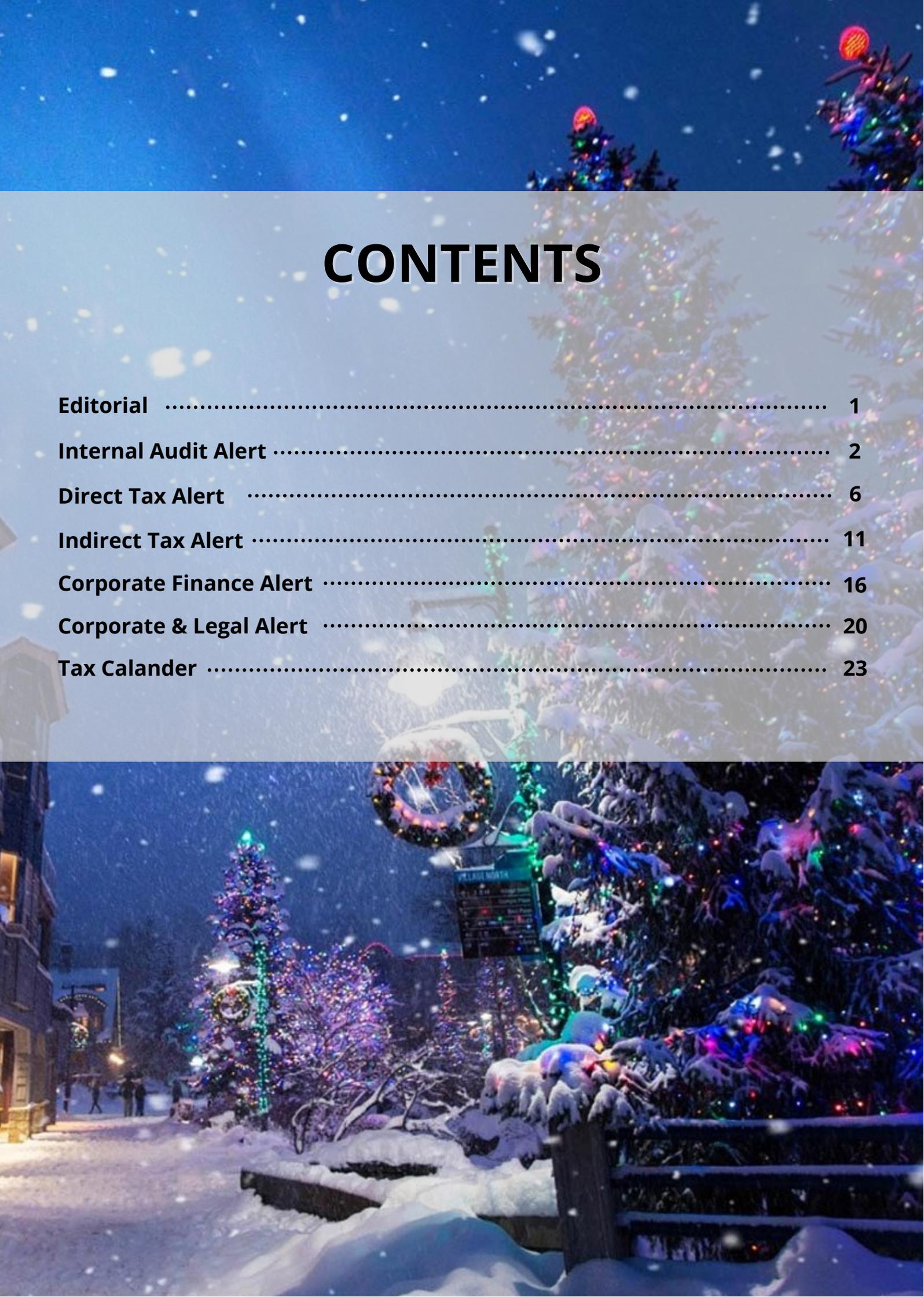




RNM ALERT VOL NO 166
NOVEMBER
NEWSLETTER



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EDITORIAL

Dear Readers

During the month of November 2022, our CEO, Mr. Raghu Marwah attended the four day World Congress of Accountants (#WCOA22) in Mumbai, India. The mega event was held at the Jio World Convention Centre and leaders from across the spectrum including Smt Nirmala Sitharaman, Mr. Gautam Adani, Baba Ramdev, Shri (CA) Piyush Goel, Mr. Anupam Kher, Shri Devender Fadnavis, Mr. Sridhar Vembu, Mr. Deepak Parekh, CA Suresh Prabhu presented. It marked a celebration of the vigour, vitality and growing confidence of the Accounting profession in India.

Team RNM is pleased to announce that a family get together of Team RNM was held on 11th November 2022, at the legendary Delhi Gymkhana Club for an evening of music, food and good humour to relish in the onset of winter. It was a way to not only thank members of Team RNM but also their families in continuing to support RNM India as its biggest pillar of strength.

On the Direct Tax front, the Hon'ble Supreme Court of India in the landmark judgement of Union of India Vs. M/s Ganpati Dealcom Pvt. Ltd. settled the debate regarding the retrospective application of the Benami law by upholding the rights of citizens under Article 20(1) of the Constitution of India.

