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KEY
**CERTIFICATIONS,
LICENSES AND
REGISTRATIONS TO
BE DONE AFTER
COMPANY
INCORPORATION**

"EACH REGISTRATION IS A BRICK IN THE PALACE
OF YOUR DREAMS."

WE HELP STARTUPS TO START

"After establishing a company, there are some important certificates, licenses, and registrations that are essential for the smooth operation of the business. First, GST registration is necessary as it manages the tax system and allows you to issue tax invoices. Second, trademark registration protects your brand name and logo. ISO certification recognises the quality standards of your company, thereby increasing customer trust. Shops and Establishment registration provides recognition to your business with local authorities. Udyam Registration is for small industries, helping you avail yourself of government schemes and benefits. Startup India Recognition offers tax benefits, priority in government tenders, and opportunities for networking within the startup community—Trade License grants permission from local authorities to conduct business. The Import Export Code (IEC) allows your business to operate at an international level. Copyright registration protects your intellectual property. Professional Tax registration permits you to deduct professional tax from your employees. Lastly, PF and ESI registrations provide social security and benefits for your employees. Completing all these registrations legally strengthens your company and facilitates ease of doing business. These registrations enhance the credibility and trustworthiness of your business and are essential for its long-term success."



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Your first step towards credibility

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GST Registration

GST Registration: A Mark of Trust, Adherence to GST Rules, Key to Business Success

After company registration, GST registration is crucial for businesses engaged in transactions involving the sale of goods or services. While not always legally mandatory, voluntary GST registration offers several benefits. It grants the company 'Registered Dealer' status, enhancing its credibility and allowing it to participate in larger business dealings. This allows the company to operate more effectively and build its reputation in the market. Post GST registration, the company can issue tax invoices to its customers, enhancing the transparency and reliability of its business. This also increases the company's competitive edge as it can now engage in business with larger and more professional clients and vendors. GST registration symbolises a responsibility for the company, indicating that it understands its tax obligations and is committed to fulfilling them. This registration provides numerous benefits to traders, such as the benefit of input tax credit, the ability to sell products on e-commerce platforms, and easy access to loan schemes. Therefore, GST registration is not only a legal requirement for traders but also a more convenient, transparent, and beneficial way of doing business in modern India.

01

When is GST Registration Mandatory?

When a trader's or service provider's annual sales exceed ₹40 lakhs (₹20 lakhs in some states), GST registration becomes mandatory. This limit is for goods sellers, while for service providers, the limit is ₹20 lakhs (₹10 lakhs in some states). Exceptionally, traders engaged in inter-state trade, selling goods on e-commerce platforms, and importing-exporting goods are required to register for GST regardless of their sales volume.

Multiple GST Registrations

If a business operates from more than one state, the taxpayer must obtain separate GST registrations for each state. For example, if an automobile company sells in Karnataka and Tamil Nadu, it must apply for separate GST registrations in Karnataka and Tamil Nadu. Additionally, a person can obtain separate GST registrations for different businesses within the same state under one PAN card.

02

Composition Scheme

This scheme is a significant convenience for small traders and service providers. Under this scheme, traders with an annual turnover of up to ₹1.5 crores can benefit from it. For service providers, this limit is ₹50 lakhs. The tax rates under this scheme start from 1% and go up to 5% for traders and 6% for service providers. Under this scheme, traders and service providers cannot avail of input tax credits and cannot issue GST invoices to their customers.

03

GST Compliances

The process of filing GST returns is completed in two phases. In the first phase, the GSTR-1 form is filled out, which provides sales information, and in the second phase, the GSTR-3B form is filled out for GST payment. Businesses with sales below ₹5 crores need to file returns every quarter, and those with sales above ₹5 crores need to file returns every month. The deadline for monthly GSTR-1 returns is the 11th of each month, and for quarterly returns, it is the 13th after the end of the quarter. For GSTR-3B, the deadline for monthly returns is the 20th, and for quarterly returns, it is the 24th. Failing to file returns on time incurs a late fee of ₹50 per day and a 1.5% monthly interest on delayed tax payments. It is also important to note that once GST registration is done, even if there are no transactions, it is mandatory to file NIL returns on time.

04

Trademark Registration

Enhance the Power of Your Brand with a Trademark

Why is Trademark Registration Important After Company Incorporation?

This is a question that every new entrepreneur asks. You see, a trademark, which can be your brand's name, logo, or unique design, is what identifies your company. It's just like how your name identifies you. When you register your company's name or logo, it legally becomes your property. This offers several benefits.

