

MONTHLY NEWSLETTER

JANUARY 2022
Volume II Issue 1

S M B & ASSOCIATES,
COIMBATORE
www.smbassociates.co.in

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Getting Started

By Partners

Greetings to All!

We extend our gratitude for the response on our monthly newsletter and here it is for the month of December'21!

With all your support, we have stepped into the year 2022 and we extend our wishes to the Entrepreneurs to have expanded arena for business growth!

This initiative of monthly newsletter (Vol II - Issue 1) with the idea of easing your preparedness for the upcoming due dates on compliance under various laws by your business, is for your view.

Many business feel the heat of upcoming compliance dates and this initiative continues with articles on thought-bound concepts which we forget to look around in fast changing Audit Arena.

Why worry around due dates now! Check our newsletter, make a **Well-Planned January and Enjoy the New Year with 100% Compliance!**

START-UP RECOGNITION

By CA. C. Suriya (Partner)

BACKGROUND:

Before 2015, if anyone has spoken about Start-up, it would have been a matter of puzzle. However, with expanding economy, rising middle class and improved ease of doing business in support with “START-UP INDIA SCHEME” the entrepreneurial energy has trickled down below the creamy layer with a series of first-generation entrepreneurs making it big in the start-up scene.

- However still this a black cloud surrounding it on how to get the benefits of being a Start-up and this article is all about the same. This article speaks on eligibility and how to get recognized, to avail most of the benefits of being the Start-up.
- Under the Start-up India Action Plan, start-ups that meet the definition as prescribed under G.S.R. notification 127 (E) are eligible to apply for recognition under the program.

Eligibility Criteria for Start-up Recognition as per G.S.R. notification 127 (E) is as follows

1. The Start-up should be incorporated as a **private limited company** or **registered as a partnership firm or a limited liability partnership**.
2. Turnover should be **less than INR 100 Crores** in any of the previous financial years.
3. An entity shall be considered as a start-up up to **10 years from the date of its incorporation**.
4. The Start-up should be working towards **innovation/ improvement of existing products, services and processes** and should have the potential to generate employment/ create wealth.

Note: An entity formed by splitting up or reconstruction of an existing business shall not be considered a "Start-up".

What is DPIIT Recognition?

To access **tax benefits and easier compliance**, which is discussed below, companies must be recognized as Start-ups by the **Department for Promotion of Industry and Internal Trade (DPIIT)** under the Start-up India initiative.



BENEFITS OF DPIIT:

	<p>Self Certification Self-compliance under 3 environmental & 6 labour laws</p>		<p>Patent Application & IPR Protection Fast track & up to 80% rebate in filing patents</p>
	<p>Income Tax Exemption For 3 consecutive years & exemptions on capital gains & investments above Fair Market Value</p>		<p>Easier Public Procurement Norms Get listed as seller to the government & benefit from exemptions on EMD & min requirements.</p>
	<p>Easy Winding Up of Company Within 90 days under Insolvency & Bankruptcy Code, 2016</p>		

Check for Start-up recognition @ <https://www.startupindia.gov.in>

SCREENSHOTS FROM ABOVE WEBSITE FOR REGISTRATION:

DPIIT Recognition

Under the Startup India initiative, eligible companies can get recognised as Startups by DPIIT, in order to access a host of tax benefits, easier compliance, IPR fast-tracking & more. Learn more about eligibility and benefits below.

GET RECOGNISED

60380	DIPP91030	INTELLIROOTE INDIA SERVICE LLP
60381	DIPP91035	JAY KRISHI DHAN MARKETING PRIVATE LIMITED
60382	DIPP91034	WHITESUN GREEN ENERGY PRIVATE LIMITED
60383	DIPP91033	V. S. INDUSTRIES



As on 16th December 2021, around 60,383 entities have got recognised by DPIIT!

SCREENSHOTS FROM ABOVE WEBSITE WHILE REGISTERING:

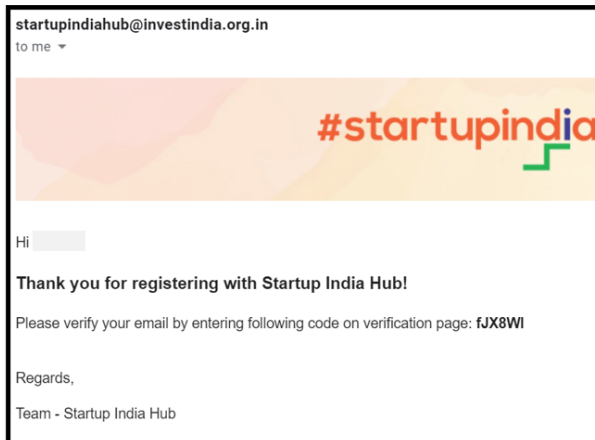
#startupindia ENGLISH

About Resources Network Schemes & Policies Programs

STARTUP RECOGNITION FORM

Note: To make changes to any of the auto filled fields, please make the change in your profile settings first: View Profile > Edit Profile . To save particular section please click on corresponding save button.

1	Entity Details	+
2	Full Address (Office)	+
3	Authorized Representative Details	+
4	Director(s) / Partner(s) Details	+
5	Information Required	+
6	Startup Activities	+
7	Self Certification	+



GOVERNMENT OF INDIA
MINISTRY OF COMMERCE AND INDUSTRY
DEPARTMENT FOR PROMOTION OF INDUSTRY AND INTERNAL TRADE

1800 115 565 (00:00 AM to 05:30 PM)

#startupindia ENGLISH

Hey [Name]

Follow these easy steps to complete your profile creation

YOU ARE Startup YOU ARE IN India CHANGE

1 Step About Startup

2 Step Contact info

3 Step Category

4 Step Your Interest

ENTITY/COMPANY LOGO

STAGE

Ideation Validation Early Traction Scaling

INCOME TAX EXEMPTIONS:

Section 80 IAC exemption

After getting recognition, a Start-up may apply for Tax exemption under section 80 IAC of the Income Tax Act. Post getting clearance for Tax exemption, the Start-up can avail tax holiday for 3 consecutive financial years out of its first ten years since incorporation.

