have received this mail because you have either requested for it or someone must have suggested your name. Since India has no anti-spamming law, we refer to the US directive, which states that a mail cannot be considered Spam if it contains the sender's contact information, which this mail does. In case this mail doesn't concern you, please unsubscribe from mailing list.

Research Papers

Handbook on New Labour Codes

April 29, 2024

Compendium of Research Papers

April 11, 2024

Third-Party Funding for Dispute Resolution in India

April 02, 2024

Research Articles

Private Client Insights - Sustainable Success: How Family Constitutions can Shape Corporate Governance, Business Succession and Familial Legacy

January 25, 2024

Private Equity and M&A in India: What to Expect in 2024?

January 23, 2024

Emerging Legal Issues with use of Generative AI

October 27, 2023

Audio

Third-Party Funding: India & the World

April 27, 2024

IBC allows automatic release of ED attachments: Bombay HC reaffirms

April 15, 2024

The Midnight Clause

February 29, 2024

NDA Connect

Connect with us at events, conferences and seminars.

NDA Hotline

Click here to view Hotline archives.

Video

Q&A 2024 Protocol to the Mauritius India Tax Treaty

April 22, 2024

Boost to India's Space Potential: India Liberalizes Foreign Direct

Cyber Incident Response
Management

February 28, 2024

