

KREO CAPITAL PRIVATE LIMITED

SEBI REGISTERED CATEGORY I - MERCHANT BANKER

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“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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GLOBAL MARKETS

01

OPEC+ shocks with 1 million barrel cut in crude oil output, stoking inflation risk



News Link

02

V3 Ventures plans to invest 30 mn. euros in Indian start-ups



News Link

03

The European Union's legislature has granted final approval to the Markets in Crypto Assets



News Link

04

Global trade growth to slow this year, WTO says, but trade is getting greener



News Link

05

India-Russia trade hit a record \$39.8 billion in 2022-23: SPIEF director



News Link

06

Global funding for Indian startups may take a pause: RBI



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BROAD ECONOMIC NEWS

01

India's growth continues to be resilient despite some signs of moderation: World Bank



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02

World Bank slashes India's GDP growth forecast to 6.3%



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03

India to outperform China, US in real GDP growth in 2023 and 2024, says IMF



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04

India's green hydrogen plan opens a window of opportunity for R&D and manufacturing



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05

India still better investment destination; debt as an asset class is also looking lucrative now



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06

FPIs invest ₹11,631 cr in stocks in April, highest monthly buying of 2023.



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CAPITAL MARKETS



01

New Foreign Trade Policy: Focus on international trade settlement in rupee



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02

India's top pregnancy test kit maker Mankind eyes biggest IPO so far this year



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03

HDFC, Axis Bank Pick 9.94% Stake Each In Go Digit's Life Insurance Business



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PPRO signs strategic partnership with NPCI International



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India's Reliance JV strikes content streaming deal with Warner Bros



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06

India's growth aim faces risks from a little boy, a sturdy cartel & big economies



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SEBIभारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India

01

SEBI brings in advertisement code for investment advisers, research analysts

- SEBI issued a circular on Advertisement code for Investment Advisers (IA) and Research Analysts (RA) to further strengthen the conduct of IAs and RAs, while issuing any advertisement.
- Circular specifies Forms of communication, Information/disclosures in the advertisement and Prohibitions in the advertisement and other compliance requirements.



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02

SEBI issues code for ads to rein in 'finfluencers'

- The Securities and Exchange Board of India (SEBI) has issued a new advertisement code for investment advisers and research analysts following the mushrooming of 'finfluencers' who give online advice on stock markets.
- This code is applicable to all forms of communications that are issued by or on behalf of such advisers and analysts that could influence investment decisions.



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SEBIभारतीय प्रतिभूति और विनियम बोर्ड
Securities and Exchange Board of India**03**

SEBI bars brokers from pledging clients' funds with banks for excessive leverage

- SEBI bars brokers from pledging clients' funds with banks for excessive leverage currently, brokers pledge clients' funds with banks, which in turn issue bank guarantees to clear corporations for higher amounts.
- The regulator said this implicit leverage exposes the market and especially the clients' funds to risks.

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more***04**

SEBI has recently announced the creation of the Corporate Debt Market Development Fund

- SEBI, the regulatory body for the securities market in India, has recently announced the creation of the Corporate Debt Market Development Fund. It comes in the form of an Alternative Investment Fund (AIF).
- It will be backstop facility for the purchase of investment grade corporate debt securities in times of stress or in case of market dislocation. The purpose of this fund is to bring about confidence in corporate bond market and boost secondary market liquidity

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SEBI

भारतीय प्रतिष्ठति और विनियम बोर्ड
Securities and Exchange Board of India

05

OTHER SEBI CIRCULARS

Usage of brand name/trade name by Investment Advisers (IA) and Research Analysts (RA)



Link

SEBI Provides guidelines for Formulation of price bands for the first day of trading pursuant to Initial Public Offering



Link

SEBI Lays down Dispute Resolution Mechanism for Limited Purpose Clearing Corporation (LPCC)



Link

Procedure for seeking prior approval for change in control of Vault Managers



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Modifications in the requirement of filing of Offer Documents by Mutual Funds



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SEBI Directs Stock Exchanges to Comply with 'Weapons of Mass Destruction Act, 2005



Link

RBI**01**

RBI to launch centralized portal PRAVAAH for licensing, approval applications

- RBI is set to introduce a new secured web-based portal called “PRAVAAH” (Platform for Regulatory Application, Validation And Authorizations) aimed at simplifying and streamlining the application processes.
- The portal will display the timeframes for deciding on applications and approvals, leading to greater effectiveness in regulatory processes and making it easier for regulated entities to do business with RBI.



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02

RBI keeps repo rate unchanged at 6.50%

- In a positive surprise, the monetary policy committee (MPC) of the Reserve Bank of India (RBI) on Thursday (April) 6 kept the repo rate unchanged at 6.5 per cent. It was the first monetary policy meet of the financial year 2023-24 (FY24).
- Explaining the MPC’s rationale for these decisions on the policy rate and the stance, Governor Shaktikanta Das in his monetary policy statement said, “While the recent high frequency indicators suggest some improvement in global economic activity, the outlook is now tempered by additional downside risks from financial stability concerns”.