First of all, it gives your brand a unique identity. Customers can easily recognise your product or service. Secondly, if any other company uses your trademark, you can take legal action against them. This protects your brand from being stolen. Moreover, trademark registration enhances your company's reputation and trust in the market. When customers see that your brand is registered, they believe your product or service is trustworthy, which increases their confidence in your business.

Trademark registration also makes it easier for you to do business. You can franchise your brand's name or expand your brand through licensing. This helps to broaden your business scope and increases your earnings. Lastly, it's important to understand that trademark registration is a kind of investment. It ensures the long-term success of your business. Therefore, registering your brand after forming your company is not only smart but also essential for your business's success.

01

Trademark Filing

The process of trademark registration involves several stages – filing the application, examination and publication, and finally, if everything goes well, registration. The first stage is "Trademark Filing," where the priority is to ensure that your trademark is unique and not already registered. A thorough search is conducted for this purpose. If your trademark is found to be unique, you can file it with the relevant authority.

Trademark Objection

After filing the trademark, the Registrar or any third party might object to your trademark application. This usually happens if your proposed trademark is similar to an existing one, could be misleading, or does not meet other legal standards of the trademark law. When facing an objection, the applicant needs to present arguments and evidence in support of their trademark.

02

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Trademark Hearing

If the Registrar is not satisfied with the responses to the objection, they may give you an opportunity for a "Trademark Hearing," which can be conducted either in person or virtually on a predetermined date. During the hearing, the applicant or their lawyer presents arguments and evidence in favor of the trademark. If the Registrar is convinced by the arguments and evidence, your trademark will be registered.

Renewal

When you register a trademark, it is valid for ten years. But what happens after ten years? You need to renew it, otherwise, the unique identity of your brand could be at risk. So, if the time for your trademark renewal has come, don't take it lightly and make sure to renew it on time.

04

ISO Certification

ISO Certification: It's not just a certificate; it's a belief that quality is never compromised

Why is ISO certification important after the incorporation of a company?

ISO, or the International Organization for Standardization, is an international standard that sets guidelines for various business and production-related parameters. When a company is established, it is crucial for it to build its reputation and credibility in the market. ISO certification helps in this regard. This certification not only boosts customer confidence but also serves as a benchmark for business partnerships and government contracts. It demonstrates that the company has aligned its production and management processes with international standards. This certification helps the company be recognized as a reliable brand in the market. Both customers and traders tend to trust ISO-certified companies more. The certification ensures the quality and consistency of the company's operations. As a result, the company's products and services can become competitive in the international market as well. ISO certification also aids in improving internal operations within the company. The certification process emphasizes improvement, quality management, and customer satisfaction. ISO certification gives organizations the opportunity to enhance their internal processes and increase efficiency, leading to cost reduction and productivity growth, which, in turn, enhances the company's overall reputation and market value. ISO certification not only provides the company with a strong position in the market but also leads to improvements in the company's internal management and production processes. Thus, ISO certification is not just a formality but a crucial step toward the sustainable growth and success of the company.

01

Why ISO Certification? Types of ISO Certification

The most well-known ISO standard is ISO 9001, which focuses on Quality Management Systems (QMS). It helps business organizations improve the quality of their products and services. ISO 14001 is centered on environmental management and helps organizations reduce their environmental impact. ISO 45001 is related to occupational health and safety, ensuring that the workplace remains safe and healthy. ISO 27001 pertains to information security management, enabling companies to protect their data. Additionally, there are several other ISO standards, such as ISO 22000, which is for food safety, and ISO 50001, which is for energy management.

IAF Vs. Non-IAF ISO Certification

ISO certifications recognized by the IAF (International Accreditation Forum) provide global acceptability and recognition. Certificates issued by IAF member organizations are valid worldwide, which facilitates trade and international business relations. On the other hand, Non-IAF ISO certifications are those that are not issued by IAF-recognized organizations. Such certifications are not globally accepted and are often limited to specific regions or countries.

02

ISO Audit

ISO audits involve reviewing documents, interacting with employees, and observing processes by expert auditors. The primary goal of an ISO audit is to identify any deficiencies in the company's operations and suggest measures to address them. It serves as a quality control tool that helps companies improve their processes and assures customers that the products or services are reliable and of high quality.

03

Renewal

ISO certification renewal usually occurs every three years, involving a thorough auditing and evaluation process. During this process, auditors assess the organization's process management, employee qualifications, customer satisfaction, and continuous improvement efforts. This renewal process provides the organization with an opportunity to stay updated with the latest market trends and technological advancements.

