



The Institute of Chartered Accountants of India

Eastern India Chartered Accountants Students' Association

Of Eastern India Regional Council

**January
2022
Edition**

**EICASA
E-Newsletter**

Table of Contents



I. Introduction

- Message From Chairman, EICASA 01

II. Article

- Team Building and Leadership 01
- IS ELSS better than PPF? 08
- Role of CAs in Litigation support and
Dispute resolution in GST Domain 11
- Startup India - Taxation on Startup in INDIA 15
- A Moment, an Eon 17

IV. EICASA Corner

- Announcement by ICAI 18
- CA Students' International Conference 19
- EICASA E-Newsletter Committee 20
- Stay Connected with US! 21



Message from EICASA Chairman



My Dear Students,

Every year is special. I pray that the New Year 2022 promises you with bigger accomplishments and blesses you with good health and happiness. Reflecting back on 2021, it has been a journey of innovative endeavors aimed primarily to create digitally supported sustainable academic platform. We take pride in ourselves for bringing the best opportunities to you by engaging notable resource persons who have contributed wholeheartedly towards achieving the learning goals, enhancement of skills and guidance on mental wellness which primarily act as catalysts for boosting one's quality of performance.

By leveraging technology, we have been continuing to reinforce our commitments in fulfilling our objectives of providing adequate resources for giving the extra edge towards academic excellence. Empowering the student fraternity to generate value addition and achieve sustainable growth to face such challenging times has also been the driving force behind our initiatives.

I am pleased to share with you that on 2nd January 2022, the Regional Level Talent Search (Phase-II) was held at Guwahati for students of our Region. The Talent Search witnessed an appreciable participation of audience of the student fraternity. I would take this opportunity to convey my best wishes to all the participants for the enthusiasm displayed at the event. My hearty congratulations to the prize winners namely, Kaushal Burnwal (For the motion) and Swagat Subudhi (against the motion), the first prize winners in debate, Prachi Agarwal (For the motion) and Ravi Bajoria (against the motion), the second prize winners in debate as well as Swaraj Babu, Bikash Kumar Singh and Unnati Kotecha being the first, second and third prize winners in PPT presentation.

CA Students' International Conference 2022 "INTCON 22" is going to be hosted on January 29th and January 30th 2022 at ITC Sonar, Kolkata. The conference will also be witnessing participation of students of other countries like Dubai, Sri Lanka, Bangladesh and Pakistan. Unfortunately, due to Covid 19 restrictions, it will be available only on virtual mode for the delegates. Despite the fact that physical networking will be restricted, it provides a great learning experience with kit and souvenir at negligible cost. I urge upon everybody to take up the opportunity and register for the conference. You can register for the conference by logging in to <https://www.eirc-icai.org/eventdetails.php?EircstrID=NTQ4MQ>

Students, each day seems to present a different challenge for maintaining your productivity and focus. Remember, if we advance confidently in the direction of our dreams and endeavor to live the life which we have imagined, we will meet with a success unexpected. Light tomorrow with today.

Best wishes always.

Take care.

Stay safe.

CA Ravi Kumar Patwa,
Vice Chairman EIRC & Chairman EICASA (2021 – 22)



The Institute of Chartered Accountants of India

Article: TEAM BUILDING & LEADERSHIP

SUNIL YADAV
CRO0614870



WHAT LEADERSHIP IS.....

"Leadership is a process whereby an individual influences a group of individuals to achieve a common goal." -Northouse

"Leadership is a **process of social influence, which maximizes the efforts of others, towards the achievement of a goal.** Leadership is a process of social influence, which maximizes the efforts of others, towards the achievement of a goal."

WHAT TEAM BUILDING IS.....

Building a team is the act of improving and maximizing a group of such people who collaborate and work together to achieve a common goal.

A team implies synergy, that is, the whole is greater than the sum of their parts and the essence of a team is a common commitment, because without it, the members are simply a group of individuals.

FACTORS OF SUCCESSFULL TEAM BUILDING :-

1. A clear elevating goal.
2. Results driven structure.
3. Competent team members with right number and mix.
4. Unified commitment.
5. A collaborative climate.
6. High standards of excellence.
7. Principled leadership.
8. External support.