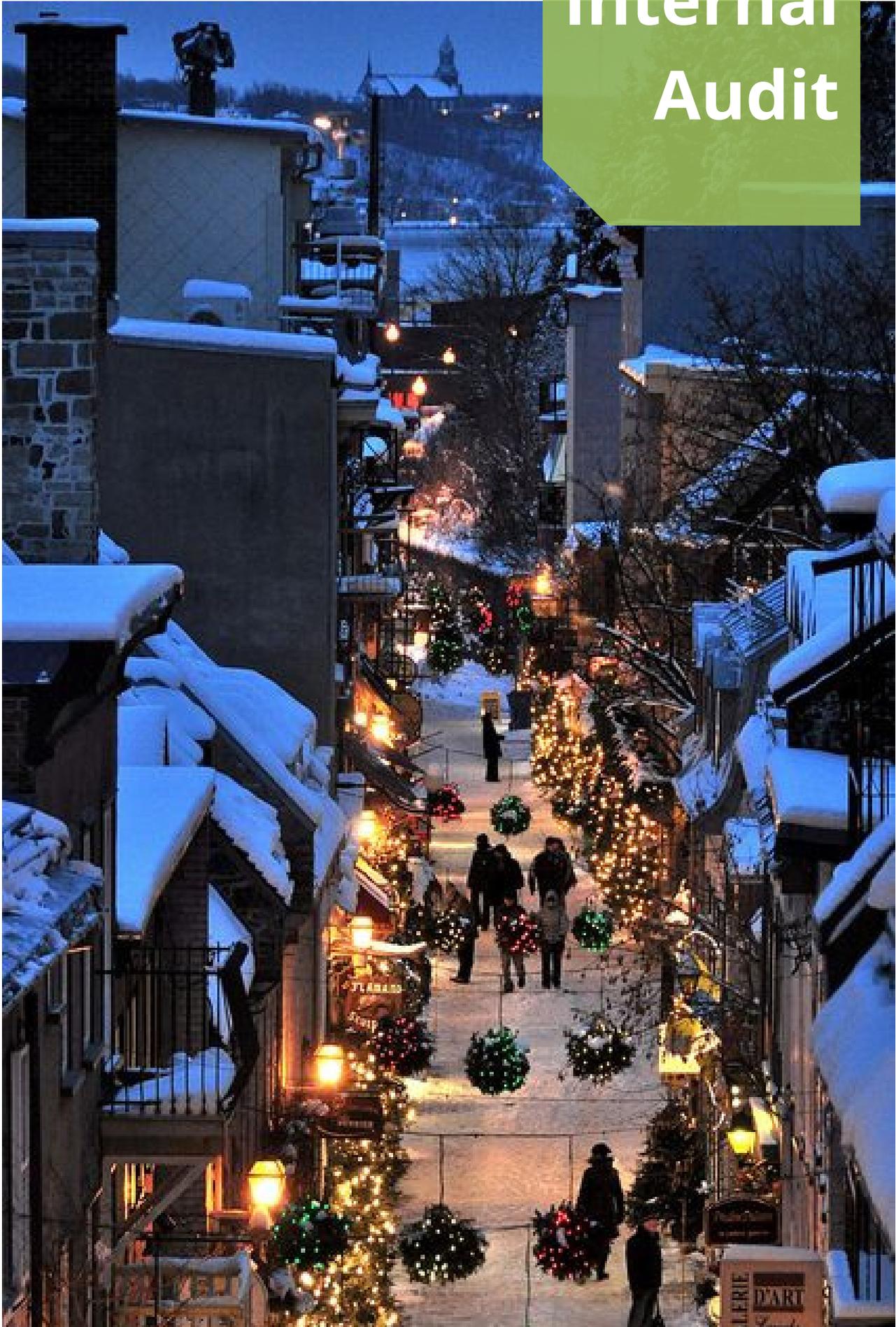
The said judgement is likely to have a persuasive effect on the evaluation of the validity of the retrospective application of the Black Money law.

On the Indirect Tax front, the Hon'ble Punjab & Haryana High Court in the matter of M/s Genpact India (P) Ltd has held that BPO services (including maintaining vendor/customer master data, bookkeeping, developing, licensing, and maintaining software, technical IT support services, data analysis and supporting various business functions like sourcing and supply chain management) are not 'intermediary service' under GST. Team RNM is of the view that this welcome judgement will help reduce litigation and bring clarity to the BPO industry in their claim of 'export of service'.

We would like to take this opportunity to wish all our Readers a very Merry Christmas which commemorates the birth of Jesus Christ. We also hope that 2023 which is around the corner brings joy, peace and prosperity to all!

CA U N Marwah
Chairman- RNM India

Internal Audit





REMISSION OF DUTIES AND TAXES ON EXPORT PRODUCTS (RODTEP Scheme)

Introduction:

RoDTEP stands for the Remission of Duties or Taxes on Export Products Scheme. This scheme has been introduced by the Government of India by making amendments in the Foreign Trade Policy 2015-20 vide DGFT Notification No. 19/2015-20 dated 17.08.2021. The scheme has been introduced with an objective to neutralize the taxes and duties suffered on exported goods which are otherwise not credited or remitted or refunded in any manner and remain embedded in the export goods. This scheme provides for rebate of all hidden Central, State, and Local duties/taxes/levies on the goods exported which have not been refunded under any other existing scheme. This does not only include the direct cost incurred by the exporter but also the prior stage cumulative indirect taxes on goods. It is a WTO-compliant Scheme and follows the global principle that the taxes/duties should not be exported; they should be either exempted or remitted to exporters, to make the goods competitive in the global market. The RoDTEP scheme has been made effective for exports from 1st January 2021.

The following taxes are intended to be compensated to the exporters in RoDTEP Scheme

The scheme intends to compensate the duties/taxes/levies at the Central, State and Local level borne on the exported product including prior-stage cumulative indirect taxes on goods and services used in the production and distribution of the exported product. Illustrative taxes would be as follows:

- 1) VAT and Excise duty on the fuel used in self-incurred transportation costs; on the fuel used in the generation of electricity via power plants or DG Sets; on the fuel used in running of machinery/plant;
- 2) Electricity duty on the purchase of electricity;
- 3) Mandi Tax/ Municipal Taxes/ Property Taxes; Stamp duty on export documents; etc.

Which are the duties and taxes against which RoDTEP benefit can be utilized?

The e-scrips issued under the RoDTEP scheme would be utilized for payment of duty of Customs leviable under the First Schedule to the Customs Tariff Act, 1975 i.e. Basic Customs Duty. It cannot be utilized towards payment of any other taxes like IGST, Compensation Cess etc. upon the import of goods.

Would RoDTEP scrips be transferable to any other person?

The benefit under the RoDTEP scheme would be in the form of transferable duty credit scrip, or it may be in the form of electronic scrip which will be maintained in the electronic ledger.

Yes, the scrips would be transferable to any other person having a valid IEC and valid ICEGATE Registration.