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RBI



03

Reserve Bank announces framework for acceptance of Green Deposits

- RBI, vide notification dated April 11, 2023, has issued a framework for acceptance of green deposits by scheduled commercial banks, including small finance banks (excluding regional rural banks, local area banks and payments banks) and all deposit taking NBFCs.
- The framework is intended to “encourage regulated entities (REs) to offer green deposits to customers, protect interest of the depositors, aid customers to achieve their sustainability agenda, address green washing concerns and help augment the flow of credit to green activities/projects



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04

RBI issues detailed norms for outsourcing of IT services by banks, NBFCs

- The Reserve Bank of India (“RBI”), vide notification dated April 10, 2023, has issued Master Directions to regulate the outsourcing of information technology services by banks, non-banking financial companies (“NBFCs”), EXIM Bank, National Bank for Agriculture and Rural Development, National Bank for Financing Infrastructure and Development, National Housing Bank, Small Industries Development Bank of India Credit Information Companies, and select financial institutions (such regulated entities, collectively, “RE”)



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RBI



05

OTHER RBI CIRCULARS

Master Circular – Lead Bank Scheme.



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Master Circular - Asset Reconstruction Companies



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Remittances to International Financial Services Centres (IFSCs) under the Liberalized Remittance Scheme (LRS)



Link

Amendment to the Master Direction (MD) on KYC



Link

General Credit Card (GCC) Facility – Review



Link



01 MCA Notifies New Rules To Speed Up Closure of Companies Via C-PACE

- The Union ministry of corporate affairs (MCA) issued a notification to facilitate and speed up the removal of the names of companies from the register of companies (RoC), also known as fast-track exit, thereby providing ease to companies that are closing their business.
- Earlier in March, the ministry established a centre for processing accelerated corporate exit (C-PACE) at the Indian Institute of Corporate Affairs in Gurgaon. The concept of C-PACE was introduced in Union Budget 2022-23 to re-engineer the process of corporate exit and speed up the voluntary winding-up of companies. At present, the entire process takes six months to two years



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02 No Illegality in NCLT's Order Approving RP where Appellant's Claim was Based on Pending Arbitration: NCLAT

- The NCLAT observed that since the arbitration proceedings were pending prior to the invocation of section 10 proceedings and there was no contingent liability or any other provisions made in the resolution plan subject to the result of arbitration proceedings, liberty was to be given to the appellant to pursue all contentions in the pending arbitration proceedings and the same was to be decided on its own merit.



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03

CCI approves demerger of FMCG business of Haldiram Snacks and Haldiram Foods

- The Competition Commission of India (CCI) has approved the demerger of the FMCG business of Haldiram Snacks and Haldiram Foods into Haldiram Snacks Food. The CCI also approved the acquisition of 56% and 44% shareholding in Haldiram Snacks Food by existing shareholders of Haldiram Snacks and Haldiram Foods.
- Haldiram Snacks manufactures and distributes packaged food products such as snacks, namkeen, sweets, ready-to-eat, pre-mixed and frozen foods, and is operated by Manohar Agarwal and Madhu Sudan Agrawal



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04

CCI to get more enforcement powers on Big Tech following amendment to Competition law

- The proposed amendments, cleared by Parliament, to the Competition Act gives more powers to the Competition Commission of India (CCI) in pursuing what it sees as anti-competitive behaviour.
- The Bill, which amends the Competition Act, 2002 for the first time since 2007, allows the CCI to penalise entities found engaging in anti-competitive behaviour based on their global turnover, as opposed to their income in India alone.
- Recently, the National Company Law Appellate Tribunal (NCLAT) upheld a ₹1,337 crore fine imposed by the CCI on Google for the firm's contracts with mobile manufacturers.



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INCOME TAX



01

10 income tax rule changes that kicked in from 1st April 2023

- Starting on April 1, the new financial year: FY 2023-24, will commence. Union finance minister Nirmala Sitharaman's announcements from the annual Feb 1 Budget will take effect from April 1.
- Some major changes in Income Tax rules will kick in from 1st April 2023, like changes in tax slabs, default tax regime and taxation of debt mutual funds, among many others. Here are ten big income tax changes that will impact taxpayers in FY 2023-24



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02

AO can Interfere with Completed Assessments u/s 153A: SC

- The Supreme Court held if incriminating material is discovered during a search conducted under Section 132 or requisition under Section 132A, the AO would have the authority to assess or reassess the "total income," considering the collected material, even if the assessment has been completed.
- If no incriminating material is found during a search and the assessment is already completed or unabated, the revenue's only option would be to initiate reassessment proceedings under sections 147/48 of the Act, provided the conditions mentioned in sections 147/148 are fulfilled.



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INDIRECT TAXATION

**01**

GSTN Introduces Facility to Verify Document Reference Number on Offline Communications of State GST Authorities

- The GSTN has issued a new facility to verify document Reference Number (RFN) mentioned on offline communications issued by State GST authorities in order to enable the taxpayers to ascertain that an offline communication (i.e. one which is not system-generated) was indeed sent by the State GST tax officer or not.
- To verify a Reference Number mentioned on the offline communications sent by State GST officers, the taxpayers can navigate to Services > User Services > Verify RFN option and provide the RFN which need to be verified.



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02

Updated Advisory: Time limit for Reporting Invoices on the IRP Portal

- It has been decided by the Government to impose a time limit on reporting old invoices on the e-invoice IRP portals for taxpayers with AATO greater than or equal to 100 crores.
- To ensure timely compliance, taxpayers in this category will not be allowed to report invoices older than 7 days on the date of reporting.
- Further clarified that there will be no such reporting restriction on taxpayers with AATO less than 100 crores, as of now.



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STARTUP INDIA



01

India's startup ecosystem continues to be strong, resilient: DPIIT official



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02

VC fund General Catalyst stresses on governance in Indian startups



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03

Startup India Action Plan Foundation of Indian Startups



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04

Fintech unicorn Razorpay to join govt's ONDC network



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05

Indian startups move court over Google's in-app billing system



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06

No exit by existing OYO investors as it pre-files for IPO



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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 clients 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.

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