STAGES IN TEAM BUILDING:-

FORMING->

Define team, individual roles, task and strategy.
Develop trust, communication and norms.



The Institute of Chartered Accountants of India

STORMING->

Realisation of task difficulty.

Fluctuations in attitude about chances of success and collaborations.

NORMING->

Members accepts team and individuality of fellow members.

Members starts helping each other.

PERFORMING->

Teams are able to function as a unit as they find ways to get the job done smoothly and effectively without inappropriate conflict.

KEY FACTORS TO SUCCESSFUL PERFORMANCE OF A TEAM – S.C.O.R.E

S Strategy

C Clear Roles and Responsibility

O Open Communication

R Rapid response

E Effective Leadership

WHAT LEADERSHIP STANDS FOR.....

- . Listen twice as much as you speak.
- . Encourage people to take risks.
- . Assess the facts before making a decision.
- . Demand accountability of yourself and others.
- . Expect people to do their best.
- . Respect those “under” and “above” you.
- . Solve problems with actions.
- . Honour your word.

PRINCIPLES OF LEADERSHIP:-

1. Lead by example.
2. Leadership is about people.
3. Focus on change.
4. Be human and admit mistakes.
5. Understand the value of listening.
6. Develop leadership skills.
7. Promote diversity.
8. Work together to achieve more.
9. Have solid values.
10. Use technology and innovation.
11. Help to develop future leaders



The Institute of Chartered Accountants of India

LEADERSHIP ATTRIBUTES:-



THE PROCESS OF GREAT LEADERSHIP:-

The way to great leadership, that is common to successful leaders:-

- .Challenge the process.
- .Inspire a shared vision.
- .Enable others to act.
- .Model the way
- .Encourage the heart.

MANAGER AND LEADER:-

A manager can be defined as somebody who takes control is administering, directing and ensuring that things are happening and operating as they should be.

A leader can be defined as somebody who creates a vision that inspires people to follow that vision and move forward towards achieving it.

WHAT MAKES LEADERS DIFFERENT FROM NON LEADERS:-

The three theories,

As per trait theory, personality, social, physical or intellectuality differentiate leaders from non leaders.

According to the behavioural theory, specific behaviours differentiate leaders from non leaders.

Contingency or situational theories propose that leadership effectiveness depends on the situation.



The Institute of Chartered Accountants of India

LEADERSHIP TRAITS:-

- .HONESTY:** Consistency between word and action.
- .COOPERATIVE AND CARING:** Builds Relationships.
- .ADAPTS TO OTHERS:** Do unto others as they would like to be unto.
- .COMPETENCE:** When a quick decision must be made, make it.
- .SELF MANAGEMENT:** Empowers yourself to make your own choices about your time.

IMPORTANCE OF TEAM BUILDING AND LEADERSHIP SKILLS:-

Share a Vision

This skill refers to how clearly a leader can see his or her vision, share it with employees and inspire them to support it. The ability to lead also entails how well a leader can motivate employees in order to get the desired business results. For example, each employee should understand how his or her job contributes to the company's overarching goals. Instilling this information is part of a leader's responsibility and will help employees feel motivated and have a sense of purpose.

Effective Communication

All great leaders need to be good communicators because they need the ability to explain their ideas, describe the company vision to employees, ensure tasks are done on time, [facilitate office conversations](#), and know when it is the right or wrong time for a meeting. Leaders must also be able to communicate what a job entails before someone is hired, and explain the reasons for firing someone.

Relationship Building

Creating and fostering relationships with both employees and clients is one of the marks of a leader who is truly dedicated to his or her position and company. It takes an investment of time, emotion, and effort to maintain business relationships, and this is not overlooked by your team members or customers. These relationships will help inspire your team to work harder and even go above and beyond the call of duty.

Industry Expertise

It is difficult and demoralizing to follow a leader who does not understand what he or she is doing. Great leaders must lead in both the workplace and in their respective fields. They must be a voice of authority that clients, employees, and other industry professionals look to and respect. They must apply this expertise to make important decisions and know what is and is not possible for the team to accomplish.