Governing Regulatory bodies for the RoDTEP in India

RoDTEP scheme has been notified by the Department of Commerce vide DGFT Notification No. 19/2015-20 dated 17.08.2021. However, the Scheme shall be fully administered by the Department of Revenue.

A separate RODTEP Policy Committee (RPC) chaired by DGFT comprising of the Department of Revenue/Drawback Division with the suitable representation of the Department of Commerce/DGFT, line ministries, and experts on the prioritized sectors. The committee shall be responsible for the determination of the ceiling rates under the Scheme.

Who is eligible to take benefit of the RoDTEP scheme

All exporters of goods are eligible to take benefit under this scheme. Such an exporter may either be the merchant or manufacturer exporter. However, such goods should have been directly exported by such a person.

The benefit under the Scheme is available to all exporters irrespective of their status in respect of the goods manufactured in India. Further, there is no turnover limit criterion for claiming the benefit under the Scheme.

Sectors excluded from the RoDTEP scheme as of now

RoDTEP scheme will be applicable to all the sectors apart from the following –

- Apparel and made-ups (Chapters 61, 62 & 63) for which the RoSCTL scheme has been extended for the benefits.
- Steel, pharmaceuticals, organic and inorganic chemicals.

In other words, some of the sectors which have been excluded currently from the benefit under the scheme are steel, pharmaceuticals, organic and inorganic chemicals etc.

What are ineligible categories under the Scheme for claiming benefits?

Para 4.55 of the Foreign Trade Policy, as inserted vide DGFT Notification No. 19/2015-20 dated 17.08.2021 specifies the following categories of exports/exporters which shall not be eligible for rebate under the RoDTEP Scheme:

- i) Exports of imported goods as per para 2.46 of FTP i.e. Import for Export;
- ii) Exports through trans-shipments, meaning thereby exports originating in a third country but trans-shipped through India;
- iii) Export products which are subject to minimum export price or export duty;
- iv) Products which are restricted for exports under Schedule-2 of Export Policy in ITC (HS);
- v) Products which are prohibited for export under Schedule-2 of Export Policy in ITC (HS);
- vi) Deemed Exports;
- vii) Supplies of products manufactured by DTA units to SEZ/FTWZ units;
- viii) Products manufactured in EHTP and BTP;
- ix) Products manufactured partly or wholly in a warehouse under section 65 of Customs Act, 1962 (i.e. MOOWR etc);
- x) * Products manufactured or exported in discharge of export obligation against advance authorisation or Duty-Free Import Authorization (DFIA) or Special Advance Authorisation issued under a duty exemption scheme of relevant Foreign Trade Policy;
- xi) * Products manufactured or exported by a unit licensed as 100% Export Oriented Unit (EOU) in terms of the provisions of the Foreign Trade Policy;
- xii) * Products manufactured or exported by any of the units situated in Free Trade Zone (FTZ), Export Processing Zones (EPZ) or Special Economic Zone (SEZ);
- xiii) Products manufactured or exported availing the benefit of Notification No 32/1997- Customs dated 01.04.2017 (i.e. jobbing transactions);
- xiv) Exports for which electronic documentation in ICEGATE EDI has not been generated or Exports from Non-EDI port; and
- xv) Goods which have been taken into use after manufacture (i.e. second-hand goods);

[*** As per para 4.55B of the FTP (inserted vide DGFT Notification No. 19/2015-20 dated 17.08.2021), the inclusion of exports made by categories mentioned in Sr. No. X, XI and XII above i.e. the exporters under the categories of SEZ, EOU, Advance Authorisation etc. and the RoDTEP rates for export items under such categories would be decided later based on the recommendations of the RoDTEP Committee.]

Conclusion:

It is a WTO-compliant Scheme and follows the global principle that the taxes/duties should not be exported; they should be either exempted or remitted to exporters, to make the goods competitive in the global market.

Disclaimer: The materials provided herein are solely for information purposes. No client relationship is created when you access or use the abovementioned materials.

Direct Tax





1. CBDT releases Draft Common Income Tax Return form for public consultation

At present, taxpayers are required to furnish their Income-tax Returns in ITR-1 to ITR-7 depending upon the type of person and nature of income. The current ITRs are in the form of designated forms wherein the taxpayer is mandatorily required to go through all the schedules, irrespective of the fact whether that particular schedule is applicable or not, which increases the time taken to file the ITRs.

The proposed draft ITR takes a relook at the return filing system in tandem with international best practices. It proposes to introduce a common ITR by merging all the existing returns of income except ITR-7. However, the current ITR-1 and ITR-4 will continue. This will give an option to such taxpayers to file the return either in the existing form (ITR-1 or ITR-4), or the proposed common ITR, at their convenience.

2. DIRECT TAX COLLECTIONS FOR F.Y. 2022-23 UP TO 10-11-2022

The provisional figures of Direct Tax collections up to 10th November 2022 continue to register steady growth. Direct Tax collections up to 10th November 2022 show that gross collections are at Rs. 10.54 lakh crore which is 30.69% higher than the gross collections for the corresponding period of last year.

Direct Tax collection, net of refunds, stands at Rs. 8.71 lakh crore which is 25.71 % higher than the net collections for the corresponding period of last year. This collection is 61.31% of the total Budget Estimates of Direct Taxes for F.Y. 2022-23.

So far as the growth rate for Corporate Income Tax (CIT) and Personal Income Tax (PIT) in terms of gross revenue collections is concerned, the growth rate for CIT is 22.03% while that for PIT (including STT) is 40.64%. After the adjustment of refunds, the net growth in CIT collections is 24.51% and that in PIT collections is 28.06% (PIT only)/ 27% (PIT including STT).

3. Notification No. 126/2022/F. No. 200/8/2022-ITA-I.

CBDT exempts the income of the Federation Internationale De Football Association organizing U-17 World Cup.