04

Shops and Establishment Registration

Registering your business is the first step towards its growth

In India, registering your business under the Shops and Establishments Act is mandatory for most commercial establishments. This registration provides a legal identity for your business and ensures compliance with labor laws, protecting the rights and welfare of your employees.

This registration officially recognizes your business in government records, making you eligible to benefit from various government schemes and facilities. It covers aspects such as working hours, wages, leave, safety, and health standards. In this way, registration promotes transparency and ethics in business, fostering trust not only among employees but also with customers. This registration also helps you obtain necessary permits and licenses from local authorities and government departments. By registering your shop or establishment, you project a professional image for your business, which builds trust and respect among customers and business partners. Shops and Establishment Registration provides legal protection to your business, safeguarding it from any illegal competition and unethical business practices. It also offers legal support in case of potential disputes and lawsuits.

01

Objective of Shops and Establishment Registration

The main objective is to protect employees' rights and regulate employers' duties. By registering, employers acknowledge their responsibility towards the welfare and rights of their employees, such as working hours, rest intervals, overtime, holidays, leave policy, etc. For the government, this registration helps track the number of active establishments, ensure compliance with labor laws, and prevent employee exploitation. It ensures that establishments adhere to prescribed norms and standards.

Shops and Establishment Registration Process

The registration process for Shops and Establishments is governed by the rules of the respective state governments. To register, you need to visit the website of your state's Labor Department and fill out the registration form. In most states, documents need to be uploaded online. A registration fee is also required, which depends on the size of the shop or establishment and the number of employees. In some states, the Labor Department may inspect the shop or establishment, and if everything is in order, a registration certificate is issued. It is mandatory to display this certificate at the shop or establishment.

The validity of the license varies from state to state, ranging from 1 to 2 or 5 years.

02

Difference Between Udyam Registration and Shops & Establishment Registration

Under the Shops Act, it is mandatory for all shops and commercial establishments to register, and this is state-specific, while Udyam Registration is voluntary and only for Micro, Small, and Medium Enterprises (MSMEs). The registration process under the Shops Act is more complex and regulated by the state government, whereas Udyam Registration is simpler and falls under the central government. Businesses registered under the Shops Act must undergo annual renewals and comply with specific labor laws, while Udyam Registration is valid for a lifetime with no compliance obligations.

03

Difference Between Trade License and Shops & Establishment Registration

A trade license is specifically required for businesses that are related to public health and safety, such as hotels, restaurants, and manufacturing units. On the other hand, The Shops and Establishment Act regulates the working conditions and rights of workers in all types of shops and commercial establishments, including working hours, wages, and holidays. While a trade license is intended to prevent unethical business practices, the Shops and Establishment Registration protects the interests of workers in the unorganized sector.

04

MSME (Udyam) Registration

Small steps are the beginning of a long journey. Start with Udyam Registration

Why is Udyam Registration mandatory after the incorporation of a company? Before considering this question, it is essential to understand the significance of MSMEs and the benefits of registering them. MSMEs, or Micro, Small, and Medium Enterprises, play a crucial role in the Indian economy. They not only contribute to job creation but also foster economic growth at the local level. Through Udyam Registration, a company can avail itself of various government schemes such as low-interest loans, subsidies, tax exemptions, and more. Registering under Udyam is mandatory after company incorporation because it provides financial assistance and benefits, as well as statutory recognition. This registration also enables companies to participate in government tenders, thereby opening up new business opportunities. Additionally, Udyam Registration allows companies to participate in international fairs, trade exhibitions, and expos, which help promote their products and services. Furthermore, Udyam Registration facilitates easy access to loans from banks and financial institutions, and it helps companies benefit from credit guarantee schemes, which offer financial security and stability. Moreover, Udyam Registration exempts companies from certain audit and compliance requirements, helping them run their business operations more smoothly. Udyam Registration gives a company recognition and credibility in the market, allowing them to expand their business and enter new markets.

01

Udyog Aadhar Registration is now MSME (Udyam) Registration

Previously, obtaining SSI or MSME registration required complex paperwork, but the Udyog Aadhar registration simplified this process. Now, however, industries and entrepreneurs registered under Udyog Aadhar must migrate to Udyam Registration to continue availing the benefits provided by the government to MSMEs. To receive these benefits, re-registration on the Udyam Registration portal is necessary.

Declaration by Udyam Registration Portal

Udyam Registration is paperless and based on self-declaration, making it a straightforward and self-administered process. No documents or proofs are required; only the PAN and Aadhar numbers are needed. Information about the business's investment and turnover will be automatically retrieved from the government databases of Income Tax and GST. This system is fully integrated with the Income Tax and GST systems. A business can register only once under Udyam, but multiple activities can be added under the same registration.