Perceptive of Team Needs

In addition to having leadership skills, managers must make sure their teams also have the skills they need to succeed. Leaders should be able to determine the most vital skills for a position, and either find someone who already has those skills or hire someone who is [a good fit for the team and company culture](#) and then train them. Great leaders can identify all of the skills within the scope of a role, ensure the new team member has the proper training and certifications and understand what equipment and tools are needed to do the job.



The Institute of Chartered Accountants of India

Trustworthiness

The most trusted leaders gain the trust and respect of employees and clients because they display integrity and honesty. Being seen as trustworthy will increase your team members' commitment to their goals, and inspire their best efforts. This includes many factors such as competence and perceived intent. Being trusted by your team also helps the communication process, because team members will be more likely to take risks during brainstorming sessions and come to you with any problems that are interfering with their ability to do their work.

Time Management

Time management is often cited as an important skill for employees, but it is even more important for leaders. Great leaders have to keep track of their own time as well as steer the entire company toward meeting its goals. Therefore, time management for leaders entails knowing how and where to spend their own time, understanding how employees spend their time, and what objectives each department should spend its time on. Leaders must decide where to invest the company's time and resources, which clients have a good return-on-investment, which employees need more mentoring and which business ventures will benefit customers.

Commitment

Great leaders are committed to their business, their employees and their customers. They understand that what makes a product or service great is an ongoing commitment to excellence. A leader who is not committed to a company should not be leading it, and a lack of commitment to customers and an unwillingness to listen to complaints and suggestions means customer service will decline and innovation and satisfaction standards decrease.

Confidence

Confidence inspires trust and helps leaders present themselves and their company well. Leaders need confidence to make and stick to important decisions. There is a lot of pressure in business for leaders to be decisive, and changing your mind often sends a message that you do not have a plan or strategy.

Problem Solving

All leaders must know how to solve team- and company-related problems. The best companies offer products and services that solve specific problems for their clients as well as internally. If an employee comes to you with a problem, your number one goal as a leader is to help them solve that problem in their best interest and that of the company.

IMPORTANCE OF ETHICAL LEADERSHIP:-

Ethical leadership creates awareness of CSR among employees and shapes their perceptions of CSR, which in effect motivates them to act more responsibly in their personal lives.

Enhanced individual trust in the organisation motivates employees to believe that their company cares about their welfare, their community and the society at large.



The Institute of Chartered Accountants of India

Perceived ethical leadership inspires employees to act more responsibly and take on additional responsibilities and engage in OCBs – to help develop new people, proactively minimise corporate costs, take on ownership, etc, which are all relevant to improving the overall performance of the organisation.

LEADERSHIP MYTHS:-

A position will make me a leader.

If I am not hearing anyone complain, everyone must be happy.

I can lead everyone the same way.

Leaders must be extroverts.

Leaders can't show vulnerability.

Leaders have all the answers.

Great leaders are always in the spotlight.

CONCLUSION:-

For an effective team, leadership must be efficient.

The two factors go hand in hand when it comes to running an organization and it thus judges the leadership skills of a leader.

Thus for an organization, team building and leadership are the stepping stones of its success.



The Institute of Chartered Accountants of India

Article:

Is ELSS better than PPF?

Piyush Kumar Kedia
ERO0248714



LET'S START WITH ELSS

- Diversified equity mutual funds where fund has to invest a minimum 80% of its total assets into equities
- Investment amount is tax exempted under Section 80C within its overall limit of 1.5 lakhs
- Has a lock in period of 3 years
- Returns above 1 lakh in redemption are taxed @ 10%
- Broadly speaking, we have two types of plans
 1. Regular plan
 2. Dividend plan

ADVANTAGES

1. Low lock in period of 3 years as compared to other tax saving options like PPF (15 years), NSC (5 years or 10 years), Tax saving FDs (5 years)
2. Gives better returns (last 5-year average returns is around 13% - 14.5%)
3. Your gateway to equity investing.

