

## **Impact And Challenges Of Corporate Tax Towards An Existing Paradigm Of Covid-19: Business Trends**

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### **ABSTRACT**

Corona has a sensation of news throughout of twenty-four hours of every second for each activity of economical activities as well as social life directly or indirectly affects a lot during covid-19. It is seeing each financial and non-financial activities shutting down slowly when the economy comes to normal is far away from the expectation. Even sources of income become nil for every individual and the revenue of the government too. The covid period has given opportunities to the entrepreneurs to reshuffle businesses by making new start-ups or the digitalization or new option given by the government through certain schemes etc. The period of the research covered Jan 2021 till December 2022. The inquisitiveness of questions born and connected to the corporate tax is one of the direct sources of government is that how paid by the corporate assesses where there is no source of income or profit of the corporate houses. So, corporate tax is become a challenge for trending businesses and left an impact no lasting ever during the corona period and thereafter. The data evidence must be addressed properly by deeply analyzing the research objective of the impact and challenges of corporate tax for finding out compatibility to the entrepreneurs and its interpretation by using a mixed approach. This type of research is unique itself because the concept has not been revealed yet and thousand of aspects kept required to uncover them in a scientific way of research that can exist but bring more curious output for various parties. Every research has required more and more research on the same topic to deal in a different way for analyzing and interpreting the pre-decided objective. This research is authentic and valid which is done for knowing the impact and challenges of corporate tax during the covid-19 on business and new trends of business options has threat exist can make more and more solutions as well as the opening of the new digital form of conglomerate. These businesses become easier to reach doorstep to the customer and fast delivery of products. I am assured this is a hundred percent own

type of research not done earlier before as proof it valid and authentic for long-lasting impact created benchmark for the corporate house which boom business in the covid period.

**Keywords:** Corporate Tax, pandemic, Business Trends, covid-19, corporate houses, Sensex

## **I. Introduction**

The Impact and Challenges of Corporate Tax towards an existing paradigm of Covid-19: Business Trends have its prospect significant hurdles of the pandemic period faced by the overall the world simultaneously that make lots of impact on business and challenges for entrepreneurs to survive in the market before and after covid-19 period by the compulsory payment of taxes. This was the first time seen where the whole of the world pass countenance at the same time and trying to come out of the situation and make strategies from the pandemic in their way. Every living factor was knockdown till to the last stage of death which has caused and germinated viruses from any living and non-living factors too. None of the medicine can control that virus infection. That situation was rising from worst to worst and even no right solution is possible for one and all. Then lockdown came to stop all the activities like physical activities production, distribution, and manual exchange. The economy and the business becomes in a state of zero. There was a challenge for the government won how to collect the corporate tax where the production of the companies has stopped with no profit. The government has been compelled by the corporate assesses to pay corporate taxes because taxes are the main sources for the creation of revenue that is required to deal with the expenditure and survival itself. So, both the parties' corporate assesses as well as the government is facing issues that came from Covid-19<sup>1</sup>. The raising controversies make the researcher eager to search various aspects of research towards corporate tax within an existing paradigm of Covid-19 of the business trends. One of the exigent topics I have chosen is to deal with death to the end to find concrete results with strong evidential value in near future.

The taxation system is always a riddle for the researcher and keen interest for the investigation to know the new aspects and facts of happening and the possible chances to avail new strategies and take advantages as many as possible. This is not enough all we know is that every time it is not only amended but brings lots of provisions for the various types of assesses year to year with the different tax slab by adding different rates too. It is always decided by considering the benefits of all the citizens keeping in mind basic objectives for taxation and the social benefits for the taxpayers directly or indirectly. When sudden a type of virus affects the whole of the world damage the economy and single economical manual activities have shut down by announcing the lockdown of the government where every boundary whether local to regional, regional to national, national to international has sealed. Every source of income for the individuals' even the government has closed due to the stoppage of economical exchange for some time where no income left in any hand but the one who deals digitally except few sources. But the question arises that how the government gets revenue or income for bearing its expenses, especially from taxes and corporate tax is one of the main sources of it<sup>2</sup>. How does the corporate tax impact businesses? What are the challenges of corporate tax towards businesses to keep alive? Is there the whole of the