Important Judicial Precedents

1. CIT Vs. Mansukh Dyeing and Printing Mills [145 taxmann.com 151 (Supreme Court)]

Where pursuant to reconstitution of assessee-partnership, assets of the assessee were revalued and revalued amount was credited to partners' accounts in their profit sharing ratio, credit of assets revaluation amount to capital amounts of partners could be said to be in effect distribution of the increase in value of assets, furthermore, newly inducted partners had huge credits to their capital accounts immediately after joining partnership which was available to partners for withdrawal, in view of said facts assets so revalued and credited into capital accounts could be said to be 'transfer' which would fall in the category of 'otherwise' and provisions of section 45(4) would be applicable in instant case.

2. Singapore Airlines Ltd. Vs. CIT [144 taxmann.com 221 (Supreme Court)]

Where assessee-airlines executed passenger sales agency (PSA) agreements with travel agents in terms of which they would pay commission to them on the published fare of tickets sold by them on behalf of airlines, additional amount over and above net-fare charged by agents from customers i.e., supplementary commission were incidental to the transaction by which flight tickets were sold on behalf of air carriers and assessee was liable to deduct TDS under section 194H on same.

3. ACIT(Exemptions) Vs. Ahmedabad Urban Development Authority [143 taxmann.com 278 (Supreme Court)]

SC ruling brings much clarity in 'charity' for tax exemption purposes by interpreting the definition of 'charitable purpose' in section 2(15) of the Act

An assessee advancing general public utility cannot engage itself in any trade, commerce or business, or provide service in relation thereto for any consideration ("cess, or fee, or any other consideration");

However, in the course of achieving the object of general public utility, the concerned trust, society, or other such organization, can carry on trade, commerce or business or provide services in relation thereto for consideration, provided that (i) the activities of trade, commerce or business are connected ("actual carrying out..." inserted w.e.f. 1-4-2016) to the achievement of its objects of GPU; and (ii) the receipt from such business or commercial activity or service in relation thereto, does not exceed the quantified limit, as amended over the years (Rs. 10 lakhs w.e.f. 1-4-2009; then Rs. 25 lakhs w.e.f. 1-4-2012; and now 20% of total receipts of the previous year, w.e.f. 1-4-2016);





Generally, the charging of any amount towards consideration for such an activity (advancing general public utility), which is on cost-basis or nominally above cost, cannot be considered to be "trade, commerce, or business" or any services in relation thereto.

It is only when the charges are markedly or significantly above the cost incurred by the assessee in question, that they would fall within the mischief of "cess, or fee, or any other consideration" towards "trade, commerce or business".

Section 11(4A) must be interpreted harmoniously with Section 2(15), with which there is no conflict. Carrying out activity in the nature of trade, commerce or business, or service in relation to such activities, should be conducted in the course of achieving the GPU object, and the income, profit or surplus or gains must, therefore, be incidental.

The requirement in Section 11(4A) of maintaining separate books of account is also in line with the necessity of demonstrating that the quantitative limit prescribed in the proviso to Section 2(15), has not been breached.

Similarly, the insertion of Section 13(8), seventeenth proviso to Section 10(23C) and third proviso to Section 143(3) (all w.r.e.f. 1-4-2009), reaffirm this interpretation and bring uniformity across the statutory provisions.

The assessing authorities must on a yearly basis, scrutinize the record to discern whether the nature of the assessee's activities amount to "trade, commerce or business" based on its receipts and income (i.e., whether the amounts charged are on cost-basis, or significantly higher).

If it is found that they are in the nature of "trade, commerce or business", then it must be examined whether the quantified limit (as amended from time to time) in proviso to Section 2(15), has been breached, thus disentitling them to exemption.

4. ICICI Securities Ltd. Vs. ITO (International Taxation) [144 taxmann.com 185 (Mum)]

- Vicarious liability of payer of income u/s 201 does not survive where recipient already discharged his tax liability by paying advance tax.
- Provisions of section 201 are compensatory and are not penal and nature of liability u/s 201 is vicarious and not primary.
- Payer of income not liable u/s 201 where non-deduction of TDS entails no loss to Revenue, as sec. 201 is compensatory and not penal provision. Payer of income is not liable u/s 201(1)/(1A) for non-deduction of TDS if recipient already discharged his tax liability through advance tax.

TDS u/s 195 not deductible by Indian custodian from sale consideration of shares where overseas depository paid advance tax on capital gains from such sale.

5. Director of Income Tax (Exemptions) Vs. Meenakshi Amma Endowment Trust etc. [143 Taxmann.com 240 (Supreme Court)]

While considering registration of assessee-trust under section 12AA, non-commencement of charitable activities could not be ground for rejection of application

6. ITO (International Taxation) Vs. Armine Hamied Khan [142 taxmann.com 14 (Mum Trib.)]

Where assessee claimed exemption under section 54 instead of section 54F on account of capital gains arising from surrender of tenancy right and during scrutiny informed AO about wrong claim, since claim for exemption was rightly made by assessee and only a wrong section was quoted, same would be qualitatively different from making a fresh claim and, thus, assessee would be entitled to claim exemption under section 54F without filing revised return.



