

KREO CAPITAL PRIVATE LIMITED

SEBI REGISTERED CATEGORY I - MERCHANT BANKER



July 2025

Tuesday, 12th August 2025

“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



SEBI



MCA



INCOME TAX



INDIRECT TAX



STARTUP INDIA

Click on individual images for detailed coverage

GLOBAL MARKETS

**01**

Trump raises U.S. tariffs on Indian imports to 50%



[News Link](#)

02

Euro zone inflation holds steady at higher-than-expected 2% in July; unchanged from June



[News Link](#)

03

Core inflation in Japan's capital stays above BOJ target in July at 2.9%



[News Link](#)

04

Fed holds key rate steady, targeted in a range between 4.25%-4.5%



[News Link](#)

05

US Core inflation picked up 0.2% on the June, with the annual rate moving to 2.9%



[News Link](#)

06

China's exports top forecasts in July as shippers rush to meet tariff deadline



[News Link](#)

BROAD ECONOMIC NEWS

**01**

India's retail inflation eases to 2.1% in June, lowest since Jan 2019

[News Link](#)**02**

India's forex reserves drop by \$9.32 billion, to USD 688.87 billion remain near record high

[News Link](#)**03**

India's services PMI at 11-month high in July 2025 on strong demand, including from abroad

[News Link](#)**04**

India's manufacturing PMI hits 16-month high at 59.1 in July on high demand

[News Link](#)**05**

India's April-June fiscal deficit at 17.9% of full-year target

[News Link](#)**06**

India's fuel demand fell 4.3% month-on-month in July

[News Link](#)

CAPITAL MARKETS

**01**

SIP AUM crosses Rs 15 trillion in June, logs fastest Rs 5-trillion jump

[News Link](#)**02**

Foreign inflows hit 7 month high in primary market with \$1.7 billion in July

[News Link](#)**03**

India's outward FDI in June swells to \$5 billion, shows RBI data

[News Link](#)**04**

F&O volumes hit 8-month high in July

[News Link](#)**05**

Small and medium enterprise initial public offerings on the NSE Emerge platform surged to an eight-month high in June

[News Link](#)**06**

Corporate bonds gain favour as government securities yield remain steady

[News Link](#)

STARTUP NEWS



01

Indian startups raise over \$705 million in July



[News Link](#)

02

PE/VC Funding in June Quarter Down by 43 Percent



[News Link](#)

03

Japanese VC's are turning to Indian startups for better exits, stronger IPO's, and long term growth opportunities



[News Link](#)

04

Startups trim size to woo investors



[News Link](#)

05

India's Gifting Startups Stay the Course Amid Global Funding Freeze



[News Link](#)

06

BHASKAR Empowers Over 1.97 Lakh Startups Across India



[News Link](#)

SEBIभारतीय प्रविधिति और विनिमय बोर्ड
Securities and Exchange Board of India**01**

SEBI lays down mechanism for monitoring compliance with minimum investment threshold under SIF

- SEBI has introduced a monitoring framework to ensure Specialized Investment Fund (SIF) investors maintain the mandatory ₹10 lakh minimum investment.
- An “active breach” is when an investor’s holdings fall below ₹10 lakh due to their own actions such as redemption, off-market sale, or exchange trade.
- Upon breach, all units held by the investor across all SIF strategies are frozen for any debit transactions.
- The investor has 30 calendar days to restore the investment to the required level, after which the freeze is lifted if compliance is met.
- If the breach is not rectified within 30 days, the frozen units are automatically redeemed by the AMC at the applicable NAV.

*Click
to
know
more***02**

SEBI moots major relief for big firms on related party transaction norms

- SEBI proposes raising the shareholder approval threshold for related-party transactions (RPTs) from ₹1,000 crore to ₹5,000 crore, based on company turnover, to ease compliance.
- Disclosure requirements may be relaxed for RPTs below ₹150 crore to reduce reporting burden on smaller transactions.
- Despite easing rules, boards and audit committees must continue strong oversight to ensure transparency and protect shareholders.
- The changes aim to align regulations with business scale while maintaining robust governance standards.
- SEBI is currently reviewing stakeholder feedback before finalizing these proposed reforms.

*Click
to
know
more*

SEBIभारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India**03***Click
to
know
more*

SEBI has provided a six-month window, from July 7, 2025, to January 6, 2026, for equity shareholders to re-lodge their physical share transfer deeds.

- SEBI has opened a six-month window (July 7, 2025 – January 6, 2026) for shareholders to re-lodge physical share transfer deeds rejected before April 1, 2019.
- Failure to re-lodge these deeds may cause buyers to lose legal and financial rights over their shares.
- Without re-lodgement, physical share certificates may become unverified and non-transferable or unsellable.
- The move aligns with Section 56(1) of the Companies Act, 2013, requiring properly executed transfer instruments for share registration.
- This process helps transition paper-based share transfers to the demat system, improving transparency and investor protection.