taxation system that will need to purify or a few sections amend or new sections require to change? Is there any special provision for newly established companies during the covid period? Are all the companies required to come online? Is the manual business will continue as per the same range earlier? When the Indian economy will come on normal as earlier? What new provisions were added to corporate tax for the domestic protection of business? Is the new package or scheme will withdraw by the government after the over-off covid? When did the corporate sector boom again? How much business dies from covid? Is there a special provisions for those enterprises affected by the corona? Does the company need protection to survive from foreign companies once again? Is corporate tax a knife for cutting full of profit? There are thousands of questions in my mind which are exciting for me to investigate and analyze for fruitful results in this research paper try to sort them out as my preeminent.

This type of research requires quantitative and qualitative values both together for handling to deal simultaneously with lots of expert knowledge. Because without data none of the qualitative research will give accurate results and facts can't assess properly whether the quantitative value may be minimum. So, in this research which is initiated from domestic investigation i.e., India to comparative analysis with international highest and lowest tax levied countries consider as well as Sensex of each month of the three capital i.e., small-cap, mid-cap, IPOs, and all capitals are taken with strategies and future dividend policies too for knowing the impact and challenges of corporate tax on business just before the beginning covid from China January 2020 to India till to the end of December 2021 after moreover of the covid-19. For further analyses another quantitative index swift out in this research for more analyzing and quantifying the values are Indian BSE Equity Index, NIFTY Index weighted average Sensex Points, and Global Equity Index Sensex points have also considered here. Various factors are reliable and participated in seeking investigation during the research for finding the results of the pre-decided objectives and find out the answers to raised and un-raised questions. The conducted survey of the highest tax-paying countries, lowest tax-paying countries of the corporate tax with the availability of data and the month-wise Sensex of Indian Equity index of BSE, NIFTY, and global equity index for the two years with strategies as well dividend stability of India during covid-19 try to design the keen research problem after deeply studying corporate tax rates is cited as below;

- To find out the impact and challenges of Corporate Tax towards an existing business environment during Covid 19.

No doubt it's a complicated topic itself for the study which requires more investigation. So, the research must keep eye on the target and consider each and every facts which are left not untouched from abandoned data for the estimation of the result as may be fruitful for every researcher whether corporate or social investigators too. Otherwise, each number generates its own story that is far from reality and un-believable at the time of data collection, rendering the research worthless and unrealistic. All three researchers have played a significant role by doing their contribution to the pragmatic investigation of the research by applying sophisticated tools and using their practical exposure to do work together from the collected data to analyze the hypothetical testing, the analytical result, and the conclusion with its scope as it can be by the per

pre-decided research objective. The two corresponding researchers work together at a time and testify the result one by one and check the accuracy too for avoiding a conflict of interest between them. No doubt the main researcher has acquired more knowledge and is responsible to make this type of conducting unique research with the association of the teamwork of researchers to present the final shape of the research paper. In this paper, the three researchers did remarkable work together not only in assigned work but with the help to take necessary steps of the other and make comparison and conclusion together which is seen as it is now. As per the conflict of interest, the research was purely based on a mixed approach where each researcher placed their best effort for completion of her/his task authentically and discussed each aspect of the result one and all for understanding the other valuable research before giving final shape and sort out the criteria as per assigned value with the predetermined investigation of hypothesis and designed research problem. Every researcher has faced lots of difficulty because of the unavailability of data and founds lots of amendments year after year has the challenging not only the changing business environment but it also raises thousands of issues which are coming to raise every year unsolved that always keep as issues for the further examine.