Eligibility Criteria for applying to Income Tax exemption (80IAC)

1. The entity should be a recognized Start-up.
2. Only **Private limited or a Limited Liability Partnership** is eligible for Tax exemption under Section 80IAC.
3. The Start-up should have been **incorporated after 1st April 2016**.

Tax Exemption under Section 56 of the Income Tax Act (Angel Tax)

- Once an entity is recognized as start-up it may apply for Angel Tax Exemption.

Eligibility Criteria for Tax Exemption under Section 56 of the Income Tax Act

The entity should be a DPIIT recognized Start-up Aggregate amount of paid-up share capital and share premium of the Start-up after the proposed issue of share, if any, **does not exceed INR 25 Crore**.

COMPANY LAW RELAXATIONS:

The government has notified the Companies (Acceptance of Deposits) Amendment Rules, 2020, which amended the Companies (Acceptance of Deposits) Rules, 2014. Through this amendment, the Ministry of Corporate Affairs (MCA) has relaxed deposit norms for start-up companies. Now start-up companies are allowed an additional 5 years' time to repay deposits of Rs. 25 lakhs or more.

DUE DATES FOR GST RETURNS - JANUARY ' 22

DUE DATE	FORM TO BE FILED	PERIOD	WHO SHOULD FILE?
10.01.2022	GSTR 7	December 2021	GSTR 7 is a return to be filed by the persons who is required to deduct TDS (Tax deducted at source) under GST
10.01.2022	GSTR 8	December 2021	GSTR-8 is a return to be filed by the e-commerce operators who are required to deduct TCS (Tax collected at source) under GST
11.01.2022	GSTR 1	December 2021	Taxpayers having an aggregate turnover of more than Rs. 1.50 Crores or opted to file Monthly Return
11.01.2022	GSTR 1 (IFF)	December 2021	GST return for the taxpayers who opted for QRMP scheme (Optional)
13.01.2022	GSTR 6	December 2021	Input Service Distributors
18.01.2022	CMP - 08	October to December 2021	Composition
20.01.2022	GSTR 5 & 5A	December 2021	Non-Resident Taxpayers and ODIAR services provider
20.01.2022	GSTR 3B	December 2021	The due date for GSTR-3B having an Annual Turnover of more than 5 Crores
25.01.2022	GST Challan Payment	December 2021	GST Challan Payment if no sufficient ITC for September (for all Quarterly Filers)

HIGHLIGHTS OF 46TH GST COUNCIL MEETING

- The Council resolved to postpone the increase in the GST on textiles from 5% to 12%. The Council also told the Group of Ministers that they have to include the GST rate on textiles in their study and submit it by February 2022.
- The GST raise on footwear was not on the Council's agenda. As a result, beginning January 1, 2022, the new GST rate of 12% will apply to footwear.

DUE DATES FOR INCOME TAX COMPLIANCE / PF / ESI - JANUARY 2022

07.01.2022	Challan No. ITNS-281	December 2021	Payment of TDS/TCS deducted /collected in December 2021.
14.01.2022	TDS Certificate	November 2021	The due date for the issue of the TDS Certificate for tax deducted under Section 194IA in the month of October 2021
14.01.2022	TDS Certificate	November 2021	The due date for the issue of the TDS Certificate for tax deducted under Section 194IB in the month of September 2021
14.01.2022	TDS Certificate	November 2021	The due date for the issue of the TDS Certificate for tax deducted under Section 194M in the month of September 2021
15.01.2022	Income Tax Audit	F.Y.2020-21	Due date for filing of audit report under section 44AB for the assessment year 2021-22 in the case of a corporate-assessee or non-corporate assessee (who was required to submit his/its return of income on October 31, 2021)
15.01.2022	Form 24G by Government officer	December 2021	The due date for furnishing of Form 24G by an office of the Government where TDS/TCS for the month of November 2021 has been paid without the production of a challan
15.01.2022	Electronic Challan cum Return (ECR) (PF)	December 2021	E-payment of Provident Fund
15.01.2022	ESI Challan	December 2021	ESI payment
15.01.2022	TCS Statement	Quarter Ended December 2021	Quarterly statement of TCS for the quarter
15.01.2022	Form 15G/15H	Quarter Ended December 2021	Due date for furnishing of Form 15G/15H declarations received during the quarter ending December, 2021.
30.01.2022	TDS Challan-cum-statement	December 2021	The due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194 IB, 194M
30.01.2022	TCS Certificate	October to December 2021	Quarterly statement of TDS deposited for the quarter ending December 31, 2021

31.01.2022 (Extended from 30.11.2021)	Income Tax Return (Section 92E)	AY 2021-22	Return of income for the assessment year 2021-22 in the case of an assessee if he/it is required to submit a report under section 92E pertaining to the international or specified domestic transaction(s)
31.01.2022	Form No 3CEAC	-	Intimation (required to be made on or before 30-11-2021) by a constituent entity, resident in India, of an international group, the parent entity of which is not resident in India in Form 3CEAC
15.01.2022	Form No. 15CC	October to December 2021	Quarterly statement in respect of foreign remittances (to be furnished by authorized dealers) in Form No. 15CC for the quarter ending December 2021