HERE COMES PPF

- PPF is a Government of India backed debt asset, suitable for long terms financial goals such as children's education and retirement planning. By investing in PPF, you can claim tax deductions under Section 80C up to 1.5 lakh
- PPF carries a longer lock-in period of 15 years which can further be extended for another 5 years but, there is a facility of premature withdrawal after the end of 5th year
- You can also avail of a loan on your PPF account and that facility is available from the 3rd to the end of the 6th financial year
- The loan amount is set at 25% of the outstanding balance amount of the two preceding years and needs to be repaid in 36 months
- However, it is to be noted, that the interest charged is 2% over the present interest rate



The Institute of Chartered Accountants of India

LET'S COMPARE

<u>BASIS</u>	<u>PPF</u>	<u>ELSS</u>
RISK	Backed by the Government of India. so highly safe	Very high because it invests in equity if you don't understand the market and redeem your money in a stock market crisis, your dreams of long-term wealth creation will be shattered
RETURN ON INVESTMENT AND TAXATION ON RETURN	At present 7.1% & returns are tax free.	Last 5-year average returns are in between 13% - 14.5%. & returns are taxable @ 10% in excess of 1 lakh.
TIME HORIZON	We can invest for 15 years and also get an additional extension of 5 more years	No such time horizon and continue as long as you want
LOCK IN PERIOD	15 years	3 years
PARTIAL WITHDRAW	Yes, after the end of 5 years	No, only after 3 years
HOW TO AVAIL	<ul style="list-style-type: none"> • Open a PPF account. • Get your KYC done with the bank or post office. • You also get the facility of opening a joint PPF account of you and a minor 	<ul style="list-style-type: none"> • AMC website • Online investment portals • Demat agents

WHY NOT TO INVEST IN ELSS

GUARANTEED RETURNS IS NOT POSSIBLE

Equity is volatile and timing the market is one thing which is never present in the dictionary of retail investors between the age gap of 30s – 50s

Suppose you invested in ELSS in May 2017 and now you are withdrawing in May 2020, your returns will hit rock bottom and covid stock market crash will shatter your dreams of long-term wealth creation

But this problem could be avoided if invested in PPF

LACK OF SHORT-TERM LIQUIDITY

The lock in period is 3 years and no partial withdrawal is allowed before that

In PPF, insurance and FDs, u get some premature withdrawal facility



The Institute of Chartered Accountants of India

FOMO

My friends are investing in it and some youtubers also said that ELSS is good, so let's invest in it

LIQUIDITY PROBLEM IN RETIREMENT

- In retirement, sometimes u come across situations that demand immediate need of funds
- At that time ELSS will become a nightmare
- It will be better to go with 5-year bank FDs in your retirement stages because:
 - Now you are officially a conservative risk taker
 - 5-year bank FDs have premature withdrawal facility
 - liquidity problem is o

REQUIRES TIME FOR POSITIVE COMPOUNDING

Investment in equity requires patience and having a longer investment horizon of more than 5 years will ensure positive compounding

So, if u invested in ELSS for short term requirements, then there are maximum chances of you facing mental pressures on regular basis of high stock market volatility

Last but not the least, if you get carried away with any information on the stock market or you can't even see a three-digit loss on your portfolio, stay out of ELSS

MY OPINION

If u want to enter equity, ELSS is not the only gateway. we have many more avenues like Index funds and direct stocks for making our entry into equity other than ELSS

It's not that I am against ELSS, but it's always better to have a background check of all those instruments in which you are going to invest your hard – earned money

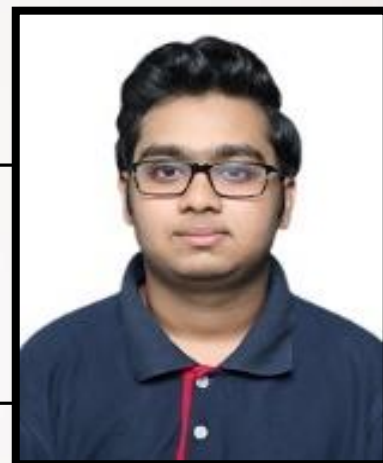


The Institute of Chartered Accountants of India

Article:

Role of CAs in Litigation support and Dispute Resolution in GST Domain

Ashis Chowdhury
ERO0228820



Chartered Accountants. They are the backbone of the Indian Economy.