### **III. Literature Review**

No doubt tax is a legal entity which makes liable to pay by every Individual assesses whether corporate assesses or any other types of assesses on their total earning as per pre-decided strategies by the Central Government or State Government by the virtue of powers conferred to the form of constitution of India, whereas some of the minor taxes are also levied by the local authorities such as municipality as per the following of the residential status of the previous year in the assessment year of the corporate or company or organization or anyone else. The tax has been seen in Indian history before of ancient period<sup>1</sup> but is known by different names in various parts of the country and the world. Tax is always found in the progressive nature of the assessment. So, the tax slab has been found in progressive form since it began the structure formation or drafted to legalizing to introductory to the present prevailing form of the scenario assessed on the different assesses have found the quite complicated story and revealed many facts left behind showed another story. Since the introduction of the Income Tax Act, 1961 to till the covid period 2020-21 has passed on various ups and downs are the pieces of evidence added or remove, edited many provisions, many amendments, and many removals of sections or Sub-sections, Acts and so on are affected in last more than six decades, how it becomes power full tool for the collection of revenues and source of income for the government. There are two types of sources **1.** Direct approach – The taxes are directly collected from different assesses under different heads directly like **a.** Income from salaries – u/s 15, 16, and 17 **b.** Income from house property – u/s 22to 27, **c.** Income from business or profession u/s 28 to 44D, **d.** Income from profit or gains or Capital gains u/s 45 to 55, **e.** Income from other sources - u/s 56 to 59 **f.** Corporate tax **2.** An indirect approach – These types of taxes are paid by one party but the monetary burden becomes on the other party or the customers indirectly. **i.** Custom Duty **ii.** Excise tax **iii.** Service Tax **iv.** Gift tax **v.** GST and so on<sup>3</sup>.

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<sup>1</sup> Manu Smriti and Arthshastra

Many things happened here that attracted my curiosity in continuing this type of research and searching for solutions to hundreds of unresolved questions, such as What kind of influence does Corona have on businesses? What has affected human and non-human factors during the corona period? Which one lives more danger? What was the status of corporate assesses? What were the challenges faced by government and corporate assesses? The Pandemic phenomenon has become a challenge for the government to make the composition of taxation structure again, especially for corporate assesses in the corporate tax rate in a specific manner to enhance productivity and exposure of innovation through promoting entrepreneurship during lockdown by providing more benefits and protection to the corporate whether Domestic or Foreign Companies as well incidence of more revenue for the government too. The last two years were the crucial period for every economy of the country due to the natural destruction of the human life has become massacre of every other part. N-number of activities not only damaged but stopped lots of the things due the actively dependent on the human directly or indirectly and the humans were locked in their homes, surroundings were contracted because of stopping to spreading the virus of the corona. In this research mixed approach is followed for finding the solution to the pre-decided research objective.

The corona-19 has destroyed human life in every aspect of single activity for the prosperity till to survival, indenture the social life interaction in every way, Schools and colleges had closed, the profitable and non-profitable organizations had closed, domestic and non-domestic companies has closed, offices and public libraries have closed, sports and physical activates has closed, all types of transportations had closed whether regionally to the international boundaries has seized, every connection of human to human physically closed except digitally, and filled full of pain in their normal routine life and took the lives of many generations in the single wave affected a lot and ended at all. Everywhere illness and death are dancing around in the whole of the world. None of the other techniques were successful in finding the solution to come out of the worst circumstances, no medicinal solution except precautions only, no one can judge the situation accurately and even every single activity of economic and non-economic activity has socially disconnected or disclosed. This was the situation called lockdown in India started on 24 March 2020 at the midnight firstly for 21 days announced by the Prime Minister of India where the momentary flow of every economic and non-economic activity has closed apart of social distance and the mask was the everyone's requirement. It was the worst situation for everyone which has not occurred at any time earlier than before in history. The coronavirus spread till to the risk of death of all living beings traveling faster than the imagination. When one factor becomes in danger that made other factors worthless or useless. In other words, the virus affected the human-made factor directly or indirectly that has converted other factors of productivity stopped like production, distribution, finance, and exchange all become nil. So, the economy was in a crucial stage i.e., an economy in an obsession without money or consumer and producers have no purchasing power even they have money because all economic activities are shut down. The lockdown period not only stop the business of every type but reduce the standard of living as well as no single penny was circulated manually, production has stopped for an indefinite period and

