

KREO CAPITAL PRIVATE LIMITED

SEBI REGISTERED – CATEGORY I - MERCHANT BANKER

THIRTY-NINTH EDITION



OCTOBER
2021



HAPPY DIWALI

In this festival of lights, we wish that you achieve new heights of success and wealth, in the same manner as stock market is touching new milestones in every session.

Wish you and your family a Happy & Safe Diwali and a Prosperous New Year

Monday, 8th November, 2021

“An investment in knowledge yields the best return.”

In the ever changing and dynamic Capital Market Environment, staying updated with the latest happenings is the need of the hour.

Keeping up to date with laws & notifications is time consuming and legislation itself is complex. However, it is of vital importance that businesses stay up to date on regulations in their sector to keep pace with best practices.

This is our series of knowledge sharing initiative towards sharing regulations and updates on corporate laws.



**CAPITAL
MARKETS**



RBI



भारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

SEBI



MCA



INCOME TAX



INDIRECT TAX



STARTUP INDIA

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BROAD ECONOMIC NEWS

01

Five IPOs to hit mkt in first half of Nov; seek to raise over Rs 27,000 cr



News Link

02

FPIs turn net sellers in Oct; pull out ₹12,278 cr



News Link

03

After Air India, government set to sell Alliance Air under asset-disposal programme



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04

G20 leaders approve global tax reform deal



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05

India's economic activity picked up 16.8% sequentially in Sept quarter: UBS



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06

Economy likely to register 9.5 pc growth this fiscal: Report



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CAPITAL MARKETS



01

Reliance buys REC Solar for \$771 million



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02

Tata Steel sells 100 per cent stake in Singapore-based NatSteel for Rs 1,275 crore



News Link

03

Vodafone Idea accepts 4-year payment moratorium on spectrum dues



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04

TPG to invest \$1 billion in Tata Motors' electric vehicle subsidiary



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05

Piramal Capital merges with DHFL



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06

Carlyle, SoftBank to part-sell stake in Delhivery IPO



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SEBI



भारतीय प्रतिशेतु और विनियम बोर्ड
Securities and Exchange Board of India

01

SEBI eases eligibility criteria related to superior voting rights shares



- SEBI has relaxed the framework governing the issue of shares with superior voting rights (SR shares), a move that will help new-age technology companies.
- The Securities and Exchange Board of India said promoters who have a net worth of over Rs 1,000 crore can have superior voting rights in their companies, raising it from the current Rs 500 crore.
- "The net worth of the SR shareholder, as determined by a registered valuer, shall not be more than Rs 1,000 crore," Sebi said in a notification on Tuesday.

02

SEBI approves framework for creating Social Stock Exchange



- The Securities and Exchange Board of India approved the creation of a Social Stock Exchange
- The capital market regulator said that it will engage with NABARD, SIDBI and stock exchanges to create a capacity-building fund of Rs 100 crore.
- The Social Stock Exchange will be a new segment of existing stock exchanges. Non-profit enterprises and for-profit social enterprises with an explicit social intent and impact will be allowed to list on the Social Stock Exchange.

SEBI



भारतीय प्रतिशत और विनियम बोर्ड
Securities and Exchange Board of India

03 SEBI extends relaxations for compliance with rights issues



- SEBI extended relaxations for companies with regard to compliance with procedural norms on rights issues opening till March 31, 2022.
- As per Issue of Capital and Disclosure Requirements norms, an application for a rights issue shall be made only through the ASBA facility.
- Earlier, this relaxation was given for rights issues opening till July 31, 2020, which was further extended till December 31, 2020.

04

AIFs: Sebi comes out with modalities for filing placement memorandum



- SEBI on Thursday issued the modalities for Alternative Investment Funds (AIFs) with respect to filing of placement memorandum, including that merchant bankers have to independently exercise due diligence regarding the disclosures. Under Sebi norms, AIFs can launch schemes subject to filing of placement memorandum with the regulator through a registered merchant banker.
- In a circular, Sebi said a merchant banker will have to independently exercise due diligence of all the disclosures in the placement memorandum, satisfy itself with respect to veracity and adequacy of the disclosures and provide a due diligence certificate.