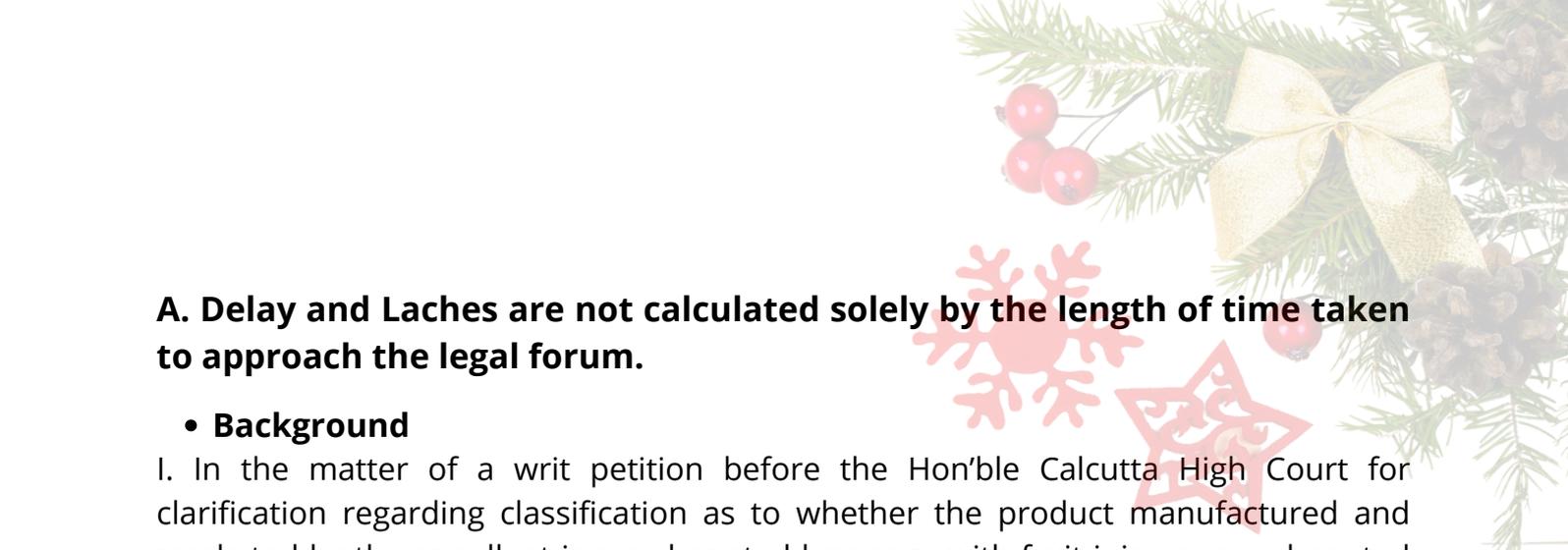
Indirect Tax



GST Calendar –Compliances for the month of November'2022.

Nature of Compliances	Due Date
GSTR-7 (Tax Deducted at Source 'TDS')	December 10, 2022
GSTR-8 (Tax Collected at Source 'TCS')	December 10, 2022
GSTR-1	December 11, 2022
IFF- Invoice furnishing facility (Availing QRMP)	December 13, 2022
GSTR-6 Input Service Distributor	December 13, 2022
GSTR-2B (Auto Generated Statement)	December 14, 2022
GSTR-3B	December 20, 2022
GSTR-5 (Non-Resident Taxable Person)	December 20, 2022
GSTR-5A (OIDAR Service Provider)	December 20, 2022
PMT-06 (who have opted for QRMP scheme)	December 25, 2022





A. Delay and Laches are not calculated solely by the length of time taken to approach the legal forum.

• Background

i. In the matter of a writ petition before the Hon'ble Calcutta High Court for clarification regarding classification as to whether the product manufactured and marketed by the appellant is a carbonated beverage with fruit juice or a carbonated beverage.

ii. The Single Bench dismissed the writ petition on the ground that the writ petition was filed after a period of 3 and 1/2 years of the order passed by the appellate authority, namely, the Senior Joint Commissioner of State Tax Appeals.

Aggrieved by the order of the single judge bench of Hon'ble Calcutta High Court, the appellant has filed the current intra-court appeal.

• Discussion

i. Hon'ble Calcutta High Court held that the issue being a recurrent issue and the Tribunal being the last fact-finding authority, the appellate remedy before the Tribunal is not only efficacious but an effective remedy as well. However, as the Tribunal is yet to be constituted, the appellant is left with no other remedy and is compelled to approach this Court invoking its jurisdiction under Article 226 of the Constitution of India.

ii. It is an elementary principle that no one stands to benefit by lodging an appeal or a petition belatedly - There is no such allegation against the appellant that the petition was filed with mala fide intentions and with certain ulterior motives.

iii. The Hon'ble High Court also pointed out that the writ petition should be heard and decided on merits rather than being rejected on the ground of delay and laches and has directed the Appellant to -

a) To pay 20% of the balance disputed tax within a period of six weeks from the date of receipt of the server copy of this judgment and order.

b) Furnish a bond to the satisfaction of the appropriate authority for the balance amount of the disputed tax.

iv. After complying with the above two conditions, the appellant is entitled to be heard in the writ petition for which an affidavit-in-opposition is directed to be filed by the appropriate respondent within a period of 12 weeks from the date on which the appellant complies with the aforementioned conditions.

Thus, it has been held that delay and laches are not to be calculated solely by the length of the time taken by the party to approach the legal forum.





B. Not an intermediary, thus eligible for a refund.

• Background

i. The Petitioner is engaged in the business of offering a variety of services collectively known as Business Process Outsourcing (“BPO”) Services to its clients situated in India and abroad and is registered with the Haryana GST Authorities.

The Petitioner is an organisation outside of India, that entered into a Master Services Sub-Contracting Agreement on January 1, 2013 (hereafter referred to as the MSA). It is claimed that in accordance with the MSA’s terms, the petitioner is required to supply a number of services on a principal-to-principal basis. Furthermore, the petitioner has hired the petitioner to offer BPO services for its clients who are outside India. The agreement mandates that the Petitioner provide the finished products of the specified tasks and processes to third parties based outside of India.

• Discussion

i. The Hon’ble Punjab and Haryana High Court held that In accordance with Sec 2(13) of the IGST Act, the three conditions to be fulfilled to qualify as an ‘intermediary’ are as follows:

- a) Involvement in the arrangement or facilitation of provisions of the service provided to the principal by a 3rd party
- b) Person must not actually perform the main service intended to be received by the service recipient itself
- c) Principal-agent relationship between parties

ii. Scope of an “intermediary” is to mediate between the two parties i.e. the principal (the 3rd party) and the beneficiary who receives the main service and expressly excludes any person who provides such main service “on his own account”.

iii. A cursory reading of the MSA’s recitals and pertinent sections reproduced above does not in any way suggest that the Petitioner is working in the capacity of an “intermediary” in accordance with the definition of “intermediary” under Section 2(13) of the IGST Act. Such provisions cannot also be read to mean that the Petitioner has made the services available or facilitated them.

iv. Since there has been no change in scope and ambit of the “intermediary” pre and post-GST regime, the department cannot take a different view in different periods also owing to the same facts of the MSA 2013 being in operation.

v. “Still further there is nothing on record to show that the petitioner is liaising or acting as an “intermediary” between the petitioner and its customers. All that is evident from the record is that the petitioner is providing the services which have been subcontracted to it by the petitioner. As a Subcontractor, it is receiving fees/charges from the main contractor i.e. the petitioner for its services. The main contractor i.e. the petitioner in turn is receiving commission/agents from its clients for the main services that are rendered by the petitioner pursuant to the arrangement of sub-contracting. Even as per the afore-noticed circular dated September 20, 2021, and in reference to para 3.5 it stands clarified that sub-contracting for a service is not an “intermediary” service.”