further exchange has also stopped even local boundaries has shut down, districts, cities, states, national and international boundaries were also detained. Till today the corporate business has affected tremendously than far of the imagination.

A corporate is a legal entity that has a separate identity from its founders or shareholders and is liable to pay corporate tax. The Companies Act 2013 defines the company as an entity that is incorporated under cited Act or any previous Act of the company law. The income earned from the business by the company is assessed and computed differently than the computation of income for individuals. The corporate or companies in India are classified into two categories under the income tax Act are; 1. **Domestic Corporate - u/s 2 (22A):** A company that is formed under any of the Indian Company Law is termed a domestic company. A domestic firm is also a foreign company whose control and administration are entirely based in India. In other words, the domestic company or corporate is the entity whose management is situated wholly in India. 2. **Foreign Corporate - u/s 2 (23A):** A company that does not have its origin in India and has some or part or whole part of control and management situated outside India is called a foreign company<sup>4</sup>. As per Indian Budget 2021, the finance minister Nirmala Sitharaman has announced on 01<sup>st</sup> February 2021. In India, the corporate tax rate on domestic companies was 22% with a surcharge of 7% -12% plus an educational cess of 4% and SHEC of 1%. These types of companies are not liable for any other additional benefits or minimum alternative tax. Whereas the companies paying corporate tax rates at the rate of 30% are liable to claim additional benefits or minimum alternative tax i.e., 15% - 18.5%. The new manufacturing companies must have been incorporated on or before Oct 2019 and must start production before March 2023 and are liable to pay corporate tax at the rate 15% which was earlier 25%. but for the foreign companies who are earning any royalty or charge for technical services received by a foreign firm from an Indian enterprise or government before April 1, 1976, and approved by the central government must be liable to pay corporate tax at the rate of 50% with educational cess, higher secondary educational cess and surcharge 2% if the income is between Rs. 1 crore to Rs. 10 crores pay 5%. If it exceeds ₹ 10 crores and any other foreign companies are liable to pay corporate tax at the rate of 40%<sup>2</sup>. The corporate tax rate and surcharge with other cess and claim for the benefits always depend on the residential status as well as earnings in the previous year of the company in the assessment year. In the previous to the previous year, 2019-20 the corporate tax applicable to the domestic companies is charged based on gross turnover in a financial year up to Rs. 250 crore at the rate of 25%, if the annual revenue of a company exceeds ₹ 1 crore, then a surcharge of 7% is levied on such corporations. If the revenue of such a domestic corporate exceeds ₹ 10 crores the surcharge becomes 12% In addition with Health and education cess of 4% is applicable along with a corporate tax on domestic companies. The total revenue exceeds Rs. 250 crores than the corporate tax rate is 30% on domestic corporate. In case of foreign companies or corporate earn any royalty or fee for technical services received by a foreign company from an Indian concern or Indian government as per any agreement made before April 1, 1976, which is approved by the central government the corporate tax levied 50% and on their foreign corporate are 40% annually. A

