

KREO CAPITAL PRIVATE LIMITED

SEBI REGISTERED – CATEGORY I - MERCHANT BANKER

THIRTY-EIGHTH EDITION



SEPTEMBER
2021

Monday, 4th October, 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

Click on individual images for detailed coverage

BROAD ECONOMIC NEWS

01

India emerges as Dubai's second biggest trade partner



News Link

02

India Australia agree to sign a Comprehensive Economic Cooperation Agreement by 2022 end



News Link

03

Cabinet approves listing of ECGC, capital infusion of Rs 4,400 Crore



News Link

04

Indian bonds better placed than others to weather rising US yields



News Link

05

Walmart, Flipkart sign MoU with Tamil Nadu govt, to support MSMEs



News Link

06

Australia's Zip enters Indian buy-now-pay-later space with ZestMoney deal



News Link

CAPITAL MARKETS



01

IPO frenzy to continue in Oct-Nov, 30 firms look to mop-up INR 45,000 Cr.



News Link

02

Market Movers: Zee Entertainment tumbles as risk to Sony merger rise



News Link

03

Piramal completes acquisition of DHFL for Rs 34,250cr, biggest resolution in value terms



News Link

04

IIFL Finance to raise ₹ 1,000 Crore through Secured Bonds



News Link

05

India likely to block Chinese investment in LIC's mega IPO



News Link

06

Paras defence shares nearly triple on bumper debut against issue price



News Link

SEBI



भारतीय प्रतिशुद्धि और विनियम बोर्ड
Securities and Exchange Board of India

01

SEBI proposes to revise settlement rules



Click
to
know
more

- The regulator has proposed to revise the timelines and rationalize the fee structure for settlements, an application involving an out-of-court resolution of securities law violations. It is negotiated between the regulator and the entity concerned, without admission of guilt and without denial of liabilities, involves payment of a fee.
- The time period for filing settlement applications is proposed to be shortened from 180 days to 60 days.
- At present, entities are provided a window of 180 days in total to apply for settlement after receipt of the notice to show cause.

02

SEBI in talks to redefine promoter norms



Click
to
know
more

- SEBI is in talks with other regulators on the transition from the traditional concept of 'promoters' to that of 'controlling shareholders' so that corporate control is accurately reflected.
- As a part of this process, the regulator is reaching out to the regulators in an attempt to bring a uniform framework.
- The marketplace regulator is of the presumption that the existent conception of promoter and promoter radical has go irrelevant for the new-age companies, particularly start-ups since these are not family-owned businesses but backed by organization investors.

SEBI



भारतीय प्रतिशुल्ति और विनियम बोर्ड
Securities and Exchange Board of India

03

SEBI allows open offer and delisting together at differential pricing to make M&As easier

- The Securities & Exchange Board of India (SEBI), has eased the framework for delisting companies following an open offer from the acquirer.
- The key change in the new rule gives acquirers the ability to announce an open offer and a delisting together at a differential pricing.
- New rules give the benefit of dual pricing for shareholders.



04

SEBI introduces swing pricing in debt funds

- To protect the interests of debt fund investors from large redemptions by other investors, Securities Exchange Board of India (SEBI) has introduced swing pricing in bond funds.
- The regulator has announced the swing pricing framework for bond funds units except overnight funds, gilt funds and gilt funds with 10 year maturity schemes.
- The swing pricing rules will ensure that long term investor in debt scheme will not be affected by some large investors redeeming their investments



05

OTHER SEBI CIRCULARS

Risk management framework for mutual funds



Link

Alignment of interest of key employees of AMC with unit holders of mutual funds Schemes



Link

Introduction of T+1 rolling settlement on an optional basis



Link

Position limits for currency derivative contracts



Link

Amendment pursuant to comprehensive review of Investor Grievance Redressal Mechanism



Link

Alignment of interest of AMC with unit holders of mutual funds Schemes



Link

RBI



01

RBI revamps loan transfer and securitization rules

- The Reserve Bank of India (RBI) has revamped loan transfer and securitization rules that are expected to boost liquidity in the system further and improve transparency and corporate governance.
- Reserve Bank of India (RBI) has issued separate master directions on transfer of loan exposures and securitization of standard assets.
- This master direction will apply to all scheduled commercial banks, excluding regional rural banks, all-India term financial institutions, small finance banks, and NBFCs.



Click
to
know
more

02

Banks get RBI nod to use any other ARR in place of LIBOR

- RBI has permitted banks, which are authorized to deal in foreign exchange, to use any other widely accepted/alternative reference rate (ARR) in place of the London interbank offered rate (LIBOR) for interest payable in respect of export/import transactions.
- The central bank has issued a circular in this regard to authorized dealer banks in view of the impending cessation of LIBOR as a benchmark rate.



Click
to
know
more

RBI



03

RBI announces Open Market Purchase of Government of India Securities under G-sec Acquisition Programme



- The RBI said in an official statement that it will purchase three government securities of different maturity dates amounting to ₹15,000 crore. The central bank added that it will also sell three government securities of the same amount.
- This is the first time that the RBI will be conducting simultaneous purchase and sale of G-Secs, in view of the current liquidity conditions in the banking system.

04

Recurring card payments to be affected as new credit, debit card rules kick in from October 1



- Effective October 1, automated subscriptions for newspapers and magazines, or even utility bill payments, will change.
- To strengthen the safety of card transactions, the RBI has announced new guidelines on e-mandates or recurring payments via cards.
- Monthly subscription amount for any service exceeds Rs 5,000, then an additional factor of authentication (AFA) will become mandatory.
- For automated debits, card issuer or bank would now need to send a notification at least 24 hours in advance.