04*Click
to
know
more*

SEBI bars mutual funds from paying transaction charges to distributors

- SEBI has banned mutual funds from paying transaction charges to distributors effective immediately.
- Earlier, AMCs paid ₹100 per ₹10,000 for existing investors and ₹150 per ₹10,000 for new investors as transaction charges.
- The move aims to reduce costs and improve transparency in mutual fund investments.
- Distributors will now receive remuneration directly from AMCs without additional transaction charges.
- AMCs must implement the revised payout norms promptly to benefit investors and promote fairness.

05**SEBI CIRCULARS**

Ease of Doing Investment - Special Window for Re-lodgement of Transfer Requests of Physical Shares

[Link](#)

Operational Efficiency in Monitoring of Non-Resident Indians (NRIs) Position Limits in Exchange Traded Derivatives Contracts - Ease of Doing Investment

[Link](#)

Rights of Persons with Disabilities Act, 2016 and rules made thereunder- mandatory compliance by all Regulated Entities

[Link](#)

Monitoring of Minimum Investment Threshold under Specialized Investment Funds (SIF)

[Link](#)

Extension of timeline for implementation of SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/0000013 dated February 04, 2025

[Link](#)

Extension of timeline for implementation of Phase II & III of Nomination Circular dated January 10, 2025 read with Circular dated February 28, 2025

[Link](#)

RBI**01**

RBI holds repo rate at 5.5 per cent, retains FY26 GDP growth at 6.5% despite tariff uncertainties

- RBI's Monetary Policy Committee kept the repo rate steady at 5.5%, maintaining a neutral policy stance to balance growth and inflation.
- The GDP growth forecast for FY 2025-26 remains at 6.5%, indicating confidence in the economy's momentum.
- CPI inflation projection was revised down sharply to 3.1% from the earlier 3.7%, reflecting easing price pressures.
- Growth is projected at 6.5% in Q1, 6.7% in Q2, 6.6% in Q3, 6.3% in Q4, and 6.6% in Q1 of FY 2026-27.
- The decision highlights caution over global uncertainties such as tariff tensions, while acknowledging robust domestic growth trends.



↑
*Click
to
know
more*

02

RBI mandates 10% loan retention for banks, NBFCs under co-lending deals

- RBI's revised co-lending norms, effective January 1, 2026, aim to strengthen risk-sharing between banks and NBFCs.
- Each lender must retain at least 10% of every individual loan on its own books.
- Default loss guarantees by the originating lender are capped at 5% of the outstanding loan.
- Asset classification will be borrower-level—if one lender flags an account as SMA/NPA, all co-lenders must follow.
- Loans must be booked within 15 days of disbursement, with borrowers charged a blended rate and clear disclosures via KFS/APR.



↑
*Click
to
know
more*

RBI**03**

India's services exports rise 12% in June 2025, imports 5%: RBI

- Services exports grew by 12% year-on-year, reaching approximately USD 32.11 billion.
- Services imports rose by 5% year-on-year, totaling around USD 15.90 billion.
- The export growth continues a positive trend, following gains of 8.8% in April and 9.6% in May.
- Imports, after a 1.1% decline in May, rebounded in June, indicating renewed demand for professional and technical services from abroad.
- The robust export performance underscores the resilience of India's services sector, especially in IT, business, and financial services.



↑
*Click
to
know
more*

04

Banks roll over maturing VRRR amount; overnight WACR breaches repo rate

- On August 8, 2025, RBI conducted two VRRR auctions to withdraw ₹3 trillion from the banking system.
- Banks submitted bids totaling ₹1.59 trillion; RBI accepted bids at a cut-off rate of 5.49%.
- RBI aimed to absorb over ₹2.8 trillion in maturing funds amid ₹3.54 trillion surplus liquidity.
- The overnight weighted average call rate rose to 5.58%, above the policy repo rate of 5.5%, indicating tighter liquidity.
- RBI may conduct VRRR auctions to inject liquidity if call rates remain above the repo rate.



↑
*Click
to
know
more*

RBI**05****RBI CIRCULARS**

Reserve Bank of India (Pre-payment Charges on Loans) Directions, 2025

[Link](#)

Basel III Capital Regulations – External Credit Assessment Institutions (ECAIs) – CareEdge Global IFSC Limited

[Link](#)

Lending Against Gold and Silver Collateral - Voluntary Pledge of Gold and Silver as Collateral for Agriculture and MSME Loans

[Link](#)

Inclusion of “NSDL Payments Bank Limited” in the Second Schedule of the Reserve Bank of India Act, 1934

[Link](#)

Formation of new district in the State of Arunachal Pradesh – Assignment of Lead Bank Responsibility

[Link](#)

Inclusion of “Deogiri Nagari Sahakari Bank Ltd., Chhatrapati Sambhajnagar” in the Second Schedule of the Reserve Bank of India Act, 1934