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<sup>2</sup> Indian Budget February, 2021

surcharge of 2% is levied if the income is between Rs. 1 crore to Rs. 10 crores. If the amount exceeds Rs. 10 crores, a 5% surcharge will be applied. In the case of the previous year 2021-22 the Company opts for section 115BAB (not covered in section 115BA and 115BAA) & is registered on or after October 1, 2019, and has commenced manufacturing on or before 31st March 2023 the corporate tax rate levied 15%, Company opts for Section 115BAA wherein the total income of a company has been calculated without claiming specified deductions, incentives, exemptions, and additional depreciation the corporate tax rate levied 22%, Company opts for section 115BA registered on or after March 1, 2016, and engaged in the manufacture of any article or thing and does not claim the deduction as specified in the section clause levied the corporate tax rate 25% and any other type of domestic companies are liable to pay corporate tax is at the rate of 30%. The surcharge is 10% of income tax whereas the domestic company opted for sections 115BAA and 115BAB. These two sections are found to be added during covid-19. The cited information can be summarized for the assessment year of the previous year are;

The new regime of comprehensive tax Slab rates for the companies

S. no	Company Type	New Corporate Tax Rate	Additional Benefit (MAT)	Assessment year 2021-22	Additional Benefit (MAT)	Assessment year 2022-23
1.	Companies that do not want to claim any exemption or incentives	22% + applicable cess and surcharge the effective rate is 25.17%.	No Minimum Alternative Tax is to be paid by these companies.	25% + surcharge 7 -12% + HEC <sup>3</sup> 4% (where gross receipt as per Pr. yr 2018-19 does not exceed Rs. 400crore)	Not less 15% (+HEC) of book profit u/s 115JB i.e., 9% +2-5%+HEC 4%	25% where gross receipt as per Pr. yr 2019-20 does not exceed Rs. 400crore
2.	Companies that intend to claim exemption or incentives	30%	Minimum Alternative Tax reduced to 15% from the earlier rate of 18.50%.	30%		30%

<sup>3</sup> HEC = Health and Educational cess

3.	<p>New Manufacturing Companies</p> <ul style="list-style-type: none"> <li>• Domestic Co.</li> </ul> <ol style="list-style-type: none"> <li>1. Where it opted sec 115BA</li> <li>2. Where it opted sec 115BAA</li> <li>3. Where it opted sec 115BAB</li> </ol>	15%, reduced from the earlier level of 25%	These new manufacturing companies must have been incorporated on or before Oct 2019 and must start production before March 2023.	<p>25%</p> <p>22+10+4(%)</p> <p>15+10 +4(%)</p>	<p>Exempted</p> <p>Exempted</p>	
4.	Foreign Co. - any royalty or charge for technical services received by a foreign firm from an Indian concern or the Indian government prior to April 1, 1976, as long as the arrangement was approved by the central government.	<p>50% (Surcharge 2-5%)</p> <p>A surcharge of 2% is levied if the income is between Rs. 1 crore to Rs. 10 crores. If it exceeds ₹ 10 crores then the surcharge applicable is 5%.</p>		<p>50% + surcharge 2 (Rs. 1Crore to Rs. 10 crore) - 5% (above Rs. 10 crore) + SHEC 4%</p>		
5.	Any other sources of income	40%		40%		

**Table 1: Sources:** BankBazaar and other online agencies

Not even India suffered but the corporate assesses of other countries of the world faced more than the imagination which can't be aside for carrying on the research. I have tried to compete with this research with the highest and lowest tax levied countries because in an open economy one is competing with another, close bounding by treaty or other relationship, and