05

OTHER RBI CIRCULARS

Master Circular on Investment by Primary (urban) Co-operative Banks



Link

Master -Direction Reserve Bank of India (Market Makers in OTC Derivatives)



Link

Implementation of Section 51 A of UAPA 1967: deletion of one entry



Link

CRM for offsetting-non-centrally cleared derivative transactions of foreign bank branches in India



Link

Application for Aadhar e-KYC Authentication License



Link

Master -Direction Reserve Bank of India (Transfer of Loan Exposures)



Link

Master-Direction Reserve Bank of India (Securitization of Standard Assets)



Link

01

Extension of time for holding of AGM for FY ended on March 31, 2021

 Click to know more

- The MCA issued Office Memorandum vide CL-II-03/252/2021-O/o DGCoA-MCA dated September 23, 2021 regarding extension of time for holding of Annual General Meeting (AGM) for the Financial year ended on March 31, 2021.
- Accordingly, it has been decided to advise the Registrar of Companies (RoCs) to accord approval for extension of time for a period of two months beyond the due date by which companies are required to conduct their AGMs for the financial year 2020-21 ended on March 31, 2021.

02

MCA relaxes the last date of filing of cost audit report to the board of directors

 Click to know more

- The Ministry of Corporate Affairs has extended the last date of filing of the Cost Audit Report to the Board of Directors under Rule 6(5) of the Companies (Cost Records and Audit) Rules, 2014 on September 27, 2021.
- The circular states that if a cost-audit report for the financial year 2020-21 by the cost auditor to the Board of Directors of the companies is submitted by October 31, 2021 then the same would not be viewed as a violation of rule 6(5) of Companies (cost records and audit) Rules, 2014.

03

NCLT approves amalgamation of Lincoln Parenteral & Lincoln Pharmaceuticals

- Drug firm Lincoln Pharmaceuticals said the National Company Law Tribunal, Ahmedabad Bench, has approved the scheme of amalgamation of Lincoln Parenteral Ltd and the company.
- Amalgamation of Lincoln Parenteral Ltd and Lincoln Pharmaceuticals Ltd is expected to bring lots of synergies in terms of operations efficiency, enhance competitive strength, cost-effectiveness and productivity for the combined entity, Lincoln Pharma



04

New NCLT ruling gives leeway to companies that want to restructure, give exit to some shareholder

- NCLT has ruled that companies can reclassify their equity shares as preference shares, paving the way for more flexible capital reorganisation for private companies.
- This means companies can do this to give a structured exit to some of their shareholders going ahead, say industry trackers.



INCOME TAX



01

Income tax return filing deadline for FY 2020-21 extended to December 31, 2021

- The government has once again extended the deadline to file income tax return (ITR) for FY 2020-21 by three months to December 31, 2021 from September 30, 2021.
- The deadline has been extended due to glitches on the new income tax portal which had made it difficult for scores of taxpayers to complete their ITR filing process.

Click
to
know
more

02

PAN-Aadhaar linkage deadline extended till March 2022

- Aadhaar linking with PAN can now be done till March 31, 2022, after the government extended the deadline from September 30, 2021.
- The Central Government, in continuation of its commitment to address the hardship being faced by various stakeholders on account of the Covid-19 pandemic, has, on consideration of representations received from various stakeholders, decided to extend timelines for compliances under the Income-tax Act.

Click
to
know
more

INDIRECT TAXATION

01

India exempts Covid 19 Vaccine from import duty



- CBIC has fully exempted imports of Covid 19 vaccines from basic customs duty, from October 1 till December 31.
- The government had also decided to exempt the import of medical oxygen and connected equipment from import duty and health cess.
- While Covid vaccines continue to attract a 5% goods and services tax, the government had exempted some Covid treatment drugs from the tax and lowered the tax on other materials. The relief has been extended till the year end.

02

GST panel to consider giving waiver on 1 day interest, latefee



- As some taxpayers faced difficulties in filing GST return the tax department said the IT grievance redressal committee would consider giving interest and late fee waiver.
- The Central Board of Indirect Taxes and Customs (CBIC) in a tweet said a few taxpayers have reportedly faced difficulty in updation of Electronic Cash Ledger on September 20.

STARTUP INDIA



01

Indian online learning platform Vedantu becomes Unicorn with \$100 Million funding.



News Link

02

Uber partners with Startup India & Icreate to scout for clean mobility solutions.



News Link

03

Meesho raises \$570 million, valuation doubles to \$4.9 billion.



News Link

04

Agritech Start up Superzoop raises \$4 Mn from European fund incofin



News Link

05

Jubilant FoodWorks Acquires 25% Stake In Nutrition Company Wellversed Health



News Link

06

Lynk demos global satellite for ordinary phones & prepares for commercial launch



News Link

KREO CAPITAL PRIVATE LIMITED

CAPITAL MARKETS | INVESTMENT BANKING | WEALTH MANAGEMENT | LENDING SOLUTIONS

CA Varun Parakh
Managing Director
M:+91-9890920892
E: varun@kreocapital.com

ABOUT OUR INVESTMENT BANKING SERVICES

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.

HEAD OFFICE:
6th floor, B-Wing,
Shriram Towers,
Civil Lines,
Nagpur – 440001.
T: +91-0712-6652070

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.

MUMBAI OFFICE:
Unit 202, Tower-A,
Peninsula Business
Park, Senapati Bapat
Marg, Lower Parel,
Mumbai – 400013
T:+91-22-41731000

W: www.kreocapital.com
E: info@kreocapital.com

**SEBI REGISTRATION
NO: INM000012689**

Disclaimer : All data and information is provided for informational purposes only and is not intended for any factual use. It should not be considered as binding / statutory provisions. Neither Kreo Capital, nor any of its group company, directors, or employees shall be liable for any of the data or content provided for any actions taken in reliance.