05

OTHER SEBI CIRCULARS

Maintenance of current accounts in multiple banks by Stock Brokers



Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes



Amendment to SEBI Circulars pertaining to Investor Grievance Redressal System



Amendment to SEBI Circular pertaining to Investor Protection Fund (IPF)/Investor Service Fund (ISF)



Modalities for placement memorandum through a Merchant Banker under SEBI (AIF) Regulations, 2012



Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes



Circular on Mutual Funds



RBI



01

Inclusion of "Paytm Payments Bank Limited" in the Second Schedule of the Reserve Bank of India Act, 1934



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more

- Paytm Payments Bank Limited" has been included in the Second Schedule to the Reserve Bank of India Act, 1934 vide notification DoR.LIC.No.S926/16.03.006/2021-22 dated September 06, 2021 and published in the Gazette of India (Part III - Section 4) dated October 02-October 08, 2021.

02

RBI allows banks to open current accounts for borrowers availing credit from other banks



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more

- Banks may open current accounts for borrowers who have availed credit facilities in the form of cash credit (CC)/ overdraft (OD) from the banking system, said Reserve Bank of India (RBI) on October 29 in a release.
- RBI in its new guidelines issued on October 29 said for borrowers with exposure of banking system less than Rs 5 crore there is no restriction on opening of current accounts.
- Further, borrower with exposure over Rs 5 crore can maintain current accounts with any one of the banks with which it has CC/OD facility.

RBI



03

Government reappoints Shaktikanta Das as RBI Governor for 3-years

- The Appointments Committee of the Cabinet has approved the reappointment of Shaktikanta Das as Governor of Reserve Bank of India (RBI) for a period of three years.
- The re-appointment is effective from December 10, 2021, or until further orders, whichever is earlier



04

RBI raises IMPS transaction limit to Rs 5 lakh

- The Reserve Bank on October 8 increased the transaction limit on Immediate Payment Service (IMPS) of the National Payments Corporation of India (NPCI) to Rs 5 lakh from Rs 2 lakh.
- IMPS provides round-the-clock instant domestic funds transfer facility and is accessible through various channels like internet banking, mobile banking apps, bank branches, ATMs, SMS and IVRS.
- The transaction limit of Rs 2 lakh was capped in January 2014 for the channels and for SMS and IVRS the limit is Rs 5,000.



RBI



05

OTHER RBI CIRCULARS

Opening of Current Accounts by Banks - Need for Discipline



[Link](#)

Gold Monetization Scheme (GMS), 2015



[Link](#)

Master Direction - Prudential Norms on Capital Adequacy for Local Area Banks



[Link](#)

Data Format for Furnishing of Credit Information to Credit Information Companies



[Link](#)

Priority Sector Lending- Banks' lending to NBFCs for on-lending - Extension of facility



[Link](#)

Inclusion of "Paytm Payments Bank Limited" in the Second Schedule of the RBI Act, 1934



[Link](#)

Sovereign Gold Bond Scheme of the Government of India (Gol) - Procedural Guidelines - Consolidated



[Link](#)

01 Amazon files another petition in SC against NCLT order on Future Retail

- Amazon filed another petition in the Supreme Court to stay an order of the National Company Law Tribunal (NCLT) that had allowed Future Retail to convene meetings of its shareholders and creditors to seek approval on a sale proposal to Reliance Retail.

The latest petition was filed on a day when the Singapore International Arbitration Centre (SIAC) had dismissed a January petition by FRL to exclude itself as a party to the ongoing arbitration process.

02 RIL-Future deal: NCLT allows Reliance Retail to seek creditors' nod

- The Mumbai Bench of NCLT has allowed Reliance Retail to seek creditors' nod for the proposed Future Group-Reliance Retail deal. Granting RIL the permission, the NCLT set aside objections raised by Amazon terming them as 'premature'
- NCLT on Monday allowed the creditors and shareholders of Reliance Retail Ventures to hold meetings to seek approval for the company's proposed ₹24,700 crore deal with the Future group.



02



MCA



03

MCA Relaxes levy of additional fees in filing of e-form



- MCA has announced the relaxation in levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4, AOC-4 XBRL AOC-4 Non-XBRL and MGT-7/MGT-7A for the financial year ended on March 31, 2021 under the Companies Act, 2013.
- Keeping in view of various requests received from stakeholders regarding relaxation on levy of additional fees for annual financial statement filings required to be done for the financial year ended on 31.03.2021, it has been decided that no additional fees shall be levied upto 31.12.2021.