directly reflecting the financial inclusion as well formation of the competitive edge. Again many questions make my mind into curd and the search clarifies what countries must be included in my research? What type of data is required to validate my research? Is there any survey help me? Which sites help me to come out giggles? How the corporate tax has set a new regime of its rate during a pandemic and decided future strategies? Which type of options is availing for corporate assesses? Are corporate assesses tried to achieve their objectives i.e., maximization of profit or wealth maximization? What type of strategies are made by the government for corporate assessments? Are they needing any special assistance from the government? And so many more quarries. The survey conducted for the year 2020-21 found One hundred of the 223 separate jurisdictions have corporate tax rates below 25% and 117 have tax rates above 20% and at or below 30%. The average tax rate among the 223 jurisdictions is 22.57%. The United States has the 85<sup>th</sup> highest corporate tax rate with a combined statutory rate of 25.77%. The twenty countries with the highest statutory corporate tax rates cover almost all regions, albeit unevenly. Africa has nine of the top twenty countries, whereas Europe has only two and Asia has none. Two jurisdictions are located in Oceania, and seven are located in the Americas. France, with 32.02 percent, is the only industrialised country in the top twenties. Half of the top twenty highest taxing jurisdictions Africa is a continent with many countries which is levied in the values of central tendencies i.e., 35%. The cited statement can be justified by table 02 given below which is based on the survey 2020 of the corporate tax rate as;

The highest Statutory Corporate tax rate in the world of twenty countries in 2020-21

S. no.	Country	Continent	Tax Rate	S. no.	Country	Continent	Tax Rate
1.	American Samoa	Oceania	34%	11	Malta	Europe	35%
2.	Brazil	South America	34%	12	Puerto Rico	North America	37.50%
3.	<sup>4</sup> Cameroon	Africa	33%	13	Saint Kitts & Nevis	North America	33%
4.	Chad	Africa	35%	14	Saint Martin (French Part)	North America	35%
5.	Comoros <sup>4</sup>	Africa	50%	15	Seychelles	Africa	33%
6.	The Democratic Republic of the Congo	Africa	35%	16	Saint Maarten (Dutch part)	North America	35%
7.	Equatorial	Africa	35%	17	Sudan	Africa	35%

<sup>4</sup> Applied on Domestic as well on foreign companies

	Guinea			.			
8.	France	Europe	32.02 %	18	Suriname	South America	36%
9.	Guinea	Africa	35%	19	Venezuela (the Bolivarian Republic)	South America	34%
10.	Kiribati	Oceania	35%	20	Zambia	Africa	35%

**Table 2:** Sources: OECD - Statutory corporate income tax rate April 2020,

On the other end of the spectrum, the twenty countries with the lowest non-zero statutory corporate tax rates all charge rates at or below 12.5%. Ten countries have statutory rates of 10%, six being small European nations (Andorra, Bosnia and Herzegovina, Bulgaria, Gibraltar, Kosovo, and Macedonia). The only two industrialized nations represented among the bottom twenty countries are Ireland and Hungary. Ireland is known for its low 12.50% rate, which has been in place since 2003. Hungary's corporate income tax rate was reduced from 19 percent to 9 percent in 2017.

The lowest Statutory Corporate tax rate in the world of twenty countries in 2020-21

S. no .	Country	Continent	Tax Rate	S. no.	Country	Continent	Tax Rate
1.	Andorra	Europe	10%	11.	Kyrgyzstan	Asia	10%
2.	Barbados	North America	5.50 %	12.	Liechtenstein	Europe	12.50 %
3.	Bosnia and Herzegovina	Europe	10%	13.	Montenegro	Europe	9%
4.	Bulgaria	Europe	10%	14.	Paraguay	South America	10%
5.	China, Macao Special Administrative Region	Asia	12%	15.	Qatar	Asia	10%
6.	Cyprus	Europe	12.50 %	16.	Republic of Moldova	Europe	12%
7.	Gibraltar	Europe	10%	17.	The former Yugoslav Republic of Macedonia	Europe	10%
8.	Hungary	Europe	9%	18.	Timor-Leste	Oceania	10%