From the words of our honorable Prime Minister Mr. *Narendra Modi*, it is clearly evident that the role of a Chartered Accountant is very crucial in the Indian Economy in the context of both Nation building as well as in the Litigation sector.

Introduction of GST can also be termed as the long-awaited journey of biggest indirect tax reform in the country since independence. It paved its way on 1st July 2017 with the aim to replace all the hindrances and was focused towards removing various legal issues prevailing in the earlier regime. However, what is still questionable is whether the GST law has decreased / reduced the litigations or is the litigation increased.

Unfortunately, the hindrances never stopped. The legal issues are still burning in the flame of these compliance-based litigation which would definitely pave its way forward in the near future. At this Juncture having said the above points, this instant article is focused towards some of the litigated matters which currently are prevailing and hitting the taxpayers and the role of a CA in resolving the Disputes.

With the advent of GST, various disputes paved their way in the Business and Taxation world. Multiple opinions in relation to the applicable Tax rate (depending upon the appropriate HSN/SAC code) and the levy of tax under appropriate head (IGST and CGST/SGST/UTGST) gave rise to various disputed areas under GST.

These disputes eventually gave rise to various Litigations in the entire sunshade of Indirect taxes in India. Needless to mention that the Litigations under GST is an emerging market for the professions (CAs and Advocates) in our economy.

However, the larger question to ponder is the reasons for such litigation. Some possible reasons may be: -



The Institute of Chartered Accountants of India

1. Irregularities in Act and Rules under GST

The main aim to introduce GST is to make its implication simpler than the previous tax regime. But, after its introduction, the law has undergone so many changes that instead of being simpler, it has resulted in ambiguity and chaos in the market. Currently, there are *820+ Notifications, 170+ Circulars and 100s of Judgments and Rulings* under GST. Hence, it is a challenging job for a taxpayer to comply with all the applicant provisions and the encounter with the various irregularities under the Law.

2. Trade Parlance v/s Clarity in Law.

Though the main aim was to follow '*One Nation one Tax*', various instances of difference in opinions and viewpoints have been observed under GST. The interpretation of a particular provision may be different for different individuals.

For instance, in relation to any sale invoice, it is a common industry practice that the Credit and Debit Notes can be issued by both supplier and recipient. But, under the preview of GST, any document has to be issued by the supplier only. This creates a lot of confusion in procedural reporting and eventually leads to litigation of mismatch.

3. Divergent verdicts over the same matter

Different benches of Advance Rulings have taken different interpretation on similar matters making it even more complex to follow. For instance, in case of Refund of balance in Electronic Credit Ledger accumulated due to presence of Inverted Duty Structure, **Rule 89(5) of CGST Rules** denies the right of the taxpayer to claim the refund if such ITC pertains to that of Input Services. However, the **Hon'ble Gujrat High Court** has pronounced its judgment, in the case of **VKC Footsteps India Pvt Ltd**, that such ITC is eligible for Refund. Subsequently this judgement has now been overturned by the **Hon'ble Supreme Court**, even though the SC has observed the anomaly in the drafting of Provisions. Hence, it leaves a gap in the minds of taxpayers about future results of any judgements that are favorable now.

As highlighted in preceding part, the interpretation of a particular provision may be different for different individuals. Whether it's about taxability vs exemption, valuation, classification, input tax credit or about refund etc., almost every topic has some or other disputes. In this part, let us throw some light over certain grey areas and related disputes:

1. Eligibility to claim ITC: Section 16(2)(c) and the case of M/s D.Y. Beathel Enterprises vs the State tax Officer

Section 16 (2) (c) of the CGST Act 2017, mentions that the tax charged in respect of the supply for which ITC has been claimed by the recipient has to be actually paid to the government by the supplier. However, on 24th February 2021, the *Hon'ble Madras High Court* has pronounced its judgment in the case of *M/s D.Y. Beathel Enterprises Vs the State tax Officer*, in favor of the recipient and allowed the ITC to the recipient of goods.