[Link](#)

Inclusion of “Ahmednagar Merchant’s Co-op. Bank Ltd., Ahmednagar” in the Second Schedule of the Reserve Bank of India Act, 1934

[Link](#)

01**New registration form for CSR entities**

↑
*Click
to
know
more*

- The Ministry of Corporate Affairs (MCA) has introduced a new registration form called CSR-1 for entities implementing CSR activities.
- Entities like universities, hospitals, and large charitable organizations, previously exempt, now must register using CSR-1.
- The revised form includes updates reflecting recent amendments in CSR rules to improve accountability.
- This registration aims to increase transparency and regulatory oversight of CSR initiatives.
- The move is part of the government's broader effort to streamline and better regulate CSR activities in India.

02**Action taken by NFRA to prevent audit failure and regulatory lapses**

↑
*Click
to
know
more*

- NFRA's 2025-26 action plan aims to strengthen audit quality and prevent corporate fraud.
- Root cause analysis to identify why major audit failures occur and recommend preventive measures.
- Enhanced inspections of audit firms with stricter follow-up on deficiencies.
- Tougher enforcement actions for non-compliance, including penalties and disciplinary measures.
- Capacity building for auditors and NFRA staff through training and knowledge sharing.
- Closer coordination with other regulators to address systemic risks quickly and effectively.

INCOME TAX

**01**

India's net direct tax collection falls 1.3% during April 1-July 10

- India's net direct tax collections fell 1.3% to ₹4.82 lakh crore during April 1-July 10, 2025, mainly due to higher tax refunds.
- Gross direct tax collections rose 4.9% to ₹5.91 lakh crore in the same period.
- Corporate tax collections declined 1.4% to ₹2.27 lakh crore; personal income tax (including securities tax) dropped 0.7% to ₹2.54 lakh crore.
- Increased advance tax refunds contributed to the dip in net corporate tax collections.
- Despite short-term decline, overall direct tax collections are expected to meet the full-year budget target of ₹23.49 lakh crore.



Click
to
know
more

02

Income Tax Bill 2025, introduced in February, withdrawn; new version on August 11, 2025

- The government has withdrawn the original Income Tax Bill, 2025, introduced in February 2025, to address concerns raised by a parliamentary committee.
- The Select Committee submitted 285 recommendations to improve clarity and address issues for corporate entities and charitable trusts.
- A revised Income Tax Bill, incorporating most of these suggestions, is scheduled for introduction in the Lok Sabha on August 11, 2025.
- The new draft aims to simplify India's complex tax code, which currently has over 4,000 amendments and more than 500,000 words.
- The simplification is expected to benefit middle-class taxpayers, small business owners, and MSMEs by making tax compliance easier and boosting savings.



Click
to
know
more

INDIRECT TAXATION

**01**

India's GST collections rise 7.5% y-o-y to Rs 1.96 lakh crore in July

- India's GST collections for July 2025 reached ₹1.96 lakh crore, marking a 7.5% year-on-year increase compared to July 2024.
- This amount shows a rebound from June 2025, when collections were ₹1.85 lakh crore, reflecting improving economic momentum.
- April 2025 set a record with GST collections hitting ₹2.37 lakh crore, a strong 12.6% increase over the previous year.
- The consistent rise in GST revenues indicates stable domestic economic activity alongside better tax compliance and enforcement.
- Key drivers of the growth include higher consumer spending and increased import volumes, both signaling positive trends in demand and trade.



Click
to
know
more

02

India UK Trade deal : Impact on cars, whiskey, chocolates & cosmetics and others

- Import duties on premium British cars like Rolls-Royce, Jaguar Land Rover, and Aston Martin are reduced from over 100% to 10% within specified quotas, making them more affordable.
- Import duty on Scotch whisky is halved to 75%, lowering prices for consumers.
- Products such as chocolates, cosmetics, soaps, perfumes, and nail polish from the UK will become cheaper due to reduced tariffs.
- Import duties on medical devices and equipment, including lenses and microscopes, are eliminated, reducing healthcare costs.
- Import duties on electric vehicles are cut significantly from 110% to 10% within specified quotas, promoting cleaner transportation options.



Click
to
know
more

KREO CAPITAL PRIVATE LIMITED

CAPITAL MARKETS | INVESTMENT BANKING | WEALTH MANAGEMENT | LENDING SOLUTIONS

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 client's financial vision. This means we only offer solutions that work best for our clients.

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.

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.

CA Varun Parakh
Managing Director

M: +91-9890920892

E: varun@kreocapital.com

HEAD OFFICE:

2nd Floor, Near Gate No.
8, V.C.A. Complex, Civil
Lines, Nagpur – 440001
**T: +91-712-2997550/
+91-712-2997551**

W: www.kreocapital.com

E: info@kreocapital.com

SEBI REGISTRATION
NO: INM000012689