9.	Ireland	Europe	12.50 %	19.	Turkmenistan	Asia	8%
10	Kosovo, Republic	Europe	10%	20.	Uzbekistan	Asia	7.50%

**Table 3:** Sources: OECD - Statutory corporate income tax rate April 2020

Those intended data is not enough for the research to make the concrete results as per pre-decided objectives and for hypothetical analysis? So what type of series of data do I have to set for my research for long-lasting effect? Is there a way to make Sensexes beneficial and not make mistakes so that other researchers can learn what is morally correct? What type of capital structure goes with this research? What type of capital structure chooses for the Sensex index? What type of Sensex points for use for research to analyze data? Which Sensing period required connecting the data for research? When we compare the growth rate of the Indian companies through the indices of BSE SENSEX and NIFTY weighted average Index with global equity index affected. How much destructed the Indian Capital market for knowing the positioning of the companies that has never seen before the covid-19 till to the current scenario of the market structure and its transformation as we are seeing in the present days. The paper has focused on the impact and challenges of corporate tax on existing businesses during Covid-19 of the Indian business and the effect on its capital market. The existing strategies have tried to create a relationship with the hypothesis through certain parameters and the quantitative values by Sensex index whether domestic or foreign equity index has taken pre-decided judgment to be overlooked with the indices of higher and lower tax paying countries. The Indian equity capital has merged with all capital including mid capital, small capital, and the Initial public offer (IPO) whereas strategies that include future Sensex and the dividend stability are considered the part for the determination of the hypothesis. The data has taken from January 2020 till to the period of December 2021 when the covid has already come in China which has affected the Indian liquidity and business trends because of the collapse of the hosted market to the global conservatory.

India is one of them that has faced and lockdown that started in March 2020. The pre-decided liquidity parameter can easily help to understand the impact of corporate tax that nullify of Indian financial growth. The capital structure of mid capital, small capital, IPO and all capital, etc. has taken consideration for the priority research with certain strategies as Sensex future and dividend stability data also taken from the period of January 2020 till to the period of December 2021 i.e., 1M and 12M of Indian Equity Index. It helps to analyze the impact of the productivity of the organization, growth rate, and financial inclusion during the period of covid-19. The pre-decided strategies of the research and its data have cited in table 04.

Date	India	January	February	March	April	May	June
	n	BSE	BSE Sensex	BSE Sensex	BSE Sensex	BSE	BSE
	Equit	Sensex	38,297	29,468	33,718	Sensex	Sensex

		40,723				32,424				34,916			
Index													
		1M	12M	1M	12M	1M	12M	1M	12M	1M	12M	1M	12M
2020	Midcap	3.3 0%	7.27 %	-5.35 %	3.17 %	-27.4 2%	-30.7 9%	13.6 6%	-18.2 5%	-1.34 %	-20.4 9%	10.3 6%	-12.1 18%
	Smallcap	7.0 8%	6.41 %	-6.39 %	1.25 %	-29.6 4%	-35.1 1%	15.5 4%	-22.9 7%	-1.87 %	-25.6 8%	13.7 3%	-9.0 7%
	BSE IPO	5.5 4%	70.1 2%	8.30 %	76.9 6%	-36.9 1%	1.25 %	2.72 %	1.29 %	-0.92 %	-4.57 %	9.48 %	-19.1 65%
	All cap	-0.0 1%	10.2 0%	-6.46 %	3.70 %	-24.0 3%	-27.0 2%	14.7 4%	-16.1 3%	-2.32 %	-19.3 5%	8.52 %	-13.1 58%
Strategy	Sensex	-1.0 5%	13.8 8%	-2.28 %	12.1 8%	-23.7 5%	-24.2 6%	12.7 5%	-15.7 7%	-5.22 %	-19.2 3%	7.55 %	-16.1 12%
	Dividend Stability	-4.2 9%	3.14 %	-9.99 %	-10.1 1%	-20.5 3%	-35.2 3%	13.7 9%	-24.7 2%	-0.98 %	-27.4 8%	6.59 %	-17.1 77%
		July		August		September		October		November		December	
		BSE Sensex		BSE Sensex		BSE Sensex		BSE Sensex		BSE Sensex		BSE Sensex	
		37,607		38,6287		38,068		39,614		44,150		47,750	
		5.53 %		-7.33 %		6.62 %		-1.20 %		0.41 %		-0.79 %	
		1.39 %		-0.79 %		13.6 8%		14.3 5%		6.09 %		21.3 1%	
		0.78 %		18.3 5%		5.53 %		3.83 %		9.57 %		0.15 %	
		9.57 %		0.15 %		13.4 3%		24.4 8%		7.27 %		33.5 3%	
		-0.56 %		24.0 1%		9.18 %		8.98 %		0.67 %		8.98 %	
		5.96 %		16.2 5%		9.73 %		27.5 6%		-1.66 %		18.8 5%	
		7.05 %		-7.49 %		4.09 %		-3.70 %		-0.18 %		-3.87 %	
		2.58 %		-3.87 %		11.7 9%		10.2 3%		7.79 %		18.8 1%	
		-1.73 %		16.7 7%		8.08 %		14.3 1%		-1.89 %		13.6 5%	
		8.08 %		-9.46 %		4.93 %		-5.33 %		-1.73 %		13.6 5%	
		3.75 %		-14.6 %		4.56 %		-10.8 %		-3.45 %		-13.8 %	
		0.23 %		-13.8 %		12.9 %		-2.47 %		9.54 %		6.84 %	
		-1.31 %		10.1 %									