02

Other Benefits

Having an Udyam Registration certificate allows businesses to obtain loans from banks at lower interest rates. The interest rates are reduced, and the credit under the Minimum Alternate Tax (MAT), a tax levied on companies with a low effective tax rate, can be carried forward for up to 15 years. Securing government tenders becomes easier, and various government schemes can be accessed through this registration, including Credit Linked Capital Subsidy, Credit Guarantee, Public Procurement Policy, and more. Additionally, businesses can benefit from barcode registration subsidies, direct tax exemptions, ISO certification fee refunds, concessions on electricity bills, and special consideration in international trade fairs.

03

Important to Know

Enterprises are categorized into micro, small, and medium based on their investment and turnover. Micro enterprises are those with an investment of up to ₹1 crore and a turnover of up to ₹5 crore. Small enterprises have an investment of up to ₹10 crore and a turnover of up to ₹50 crore. Medium enterprises are those with an investment of up to ₹50 crore and a turnover of up to ₹250 crore.

04

Startup India Recognition

Recognition of Startup India, Respect for New Ideas

"Why is Startup India Recognition important after company incorporation?"

This is a crucial question that arises in the minds of every new entrepreneur. In reality, Startup India is a government initiative that supports new and emerging businesses. When a company is incorporated, it becomes a legal entity, but it faces numerous challenges and competition in establishing itself and growing in the market. In the competitive business landscape, Startup India Recognition provides them with various benefits, such as tax exemptions and easier access to government tenders. Additionally, recognition under Startup India offers companies opportunities for networking. Startup India offers networking opportunities through seminars, workshops, and events to strengthen their businesses further. Through this initiative, the government aims to encourage young entrepreneurs and assist them in developing their startups.

Startup India Recognition offers companies not only financial assistance and facilities but also helps them establish their ideas and products in the market. It provides them with the necessary resources and knowledge to make their businesses more effective and sustainable. Moreover, it gives them a market identity, enhancing their credibility and trustworthiness. Startup India Recognition is not just a government certificate; it is a medium that helps new entrepreneurs realize their dreams. It provides them with a safe and supportive environment to grow and develop their businesses.

Therefore, Startup India Recognition is not just a government certificate but a valuable tool for new entrepreneurs. It provides a supportive environment for growth and development, making it a significant step after company incorporation.

01

Startup India Scheme

The Startup India Scheme is an initiative by the Government of India that supports new entrepreneurs and promotes innovation. Under this scheme, startups receive benefits such as easy registration, tax exemptions, assistance in funding, and help in protecting intellectual property (IPR). It also facilitates access to government tenders, networking opportunities, and global platforms. The primary objective of this scheme is to encourage entrepreneurship and boost economic growth.

Who can register with Startup India?

If a business is incorporated as a Private Limited Company, Registered Partnership Firm, or Limited Liability Partnership (LLP), it can register under the Startup India Scheme. Such a business entity must have an annual turnover not exceeding Rs. 100 crore, and it should not have completed ten years since its incorporation/registration. Additionally, the entity must be working towards innovation, development, or improvement of products, services, or processes.

02

Seed Funding after Startup India Recognition

Under this scheme, selected incubation centers will be responsible for identifying suitable startups and providing them with funding. The startup's idea should be technology-driven and capable of solving problems with scalability. Initially, a grant of Rs. 20 lakh will be provided, which can be used to validate the idea, develop a prototype, and conduct product trials. Subsequently, these startups may also receive a loan of Rs. 50 lakh to help them launch their business model in the market.

03

Tax Exemption after Startup India Recognition

If you have established your company or LLP after April 1, 2016, and you are confident that you can earn good profits in the next 10 years, you can avail of a 100% tax on profits exemption under Section 80IAC of the Income Tax Act for any three consecutive years within those 10 years. To obtain the 80IAC certificate, you do not need to visit any income tax office; the entire process is online. You simply need to fill out a form on the Startup India website, where you will need to provide some necessary documents and information.

04

Trade License

Trade License – A Symbol of Your Enterprise's Legitimacy

Why is a Trade License Necessary After Company Incorporation?

