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Newsletter

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E-COMMERCE COMPANIES NOT TO COLLECT TCS FROM SUPPLIERS WITH LESS THAN RS. 20 LAKH TURNOVER: CBIC

The e-commerce companies are not liable to collect TCS on supplies made by entities with turnover not exceeding Rs 20 lakh and are not registered under GST, the CBIC has said.
As per Goods and Services Tax (GST) provisions, beginning October 1, 2018, e-commerce companies deduct 1 per cent tax collected at source (TCS) before making payments to their suppliers.
The CBIC said e-commerce operators who could not register themselves for GST but have already collected TCS, can show the amount collected while filing the first return form GSTR-8.

Source: Economic Times

STARTUPS NEED TO SEEK TAX EXEMPTION FROM INTER-MINITERIAL BOARD: DIPP

The commerce and industry ministry said that startups need to seek the exemption from an inter-ministerial board set up for the purpose.
DIPP and income tax department put in place a mechanism and set up an inter-ministerial board.
People who would like investments to be exempted from this particular provision under the law, have to apply.
Everything is online, they should take advantage.
Startups have to qualify on certain parameters such as ₹25 crore turnover to get exemption from income tax.

Source: Economic Times

SEBI LAYS FRAMEWORK TO MAKE PHYSICAL SETTLEMEMNT MANDATORY

Sebi on December 31 issued a framework for making physical settlement of stock derivatives mandatory in a phased manner.
According to the regulator, stocks that are being cash-settled shall be ranked in descending order based on daily market capitalization averaged for December 2018.
Based on the ranking arrived, the bottom 50 stocks would move to physical settlement from April 2019 expiry onwards, the next 50 stocks from the bottom would move to physical settlement from July 2019 expiry onwards, and the remaining stocks would move to physical settlement from October 2019 expiry onwards, it added.
Sebi said derivatives introduced on new stocks, meeting the enhanced eligibility criteria specified by the regulator, would also be physically settled.

Source: Money Control

INDIA INC HAILS GST COUNCIL'S MOVE TO CUT TAX RATES

India Inc cheered the GST Council's decision to slash tax rates on 23 goods and services and said the move will push demand and boost the economy. The 28 per cent slab is now restricted to only luxury and sin goods apart from auto-parts and cement--the tax rate on which could not be cut due to high revenue implication.

Source: Economic times

SEBI LAYS DOWN MORE ROBUST RISK MANAGEMENT FRAMEWORK FOR EQIUTY DERIVATIVES

Sebi put in place a more robust risk management framework with regard to margin system for the equity derivatives segment. The framework has been prepared on the basis of recommendation by Sebi's Risk Management Review Committee.
Now, the payment of mark to market margin (MTM) would mandatorily be made by all the members on T+0 basis -- before start of trading on the next day, as per a circular.
To bring Margin Period of Risk (MPOR) in greater conformity with the principles for financial market infrastructures, Sebi has increased the margin period of risk to two days from one day at present.

Source: Money Control

NCDRC ORDER THAT BUILDERS CANNOT CITE EXCUSES FOR DELAY TO HAVE PAN-INDIA IMPACT

In its recent order, the apex consumer commission - National Consumer Disputes Redressal Commission (NCDRC) - has ruled that a real estate developer cannot cite excuses such as delay in approvals by authorities, issues of land acquisition to justify late delivery of projects.
This order, say real estate and legal experts, is expected to have repercussions on most projects located across the country.

Source: Money Control

SEBI DECIDES ON HAVING EARLY WARNING MECHANISM TO CURB DIVERSION OF CLIENT SECURITIES

Sebi will put in place an early warning mechanism to prevent diversion of client securities, with stock exchanges, clearing corporations and depositories being directed to take requisite measures in 2019.
The threshold for such early warning signals would be decided by the stock exchanges, depositories and clearing corporations with mutual consultation, as per the circular.
They have been directed to implement the early warning mechanism and preventive actions, with effect from February 1, 2019.
Among others, the regulator said that alerts triggered at one stock exchange, clearing corporation or depository through early warning mechanism should be immediately shared with others with respect to the stock broker or depository participant concerned.

Source: Money Control

SEBI EXPANDS OFS FRAMEWORK TO ALL COS WITH RS 1000-CR AND ABOVE M-CAP

Capital markets regulator SEBI expanded its offer for sale (OFS) framework to all the companies with market capitalization of Rs 1,000 crore and above.
Currently, the OFS framework is available to top 200 companies by market capitalization.
Also, if the seller fails to get sufficient demand from non-retail investors at or above the floor price on the first day of offer, then the seller may choose to cancel the offer post bidding, in full (both retail and non-retail), on the first day itself and not proceed with the offer to retail investors on the second day.

Source: Money Control

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