Hence, a dilemma in the thought process of the readers whether the recipient would be able to claim ITC if the supplier defaults in payment of tax to the government.



The Institute of Chartered Accountants of India

2. Inverted Duty Structure: Unjust treatment to Input Services

In case of Refund of balance in Electronic Credit Ledger accumulated due to presence of Inverted Duty Structure, *Rule 89(5) of CGST Rules* denies the right of the taxpayer to claim the refund if such ITC pertains to that of Input Services.

Hon'ble Gujrat High Court has pronounced its judgment, in the case of *VKC Footsteps India Pvt Ltd*, that such ITC is eligible for Refund. However, the said verdict has been opposed by *Hon'ble Madras High Court* in the case of *Transtonneltroy Afcons Joint Venture*. Currently, the said dispute has been resolved by our *Hon'ble Supreme Court* by reversing the decision of *Hon'ble Gujrat High Court* on 13th September 2021.

From running a profit earning business entity like Mr. Kumar Mangalam Birla, **to** leading the success story of flourishing products in the market; **from** the greatest entrepreneurs providing Advisory services to the entire Nation, **to** be the Indian Stock Guru like Mr. Rakesh Jhunjhunwala; you name it and you will get the mind of a CA behind it.

The role of a CA in uplifting our economy is incomparable.

In the light of aforesaid scenarios, the role of a CA as a representative is a crucial one.

The word '**representation**' refers to appearing in a client's cause to offer explanation, information or defense in relation to proceedings before the relevant authorities.

The specific provisions in the taxing statutes permits a taxpayer to appear before any Adjudicating Authority through a representative rather than appearing in person. Hence, it is advisable to implement the same as appearing in person may not be very effective due to reasons like lack of knowledge of the subject, lack / absence of legal and communication skills, inadequate time at disposal, etc.

For instance, **Rule 89(2)(m)** requires certification of a CA / CMA in case of any refund application, subject to certain exclusions, in the Form GST RFD-01.

Also, **section 66** of CGST Act specifies that in case of any scrutiny, inquiry or investigation, the Commissioner can direct the audit of the Books of the taxpayer by a CA or CMA.

Thus, a CA can provide various services ranging from assisting the client in filing returns, advising on critical issues, assistance in assessment, drafting and filing replies to notices and appeals and representing before authorities and Tribunal. Majority of the litigation under GST, up to the Tribunal level, are handled mostly by CAs who are abreast with latest provisions, case laws and most important, its financial connotation with books of accounts.

Representation in GST litigations before the authorities or Tribunal is a service which a CA can provide to his client irrespective of whether the said CA has been associated with auditing its books of accounts or not. Hence, the need of specialists in the field of GST Litigations is the undisputed future for GST practice, However, for the matter advances to High Court or Supreme Court, although a CA cannot legally represent the client, it can provide valuable assistance to Lawyers in the form of preparation of briefing material.



The Institute of Chartered Accountants of India

- **Hence, a CA can provide assistance to their clients in the following areas:**
- a) Assisting to client to prepare for department audit and due diligence audits.
 - b) Advising the client during audit and investigation an assistance in clarifying the issues raised by the audit team, preparation of statements / reports to be submitted to the audit team, preparation and submission of documents requested by the department, drafting of letters, correspondence and reply to audit observations.
 - c) Advising the client on the course of action to be adopted i.e., whether to litigate or not on the issues raised by the department in the course of audit.
 - d) Representing client in adjudication proceedings by drafting reply to SCN, submissions and attending hearings and post-hearing filing of submissions/evidence.
 - e) Representing client in appellate proceedings before the first appellate authority or Tribunal. The professional assistance would encompass drafting of appeal including statement of facts and grounds and appearance before the authority or Tribunal.
 - f) Support function in (a) and (b) by assisting the counsel (CA or Advocate) in the above areas including preparation of notes and briefing other counsel.
 - g) Assisting Advocates in matters before the HC/SC and also in understanding facts for preparation of grounds of appeal, counter, rejoinder and legal research.