After the incorporation of a company, obtaining a trade license is not just a legal formality; it's an essential step depending on the jurisdiction and nature of the business. This license, issued by the government, ensures that your business operates according to local rules and regulations. Not only does it enhance the reputation of the business, but it also builds trust among customers. The primary purpose of a trade license is to ensure safety, health, and environmental standards. It ensures that the business establishment does not negatively impact society or the environment. Additionally, it assures customers that the service or product they are using meets the required standards. Thus, a trade license is necessary not only for the business owner but also for consumers. Furthermore, a trade license helps businesses to avail of government support and benefits. Without it, a business owner might be deprived of bank loans, government grants, and other financial aids. It also legally safeguards the business because operating without a license is considered illegal, which can lead to hefty fines and other legal consequences. A trade license enhances the reputation and brand recognition of a business, instilling confidence in customers that they are engaging with a legitimate and trustworthy enterprise. Therefore, obtaining a trade license after the incorporation of a company is not just a legal requirement but also the key to a business owner's credibility and success.

01

What is a Trade License?

A trade license is a legal certificate that allows you to start a business in a specific area, issued by the local municipal corporation. The local municipality ensures through this license that business activities within its jurisdiction are conducted properly, that anti-competitive practices are not adopted, that government or corporate rules are followed, that laws are not violated or public disturbances are not caused, that hazardous and chemical substances are used correctly and do not harm people or the environment, that environmentally friendly materials are used, and that necessary precautions are taken while conducting business.

Advantages of Having a Trade License

Employee safety, ensuring that people working in the business are not exploited and that labor laws are followed; fire safety, reducing the likelihood of fire-related accidents in business premises; adherence to fair trade practices, ensuring the welfare and interests of all stakeholders are protected; consumer protection, safeguarding consumers from illegal business activities, and thereby enhancing the reputation and goodwill of the business; and business development, fostering trust and credibility among customers and partners.

02

Various Types of Trade Licenses

An Industrial License is for manufacturing factories of various sizes, such as small, medium, and large-scale factories. A Shop License is for businesses involved in potentially hazardous or objectionable activities, such as the sale of wood, manufacturing of fireworks and candles, barbershops, and laundries. A Food Establishment License is for businesses related to the food industry, such as restaurants, hotels, food stalls, canteens, the sale of meat, vegetables, and bakeries, etc.

03

Who Grants Trade Licenses?

Trade licenses are issued by the licensing department of the municipal corporation, responsible for various sectors like industry, engineering, and health. The Government of India is authorized to control and oversee these licenses in cities across the country. The permission to run a specific business or trade at a particular location is granted through formal letters or official documents/certificates. The process of obtaining a trade license varies from state to state, guided by the rules and regulations of local government

04

Import Export Code

The first step towards entering the global market is the Import-Export Code; obtain it and move forward

After the incorporation of a company, having an 'Import Export Code' (IEC) becomes essential. This code is a testament to our identity and credibility in the business world. It opens doors to the international market. Without an IEC, you cannot import goods from abroad nor export goods from your own country. In other words, this code is a gateway to take your business to the global level.

IEC is not just necessary for business transactions; it is also a means to take advantage of various government schemes and benefits. Without it, traders miss out on government assistance and financial incentives. Hence, having an IEC is crucial not only for international trade but also for making your business eligible for government support.

In the context of digitalization, the IEC helps traders establish their identity in the digital world. It is mandatory for conducting business on e-commerce platforms. Additionally, this code assists traders in establishing trustworthy relationships with banks and financial institutions. The importance of IEC is further highlighted by the fact that it provides traders with a global market identity. This code acts as a gateway for traders, enabling them to become part of the global trading community. Therefore, possessing an IEC is not only necessary but also offers a golden opportunity to grow your business on a global scale.

01

Situations where IEC is required

The Import-Export Code (IEC) is required in several situations. For importers, it is necessary to present the IEC to customs authorities when clearing their shipments. If an importer needs to send money abroad through a bank, the bank will require the IEC. For exporters, the IEC is needed when sending their shipments, as the customs port will ask for it. Additionally, when exporters receive payments in foreign currency directly into their bank accounts, the bank will require the IEC.

02

Benefits

The IEC helps in expanding your business and allows your products or services to reach global markets. Companies can avail multiple benefits on their imports/exports from DGFT, Export Promotion Councils, Customs, etc. There is no need to file any returns once you have the IEC. Obtaining an IEC code is quite easy; it can be acquired within 10 to 15 days of submitting the application to DGFT, and there is no need to provide any proof of export or import to get it.

03

Renewal

The Import-Export Code (IEC) must be updated between April and June of every financial year. The last date to apply for this renewal or revalidation is June 30th. If you wish to continue your import-export business without any interruption, timely updating of the IEC is the best course of action. Failure to renew the IEC will result in the deactivation of your IEC certificate. Without an active IEC, you cannot conduct any import or export business.