04

MCA has given relaxation for filing LLP form 8 without paying additional fees till 30th December 2021.



- Ministry of Corporate Affairs vide its General Circular No 16/2021 has granted extension to LLPs for filing of eForm-8 (Statement of Account and Solvency) for two months i.e. from 30th October, 2021 to 30th December, 2021.
- Accordingly, the eForm-8 for FY 2020-21 can be filed by the LLPs upto 30.12.2021 without any additional fees.

INCOME TAX



01 Kotak Mahindra Bank becomes 1st scheduled private sector bank to collect direct, indirect taxes



- Kotak Mahindra Bank NSE -3.21 % Ltd (KMBL) has received approval from the government for collection of direct and indirect taxes, such as income tax, Goods and Services Tax (GST) etc, through its banking network.
- With this, the bank becomes the first scheduled private sector bank to receive approval after the announcement by Finance Minister Nirmala Sitharaman allowing all banks to participate in government-related business.

02 Central Board of Direct Taxes authorizes the Director General of Income-tax (Systems) to upload information



- Director General of Income-tax (Systems) to upload information relating to following sources. which is in her/his possession, in the Annual Information Statement in Form 26AS in the electronic filing account registered by the assessee in designated portal, within three months from the end of the month in which the information is received by her/him:
 - Foreign remittance information reported in Form ISCC ii. Information in Annexure II of the 24Q TDS Statement of the last quarter iii. Information in ITR of other taxpayer iv. Interest on Income Tax Refund v. Information in Form 61/61A where PAN could be populated.

INDIRECT TAXATION

01

Centre releases Rs 44,000 cr to States towards GST Compensation

- The Ministry of Finance has released INR 44,000 crore to the States and UTs with Legislature under the back-to-back loan facility in lieu of GST Compensation.
- After taking into account earlier release of INR 1,15,000 crore (INR 75,000 crore released on 15th July, 2021 and INR 40,000 crore released on 07th October, 2021), total amount released in the current financial year as back-to-back loan in-lieu of GST compensation is INR 1,59,000 crore.



02

Doing WFH due to Covid no reason to cancel of GST registration: HC

- The Calcutta high court has set aside the GST authority's order cancelling the registration of a company on the ground that the firm was not operating from the registered place at the time of investigation due to Covid-19.
- The court directed the tax authorities to grant a hearing opportunity to the petitioner, International Value Retail Pvt Ltd, to place all relevant documents and evidence in support of its submissions and pass a reasoned order within four weeks.



STARTUP INDIA



01

More demand: Paytm hikes IPO size to INR 18,000 crore



News Link

02

Meesho Announces \$5.5 Mn ESOP Buyback After 2X Growth In Valuation



News Link

03

India's Chalo acquires Amazon-backed bus aggregator Shuttl



News Link

04

Nykaa acquires skincare brand DoT & Key



News Link

05

Byju's raises funds at \$18 billion valuation from Edelweiss, IIFL, others



News Link

06

Zostel Asks SEBI To Reject SoftBank-Backed Oyo's IPO Filing



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KREO CAPITAL PRIVATE LIMITED

CAPITAL MARKETS | INVESTMENT BANKING | WEALTH MANAGEMENT | LENDING SOLUTIONS

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Our Investment Banking division works with a wide range of clients including young, cutting-edge start-ups and established market leaders. We advise our clients on mergers and acquisitions, private equity funding, divestments, corporate restructuring, valuation of shares as per SEBI guidelines, company law and secretarial advisory.

Our advice is built from a rigorous and up-to-date understanding of the market, coupled with clients financial vision. This means we only offer solutions that work best for our clients.

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ABOUT KREO CAPITAL

Kreo Capital is a boutique financial service company with Mid Market focus, offering integrated financial advice and services. Promoted by professionals with rich experience in financial and capital markets, Kreo Capital is a financial expert for all growth oriented companies.

Team Kreo is committed to long term relationships and has a proficient and skilled work force invested in its clients and their business. Our services enable our clients to access Capital Markets, Corporate Finance Advisory, Wealth Management Advisory, Mergers and Acquisition Advisory, ESOP & Valuation Advisory, Equity/Debt Placements and Restructuring.

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