The Institute of Chartered Accountants of India

Article:

Startup India – Taxation on Startups In INDIA

Nikunj Khatuwala
ERO02245802



A startup is a company or project undertaken by a person called an entrepreneur to seek, develop, and validate a scalable business model. An entrepreneur seeks to recognise a problem in the society and puts 5 resources largely- Men, Machines, Methods, Materials, & Money (Five M's) to solve it for the benefit of the society. Entrepreneurs are highly innovative and creative people who drive a country towards being economically sustainable in the future, through their startups.

To nurture innovation and start-ups in the country that will drive sustainable economic growth and generate large scale employment opportunities, the Government of India launched an initiative called 'Startup India' in 2016. The Government, through this initiative, aimed to encourage and empower common people to build startups and become successful entrepreneurs, in turn, helping in nation-building.

In order to be recognised as a startup under the 'Startup India' initiative, entities should apply for recognition under the program, and should satisfy the following eligibility criteria:

- a. The entity should be incorporated as a private limited company or a partnership firm or a limited liability partnership.
- b. Turnover should be less than INR 100 crores in any of the previous financial years.
- c. 10 years should not have been passed from the date of its incorporation.
- d. The entity should be working towards innovation/improvement of existing products, services and processes and should have the potential to generate employment/ create wealth.

An entity formed by splitting up or reconstruction of an existing business shall not be considered a startup under the initiative.

The Inter-Ministerial Board set up by the Department of Industrial Policy and Promotion shall validate startups for the exemptions under the Income Tax Act



The Institute of Chartered Accountants of India

Tax Exemption under Section 80 IAC of the Income Tax Act, 1961:

Post getting recognition, a Startup may apply for Tax exemption under Section 80 IAC of the Income Tax Act. Under this section, the Startup can avail of tax holiday for 3 consecutive financial years out of its first 10 years since incorporation. A tax holiday is a period during which the entity is relieved of any taxes on its operations, which are provided as incentives for business investment. Deduction at the rate of 100% of its profits and gains is allowed to an eligible startup for 3 consecutive financial years out of 10 years.

Eligibility Criteria for applying for Income Tax exemption under section 80 IAC:

- a. The entity should be a recognised startup.
- b. The entity should either be a private limited company or a limited liability partnership.
- c. The startup should have been incorporated after 1st April 2016 but before 1st April 2021.

Partnership firms are not allowed to avail of Income Tax exemption under this section.

Tax Exemption under Section 56 of the Income Tax Act, 1961 (Angel Tax):

Post getting recognition, a Startup may apply for Angel Tax exemption. Angel Tax is the tax charged on the Startup when it issues shares to a resident person at a price that is more than its fair market value. The aggregate consideration received from the issue of shares as exceeds its fair market value is charged to tax under the head 'Income from Other Sources'.

Under Section 56 of the Income Tax Act, 1961, a startup shall be eligible for claiming exemption from the levy of angel tax, if the following conditions are satisfied:

- a. The entity should be a DPIIT recognized startup.
- b. The aggregate amount of paid-up share capital and share premium of the startup after the proposed issue of share should not exceed 25 crores.

Other benefits which are available to an eligible startup or its shareholders are as follows:

- a. A liberalized regime of Section 79 to carry forward and set off the losses.
- b. Exemption under Section 54GB to the shareholder making an investment in a startup.
- c. Access to a dedicated cell created by the Central Board of Direct Taxes (CBDT) to address the problems of startups.

Ever since the Government of India has launched the Startup India program, there has been an incredible surge in the number of startups in the country. The number of startups registered has breached the 50,000 mark as of June 2021, spreading across 623 districts. About 1.7 lakh jobs were created by these startups in 2020-21.

Startup India movement reflects the new India, driven by the energy, enthusiasm and enterprise of the Youth of India.



The Institute of Chartered Accountants of India

Poem:

A Moment, An Eon

Vaisahli Patwa
ERO0236245



Drifting with the world,
I blink,
It feels like a moment,
But eons pass by.