04

Cases where Import-Export Code (IEC) is not mandatory

For imports or exports made for personal use, as long as they are not for commercial purposes, there is no need for an IEC. Imports and exports conducted by government departments and ministries, as well as listed charitable organizations, are also exempt from obtaining an IEC.

Copyright Registration

Your Art, Your Right

When starting a company, your unique ideas, designs, and features are what set you apart. Copyright registration is essential to safeguard these intellectual assets and prevent unauthorized use. This registration provides legal protection for your ideas and designs, ensuring that no one can use them without your permission. Another aspect to consider is that as your company grows, so do your competitors. If your company does not have copyright registration, your competitors might steal your ideas or designs and present them as their own. This could harm your business, reduce the uniqueness and value of your company. Your ideas and designs are invaluable assets to your company. By registering for copyright, you can claim these ideas and designs as your company's property, ensuring that only you have the right to profit from them. This boosts your company's financial stability and enhances its reputation in the market. Copyright registration gives you and your company an identity. This identity strengthens the credibility of your brand and solidifies your position in the market. Copyright registration is not just a formality after the incorporation of a company; it is a vital part of your business's success and security. It protects your company's ideas and content, securing the future of your business.

01

Trademark Vs. Copyright

A trademark is like a shield that protects your brand's name, logo, or slogan. Think of it as the bodyguard of your business identity. Its main purpose is to prevent consumer confusion and maintain a business's unique commercial identity. On the other hand, copyright is the shield for your creative talent. Whether it's literature, music, or art, copyright keeps it as your own. It gives you full rights over how you use, sell, or

Copyright Registration for Startups

Startups that create blogs, websites, software code, user manuals, and marketing materials can be protected under copyright. This prevents unauthorized copying and use of their written works. Startups that develop video presentations, podcasts, interviews, audio guides, webinars, and advertisement videos can also be protected under copyright.

02

Validity of Copyright Registration

The validity of copyright is generally established for up to 60 years. However, a special rule applies to sound recordings. In the world of sound recording copyrights, protection extends during the producer's lifetime and for an additional 60 years after the producer's death. This means that if a sound recording producer dies at the age of 80, copyright protection for their recordings will continue for the next 60 years after their death, totaling 140 years.

03

Benefits

Copyright provides legal protection, allowing only the owner to use and sell their work. This enhances the brand's identity and value. Creators can also transfer their rights to others. Copyright is like property; it can be valued and traded. Ultimately, it brings economic stability, ensuring that creators and businesses receive the rightful value for their work.

04

Professional Tax Registration

Registering for professional tax is a sign of your responsibility and maturity

Professional tax, which is levied by certain state governments, is applicable to business entities and professionals. This tax not only contributes to government revenue but also ensures that business organizations are playing their part in the development of society. For a new company, professional tax registration is mandatory as it enhances its legal standing. This not only increases the company's credibility but also indicates financial discipline and transparency. By paying this tax, the company complies with government regulations, which may be necessary for various government benefits and services in the future. Additionally, professional tax registration helps the company avail various financial benefits. When applying for bank loans, government grants, and financial assistance, having professional tax registration is often a key criterion. Professional tax registration is not just a formality after company incorporation but an essential process that ensures the company's legitimacy, financial stability, and social responsibility. It not only aids in complying with government regulations but also enhances the company's reputation and reliability in the market. Therefore, professional tax registration is a crucial step for the sustainable and successful operation of a company.

01

Professional tax

Professional tax is a type of direct tax imposed by state governments in India on individuals earning income from a profession, job, trade, or similar activities. This tax is different from the income tax levied by the central government. In the case of salaried or wage-earning individuals, this tax is deducted by their employer or company from their salary and directly paid to the state government. Others are required to pay this tax themselves. The amount of this tax can vary from state to state, but the maximum limit is Rs. 2,500 per year.

In Which States & Union Territories It Is Applicable

Andhra Pradesh, Assam, Bihar, Gujarat, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Mizoram, Nagaland, Odisha, Puducherry, Punjab, Sikkim, Tamil Nadu, Telangana, Tripura, and West Bengal.

02

Professional Tax Registration

Professional tax registration is mandatory within 30 days of employing staff in a business or starting professional practice. The application for a registration certificate must be submitted to the relevant state tax department within 30 days. If a taxpayer has multiple workplaces, a separate application must be submitted for each workplace according to the jurisdiction of the authority.

03

Professional Tax Payment & Return Filing

The deadlines for paying professional tax are as follows: If an employer has more than 20 employees, the payment must be made within 15 days from the end of the month. However, if an employer has less than 20 employees, the payment must be made quarterly (i.e., by the 15th of the next month after the end of each quarter). Professional tax returns must be filed by all professional tax registration holders, and the deadlines for filing vary from state to state.