The order holding the petitioner to be an intermediary was quashed as the court stated that the same cannot sustain and thereby, restored the order in original dated March 14, 2019 granting the refund in favour of the petitioner.



C. Instruction issued by CBIC in relation to the manner of processing and sanction of IGST refund which has been held in terms of Rule 96 (4 and 5A) of CGST Rules, 2017.

CBIC on November 28'2022 issued the following instruction on how to process the sanction of IGST refund:

i. Rule 96 (5A) has been inserted in Rule 96 to provide for transmission of IGST refunds, withheld in terms of provisions of clause (c) of sub-rule 4 of rule 96 of the CGST Rules, as a system-generated refund in FORM GST RFD-01 and to provide that the said system form shall be deemed to be the application for refund in such cases and such application of refund shall be deemed to have been filed on the date of such transmission on the portal.

ii. Rule 96 (5C) has also been inserted in rule 96 to provide that such system-generated refunds in FORM GST RFD-01 have to be dealt with in accordance with Rule 89 i.e., in a manner similar to other GST RFD-01 refund claims.

iii. DGARM on the basis of data analysis and risk parameters, would identify the exporters where verification of credentials of the exporter, including availing of ITC by the exporter, is considered essential before granting of refund.

iv. Such refund claims will be made available to the jurisdictional proper officer on the back office system under the category "Any other (GST paid on export of goods)" with the remarks "Refund of IGST paid on a refund of goods (Refund not processed by ICEGATE)".

v. The jurisdictional proper officer shall immediately process such refund claims in a manner similar to other RFD-01 refunds filed under the provision of rule 89 of the CGST Rules, 2017.

vi. These claims would be auto-acknowledged by the system and no Deficiency Memo in FORM GST RFD-03 can be issued against such system-generated FORM GST RFD-01 refund claims.

vii. The proper officer shall ascertain the genuineness of the exporter and verify the correctness of the availment and utilization of ITC by the exporter and exercise due diligence in processing the said refund claims to safeguard the interest of revenue.

viii. The proper officer may conduct the physical verification of places of business of the exporter, if required, to ensure that the exporter is existing at his declared place of business and is functional/active.

ix. The proper officer shall pass a detailed speaking order in respect of the refund claim and shall duly upload the same along with the refund sanction order in FORM GFST RFD-06 on the portal.

x. The officer will also follow the timelines for processing the refund claim in terms of provisions of Section 54(7) of the CGST Act.

xi. The procedure of review and post-audit will also be applicable to such refund claims.

The SOPs dated 23.01.2020 and 20.05.2020 prescribing the procedure to be followed for verification of the risky exporters and their suppliers, are hereby superseded.

Corporate Finance



Actis Arm Acquires Atha's Solar Assets In Rs 2,100 Cr Deal:

Actis Llp, headquartered in London, has announced its acquisition of 404 megawatts (MW) solar power assets of Kolkata-based Atha Group. Atha's solar assets' enterprise value is around Rs. 2100 crore. "BluPine Energy, a renewable wind and solar power generation and storage business, has completed the acquisition of a 404MWp operating pan-India solar portfolio from the Atha Group. The acquisition will enable BluPine to support India's energy transition by targeting 4GWs of portfolio capacity over the next 4 – 5 years," Actis said in a statement. It was previously announced that Actis Llp had won the bid to acquire Atha's solar power projects for an equity value of around USD 100 million, with the sale purchase agreement being signed. This comes in the backdrop of Actis selling its Indian renewable energy platform Spring Energy at an enterprise value of \$1.55 billion to energy major Shell Plc.

Here is some latest financial news on private equity, venture capital, and mergers & acquisitions:

Private Equity:

Hitwicket, BattRE Raise Early Stage Funding:

Hitwicket, a Hyderabad-based cricket gaming startup, has announced its fundraising of USD 3 million from venture capital firm Prime Venture Partners. The fresh proceeds will be used to scale up its features on multiplayer access to help gamers strategize in real time and play against each other. On a similar note, it has also launched a multiplayer cricket strategy game Hitwicket Superstars.

(Source: VC Circle, 3 November 2022)

GEF Capital Invests \$25 Mn In Ratan Tata-Owned Electra EV:

Ratan Tata-owned Electrodrive Powertrain Solutions Ltd, or Electra EV, has secured USD 25 million from GEF Capital Partners' South Asia Growth Fund II for a minority stake in the EV solutions company.

(Source: VC Circle, 3 November 2022)

JM Financial PE Leads Rs 95 Cr Investment In Silveredge Technologies:

An investment round of INR 95 cr was announced by JM Financial Private Equity's third fund in a Gurugram-based Silveredge Technologies Pvt Ltd. Other investors include Ashish Kacholia of Mirabilis Investment Trust and Seven Hills Capital. This final investment marks the close of the fourth investment by JM Financial India Growth Fund III. The funds will be deployed to accelerate the global expansion plans of the company and augment its growth through inorganic opportunities.

(Source: VC Circle, 7 November 2022)

KKR To Invest \$400 Mn In Anil Agarwal-Promoted Serentica Renewables:

KKR, a global private equity giant has agreed to pick up an equity stake in Serentica Renewables for USD 400 million. KKR has made this investment from its Asia Pacific Infrastructure strategy. The decarbonisation platform that seeks to enable energy transition by providing clean energy solutions is 100% owned by Twinstar Overseas Ltd, which is owned by Indian businessman Anil Agarwal's Volcan Investments Cyprus Ltd.

