

# Bombay Chartered Accountants' Society

## Direct Tax Laws Study Circle

Dear Member,

The misuse of penny stocks or lowly priced stocks of companies with weak fundamentals by their operators, stock brokers and owners for raising bogus long term capital gains tax benefits has reached alarming proportions and prompted the Income tax department and Securities and Exchange Board of India (SEBI) to act against such companies and investors.

In order to address the issue, section 10(38) of the Income Tax Act has already been amended to provide that exemption under this section for income arising on transfer of equity share acquired on or after 01.10.2004 shall be available only if the acquisition of share (except acquisitions to be notified as exempt to protect genuine investors) is chargeable to Securities Transactions Tax under Chapter VII of the Finance (No. 2) Act, 2004.

With a view to cater to the need of the professionals in this area, following study circle meeting has been arranged.

Details of the Study Circle are as follows:

Topic	<b>Taxation issues relating to Penny Stock</b>
Day, Date & Time	Thursday, 28 <sup>th</sup> June 2018, from 6:15 p.m. to 7:45 p.m.
Group Leader	<b>Adv. Neelkanth Khandelwal</b>
Venue	BCAS, 7 Jolly Bhavan No. 2, Ground Floor, New Marine Lines, Mumbai 400020.

We trust that you will attend this study circle meeting and benefit from the expert deliberations on the subject by the group leader.

Please subscribe to Direct Tax Study Circle or Renew membership for 2017-18. Annual Study Circle subscription is Rs 472/- (18% GST inclusive). Those who are not members of Direct Tax Study Circle can attend the meeting by paying Rs 118/- per meeting (18% GST inclusive).

**Study Circle Convenors: CA Nilesh Parekh, CA Vishesh Sangoi, CA Akshata Kapadia Kothari**