04

PF & ESI Registration

PF and ESI Registration: The First Step Towards Securing Your Employees' Future

Provident Fund (PF) and Employees' State Insurance (ESI) are both legal provisions designed for the welfare of employees. These registrations are crucial as they provide employees with security during their employment and ensure their future is safeguarded. PF is a type of savings scheme where both the employee and the employer contribute a certain percentage of the salary. This amount is returned to the employee upon retirement. It can be utilized not only for retirement but also in emergency situations. On the other hand, ESI registration offers health-related services and financial assistance to employees during illness.

These registrations benefit both the employees and the company. While they provide financial security and health services to employees, they also help the company to be recognized as a responsible and employee-friendly institution. This strengthens the company's image, and employees remain loyal to the company. Another important aspect of these registrations is that they legally protect companies. If a company does not comply with these regulations, it may face legal risks and penalties. Therefore, PF and ESI registrations are not only beneficial for employees but are also essential for the company's legal security and credibility.

Overall, getting PF and ESI registrations done is a responsible step that strengthens companies not only from a legal perspective but also from social and economic viewpoints. It brings long-term benefits to both employees and employers and lays the foundation for a healthy and safe work environment.

01

PF & ESI Registration

According to the new rules, when a new company is established, it must also register for PF (Provident Fund) and ESI (Employees' State Insurance). Proprietorships, partnership firms, and older companies must create a login account on the 'Shram Suvidha' portal, where they can register for both PF and ESI. To complete the registration, you must fill in all the necessary details online, such as company details, address, and employee information. After this, the department issues an EPFO/ESIC letter and code within a short time, and you receive the notification via email. You can access your account through these logins.

What to do with company registration when PF & ESI are already registered

PF returns are not mandatory until the number of employees reaches 20. However, if the number exceeds 20 and the PF return is not filed, EPFO can take action. In the case of ESI registration, if there are no employees, a grace period filing must be completed within 15 days for a six-month grace period. If the grace period form is not submitted, a NIL return must be filed for ESI, and failing to do so may result in the ESI portal being blocked.

02

03

PF Compliances

If your company has 20 or more employees, it is essential to manage their PF. If an employee's basic salary exceeds ₹15,000, their PF is deducted, where both the employee and the company contribute 12% of the basic salary. The PF challan must be deposited by the 15th of each month, and monthly returns must be submitted by the 25th, while the deadline for annual returns is April 30th.

ESI Compliances

If your company has 10 or more employees, it is essential to manage their ESI.

Employees with a monthly income of less than ₹21,000 are eligible for Employees' State Insurance (ESI). In ESI, 0.75% of the employee's income is contributed by the employee, and 3.25% is contributed by the employer. The ESI challan must be deposited in the bank by the 15th of each month, and the ESI monthly returns must also be filed by the 15th of each month.

04

FAQS

Q. What records are mandatory to maintain after GST registration? Is there any fee for GST registration?

A. A GST-registered person must maintain records of sales, purchases, and invoices. The government does not charge any fee for GST registration.

Q. How long does it take to get a trademark registered? What could be the reasons for trademark application rejection?

A. Typically, the process takes 18-24 months. The application may be rejected if the trademark is misleading, obscene, or similar to an existing trademark.

Q. Is ISO certification mandatory? What is the cost of ISO certification?

A. It is optional for most industries, but mandatory in some specific industries and markets. The cost depends on the size of the organization, the premises, and the ISO standard selected.

Q. What is the fee for Shop and Establishment registration? How long is this registration valid?

A. The fee varies by state and depends on the type and size of the business. This registration is usually valid for one year and can be renewed.

Q. What needs to be done after Udyam Registration? How long is Udyam Registration valid?

A. After registration, businesses must regularly update their annual income and investment information. There is no specific validity period for Udyam Registration, but it is important to keep the information updated.

Q. What are the consequences of doing business without a trade license?

What is the fee for a trade license?

A. This can result in fines, restrictions on business activities, or other legal actions. The fee depends on the nature of the business, location, and local body regulations.

Q. What is the process to obtain an IEC code? What is the cost of obtaining an IEC code?

A. To obtain an IEC code, you need to apply on the DGFT website, providing relevant documents and information related to your business. The cost of obtaining an IEC code depends on the type of organization and the application status, but it is usually a small amount.

Q. Is copyright registration mandatory? Is it possible to register all types of works under copyright?

A. It is not mandatory, but it helps in providing legal protection and proving claims. Yes, but the work must be original and in a definite form. Ideas and facts are not subject to copyright.