(Source: VC Circle, 8 November 2022)

Carlyle Raises More Than \$3 Bn To Invest In European Tech:

Carlyle Group, a US buyout firm, has raised more than EUR 3 billion for a pan-European technology fund that is taking advantage of "pockets of life" in the economy. Focused on lower mid-market and growth technology companies across Europe, the fund, called CETP V, has exceeded its 2.5-billion-euro target in less than a year of fundraising, more than doubling the size of the previous fund CETP IV.

(Source: VC Circle, 28 November 2022)

Venture Capital

Early-Stage Startups Optiwise, The Meat Chop, Mocero Health Raise Funding:

Artificial Intelligence-backed digital marketing startup Optiwise has raised USD 1.3 million in a seed funding round led by venture capital firm StartupXseed Ventures. The Noida and Newark-based firm is planning to deploy proceeds to invest in products, scale up teams and expand its footprint from North America to other e-commerce regions across the globe.

(Source: VC Circle, 01 November 2022)

Accel, Quona Capital Lead Funding Round In Shivalik Small Finance:

Noida-based Shivalik Small Finance Bank has announced its fundraising of Rs. 111 crores in a funding round led by Accel and Quona Capital with participation from Bharti Axa Life Insurance. The raise will be used to enhance the tech stack, strengthen its team and deepen partnerships.

(Source: VC Circle, 02 November 2022)

JSW Ventures Makes Debut Electric Mobility Investment:

Sajjan Jindal-led JSW Group's venture capital arm, JSW Ventures has marked its first bet in the electric mobility space by investing \$2.5 million (around Rs 20 crore) in MoEVing. The fresh funds will be deployed by the start-up to further scale up its electric mobility unit for driver-partners, expansion and building tech-focused teams across all functions.

(Source: VC Circle, 02 November 2022)

The Sleep Company Raises Fresh Funds In Series B Round:

Online retailer of mattresses, The Sleep Company, has secured Rs. 177 crores from Premji Invest and Fireside Ventures & saw participation from venture debt fund Alteria Capital. Founded by Priyanka Salot and Harshil Salot, the Sleep Company, is owned by Comfort Grid Technologies Pvt Ltd.

(Source: VC Circle, 03 November 2022)



HR Tech Startup Keka Bags \$57 Mn From WestBridge Capital:

Hyderabad-based human resource technology startup, Keka has raised USD 57 million in its Series A round of funding from homegrown PE major WestBridge Capital.

(Source: VC Circle, 09 November 2022)

Mirchi Parent ENIL Picks Up Minority Stake In Spardha:

Entertainment Network India Ltd, which operates Radio Mirchi announced its investment in online music platform Spardha for a minority stake. This is ENIL's first external investment with an aim to deepen strategic bets and build shareholder value.

(Source: VC Circle, 16 November 2022)

Nykaa Partial Exit Fetches 15x Returns For Lighthouse:

Mid-market private equity firm Lighthouse Advisors Pvt. Ltd has partially logged out of beauty retailer Nykaa with nearly 15x returns. Lighthouse Advisors has sold 96.89 lakh shares worth Rs 165 crore in an open market transaction as foreign investors Norges Bank, Aberdeen Standard Asia Focus and Segantii India Mauritius bought an equity stake in FSN E-Commerce Ventures, the parent company of beauty retailer Nykaa.

(Source: VC Circle, 11 November 2022)



Mergers & Acquisitions

Allcargo To Pick Up 30% Stake In Gati's JV Partner:

Allcargo Logistics, a Mumbai-based logistics company, announced that it has received board approval to acquire a 30% stake in Gati Kintetsu Express Pvt Ltd from its Japanese JV partner Kintetsu Express Pvt Ltd. (KEW) group.

(Source: VC Circle, 10 November 2022)

Tata's And Singapore Air To Merge Air India And Vistara:

Singapore Airlines and Tata Sons (Tata) will merge national carrier Air India and full-service airline Vistara by March 2024, after its board approved the merger. As part of the transaction, SIA will invest \$250 million into Air India.

(Source: VC Circle, 29 November 2022)

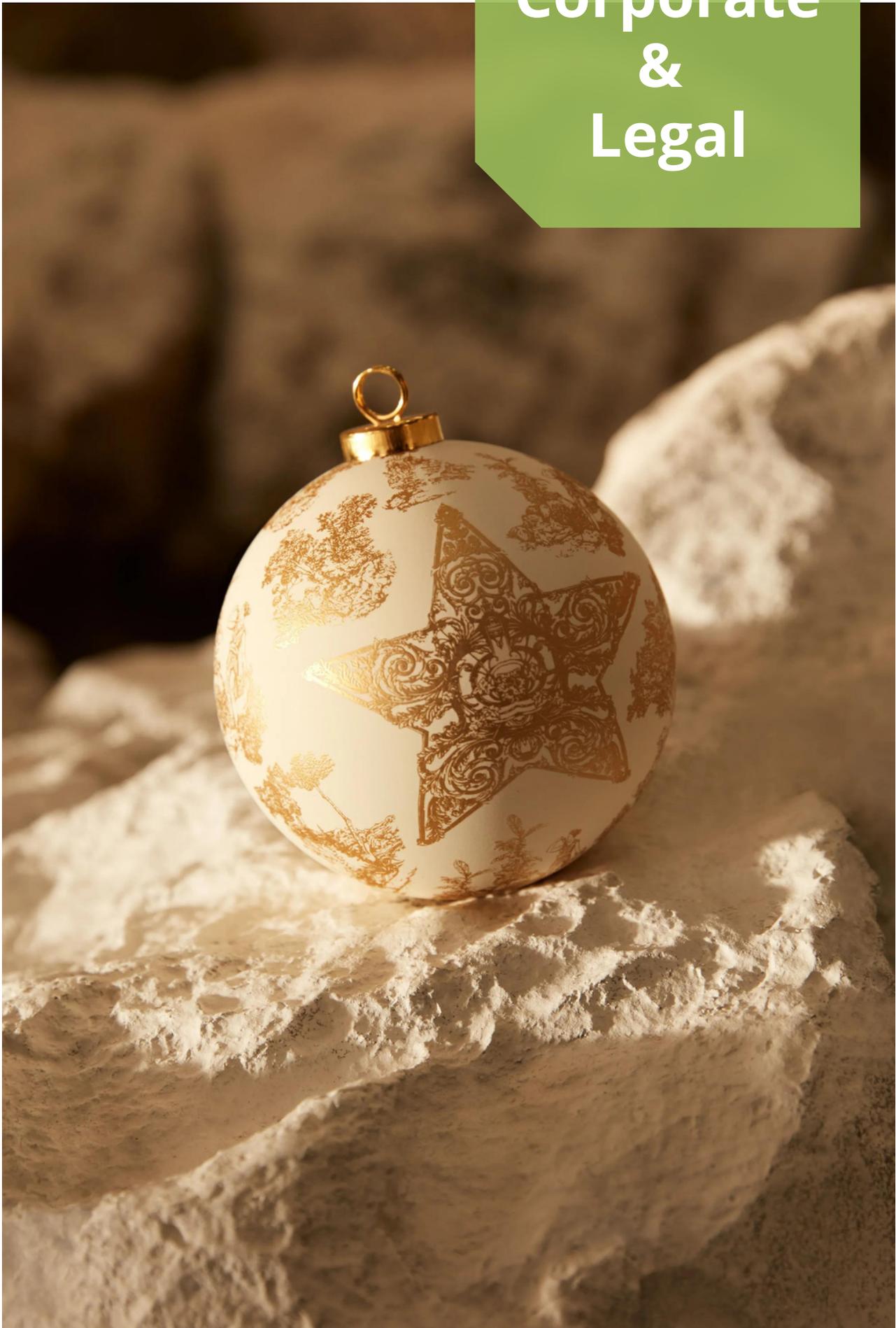
Biocon Concludes Viatrix' \$3 Bn Acquisition:

Biocon Biologics announced the completion of the acquisition of Viatrix' global biosimilars business for \$3 billion. Biocon is a globally recognized name in the pharmaceutical manufacturing industry. It manufactures medicines and other pharma products utilized in the treatment of chronic conditions like diabetes, cancer, and autoimmune. The Viatrix acquisition is seen as an expansion of Biocon Biologics and will help the company in enhancing its commercial capabilities supporting infrastructure.

(Source: VC Circle, 29 November 2022)



Corporate & Legal



In this edition, we have tried to bring to your notice, the latest amendments that followed in the month of November 2022 issued by MCA, RBI, SEBI, DIPP and others.

Amendments issued by MCA

The Companies (Registered Valuers and Valuation) Amendment Rules, 2022 (November 21, 2022)

The Ministry of Corporate Affairs (MCA) vide its notification dated November 21, 2022, has notified "the Companies (Registered Valuers and Valuation) Amendment Rules, 2022" which has come into force on the date of its publication in the Official Gazette. According to the amendment new rule, 7A is inserted specifying provisions pertaining to the intimation of changes in personal details etc., by the registered valuer to authority: a registered valuer shall intimate the authority for a change in the personal details, or any modification in the composition of partners or directors, or any modification in any clause of the partnership agreement or Memorandum of Association, which may affect the registration of registered valuer, after paying a fee as per the Table -I in Annexure V. Further, rule 14A is inserted specifying provisions pertaining to an intimation of changes in the composition of governing board, etc. by the registered valuers' organisations to the authority: a registered valuers organisation shall intimate the authority for a change in the composition of its governing board, or its committees or appellate panel, or other details, after payment of fee as per the Table II in Annexure V."

To read more:

<https://www.mca.gov.in/bin/dms/getdocumentmds=jf9MSWpybbejiak1ynOMQQ%253D%253D&type=open>

Amendments issued by SEBI

SEBI amends rules; introduces a new option for appointment, and 3removal of independent directors (November 15, 2022)

Capital markets regulator has introduced a new option for appointment and removal of independent directors from the boards of companies, a move that will provide flexibility to such a process. Under this, the appointment and removal of independent directors could be done by way of two parameters - threshold for ordinary resolution and threshold for majority of minority shareholders. Currently, the appointment, re-appointment or removal of independent directors is made through a special resolution. For a special resolution to be passed, 75 per cent of 'yes' votes are needed from a company's board. To give these effects, SEBI has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations.

To read more:

SEBI News: Sebi amends rules; introduces new option for appointment, removal of independent directors - The Economic Times ([indiatimes.com](https://economictimes.com))



SEBI bars AIFs working on priority distribution model from making fresh investments (November 23, 2022)

SEBI barred Alternative Investment Funds (AIF) schemes having priority distribution model from making investments in a new investee company. The capital market regulator has stopped such investments till it takes a view on this. The new rule will come into force with immediate effect, the regulator said. Explaining the logic, the regulator said it has observed that certain schemes of AIFs have adopted a distribution waterfall in such a way that one class of investors share loss more than pro rata to their holding in the AIF than other classes of investors or unit holders since the later has priority in distribution over former.

To read more:

<https://www.moneycontrol.com/news/business/sebi-bars-aifs-working-on-prioritydistribution-model-from-making-fresh-investments-9589501.htm>

Tax Calendar



December 2022- Tax Calendar

7TH DECEMBER

Due date for deposit of Tax deducted/ collected for the month of November.

15TH DECEMBER

Due date of third Instalment of Advance Tax for AY 2023-24.

15TH DECEMBER

Due date of issue of TDS certificate for Tax deducted u/s 194S in the month of November, 2022.

15TH DECEMBER

Due date for furnishing of Form 24G by Government office where TDS/ TCS for the month of November, 2021 has been paid without production of challan.

31ST DECEMBER

Due date of filing of revised return under section 139(5) of the Income Tax Act, 1961 of income for the A.Y 2022-23 for all assessee (provided assessment has not been completed before December 31,2022)

31ST DECEMBER

Due date of issue of TDS certificate for Tax deducted u/s 194S in the month of December, 2022.

31ST DECEMBER

Completion of assessment under section 143(3) of Income Tax Act, 1961 for Assessment Year 2021-22.



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