People's lives flashing before me,
I stand still in the poppy fields,
Red and white bursting,
A sleepy haze surrounds me,
Waking me up
To the bare realities of life.

I smile at their childhood,
Freer than air,
Basking in the sun,
Living life without any care.

I follow their teen selves,
Feeling everything so much,
New people, new emotions,
Complications and new reactions!

I see their midlife crises,
When they're not young,
But not old yet,
Family and money drive them,
All the while thinking they're in the driver's seat!

I breathe in their old age,
When experiences define them,
And the colour of their hair,
Shaky legs and wrinkled skin,
When Death seems to be coming.

I've seen them all,
In innumerable permutations and
combinations,
At the end,
There's only one thing to realise.

'Tis all a moment,
Though eons pass by,
'Tis all we ever are,
A moment,
In this great grand scheme of Life.



The Institute of Chartered Accountants of India

Announcement by ICAI

ICAI Home / Announcements

72nd Annual Report and Accounts of the Institute for the year 2020-21 - (08-10-2021)

Notification for Online Assessment Test (AT) for Certificate Course on Fundamental Analysis and Technical Analysis with Equity Research on 30th & 31st Oct 2021 at 10:00 AM -12:00 Noon IST. - (08-10-2021)

Notification for Online Assessment Test (AT) for Certificate Course on Financial Market and Securities Laws on 23rd & 24th Oct 2021 at 10:00 AM -12:00 Noon IST. - (08-10-2021)

Re-Opening of Online filling up of Examination Application Forms for Chartered Accountants Examinations, December, 2021 - (07-10-2021)

Certificate Course on Public Finance & Government Accounting- 17th Online Batch commencing from 28th November, 2021. - (06-10-2021)

Request for Information: Post-implementation Review of IFRS 9-Classification and Measurement - (05-10-2021)

Consent for registration of Exclusive Blended Online Weekend Batch of Spanish language (level A1.1) for ICAI Members and Students - (04-10-2021)

Live Coaching Classes (LCC) Batch-4 commencing from 25th October 2021 for Students appearing in Final (November 2022 examination) and continued Batch-3 for (May 2022 examination) - (01-10-2021)

Live Coaching Classes (LCC) Batch-4 commencing from 25th October 2021 for Students of Intermediate Course appearing in May 2022 examination - (01-10-2021)

BOS Study Link:

<https://www.icai.org/post/bos-knowledge-portal>





The Institute of Chartered Accountants of India

CA STUDENTS' INTERNATIONAL **CONFERENCE 2022** **29TH – 30TH JAN**



The Institute of Chartered Accountants of India
(Setup by an Act of Parliament)



INTCON '22

Kolkata - Proud Host of
INTERNATIONAL CONFERENCE
OF
CA STUDENTS

2022 | 29 -30
JANUARY
BISWA BANGLA AUDITORIUM, KOLKATA

Registration Link:
<http://bosactivities.icai.org/>

Register Now:



LINK TO REGISTER:

<https://bosactivities.icai.org/>

PAPER PRESENTER RULES:

<https://www.icai.org/post/international-conference-ca-students-kolkata>



The Institute of Chartered Accountants of India

E-Newsletter

Committee 2021-22

Swati Benia

+91 98367 83495

Amit Kedia

+91 98318 48419

Shreyans Agarwal

+91 73210 97117

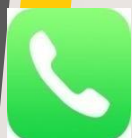
Manisha Das

+91 82406 02331



The Institute of Chartered Accountants of India

How To Connect with us!



033-30211133



<https://www.facebook.com/eicasa>



9831848419/8240034150



https://instagram.com/eicasa_kolkata?igshid=1kuhfc24k7gfk



eicasa.Kolkata@icai.in



<https://www.youtube.com/channel/UC9TESfjypmb39ZZ4QUhHQ>



https://twitter.com_kolkata?s=09



<https://t.me/joinchat/Jf5rrUIBKfVvJRmaZcrotA>

Click on the link

Get featured in the next issue of EICASA
E-newsletter, mail your articles at
eicasa.Kolkata@icai.in