Q. How does financial assistance work under Startup India Recognition? Which startups are eligible for Startup India Recognition?

A. The government provides financial assistance to startups through various funding schemes and loan facilities. Startups from all sectors are eligible for this initiative.

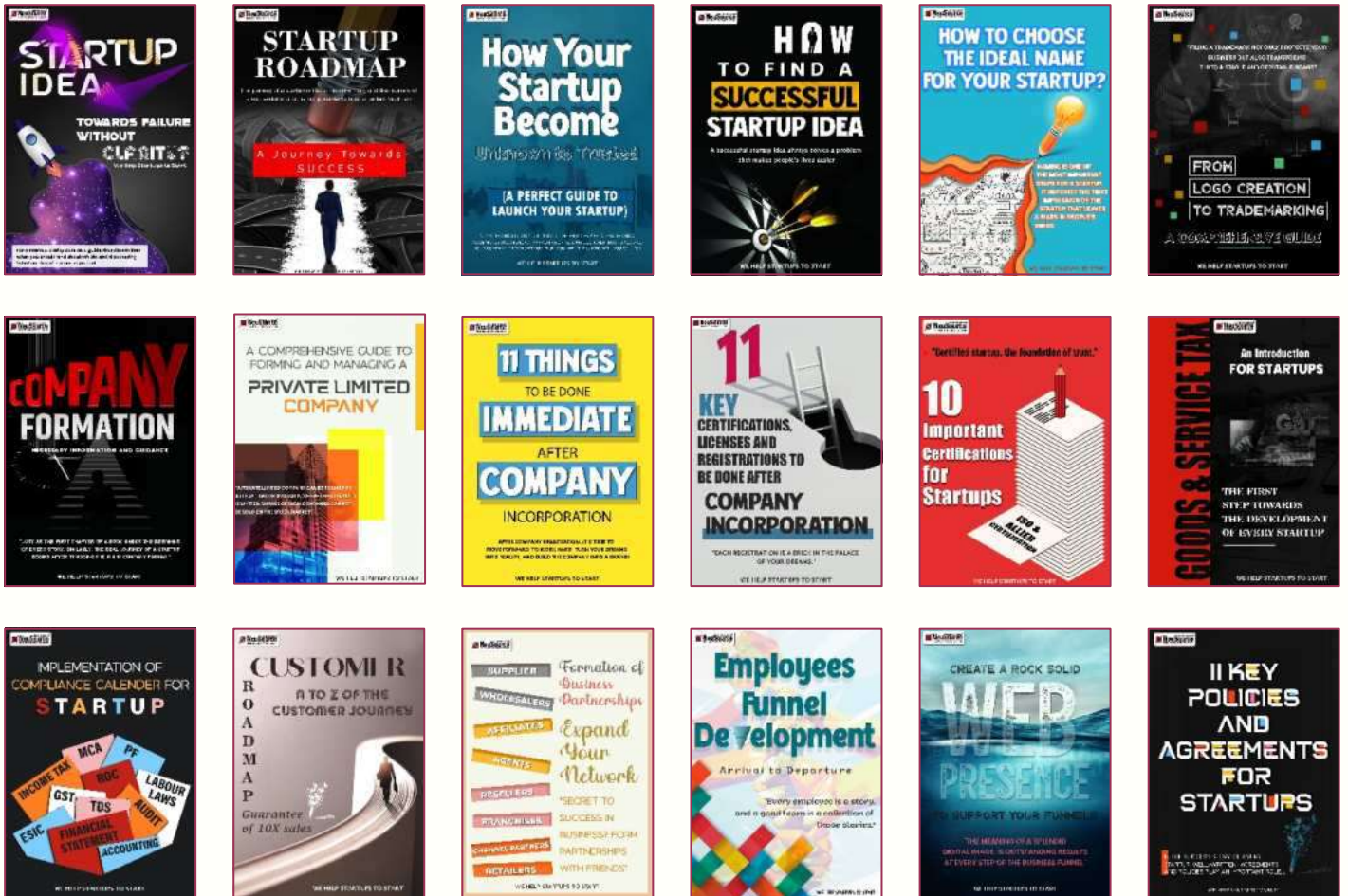
Q. What are the rates for professional tax? Is professional tax deductible from income tax?

A. The rates of professional tax vary across states and depend on the level of income. Professional tax payments can be claimed as a deduction in income tax.

Q. Do PF and ESI require separate registrations? Can small companies also register for PF and ESI?

A. Yes, separate registrations are required for PF and ESI. Yes, small companies can also voluntarily register for PF and ESI.

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