%		8%		%		%		%		7%		%		%		%		7%	
<b>2021</b>																			
<b>February</b>		<b>March</b>		<b>April</b>		<b>May</b>		<b>June</b>		<b>July</b>		<b>August</b>							
<b>BSE Sensex</b>		<b>BSE Sensex</b>		<b>BSE Sensex</b>		<b>BSE Sensex</b>		<b>BSE</b>		<b>BSE</b>		<b>BSE</b>							
<b>49,100</b>		<b>49,509</b>		<b>48,782</b>		<b>51,937</b>		<b>Sensex</b>		<b>Sensex</b>		<b>Sensex</b>							
<b>52,483</b>		<b>52,587</b>		<b>57,552</b>															
<b>10.67</b>	<b>38.3</b>	<b>1.21</b>	<b>92.9</b>	<b>0.69</b>	<b>70.9</b>	<b>7.16</b>	<b>85.70</b>	<b>3.66</b>	<b>26.2</b>	<b>2.55</b>	<b>29.4</b>	<b>3.42</b>	<b>33.92</b>						
%	8%	%	8%	%	6%	%	%	%	7%	%	9%	%	%						
<b>12.18</b>	<b>11.5</b>	<b>2.48</b>	<b>116.</b>	<b>4.97</b>	<b>96.6</b>	<b>8.94</b>	<b>118.3</b>	<b>7.00</b>	<b>39.8</b>	<b>6.31</b>	<b>48.6</b>	<b>0.63</b>	<b>49.62</b>						
%	5%	%	45%	%	4%	%	1%	%	7%	%	8%	%	%						
<b>11.26</b>	<b>22.1</b>	<b>-4.09</b>	<b>85.6</b>	<b>9.54</b>	<b>97.9</b>	<b>12.4</b>	<b>124.7</b>	<b>6.39</b>	<b>37.5</b>	<b>14.4</b>	<b>57.3</b>	<b>2.12</b>	<b>60.72</b>						
%	1%	%	2%	%	5%	%	7%	%	5%	1%	7%	%	%						
<b>8.02</b>	<b>34.8</b>	<b>1.26</b>	<b>79.7</b>	<b>0.67</b>	<b>57.7</b>	<b>7.23</b>	<b>73.12</b>	<b>2.36</b>	<b>18.7</b>	<b>1.69</b>	<b>20.7</b>	<b>6.28</b>	<b>28.35</b>						
%	5%	%	5%	%	1%	%	%	%	7%	%	7%	%	%						
<b>6.03</b>	<b>26.9</b>	<b>2.06</b>	<b>69.7</b>	<b>0.47</b>	<b>45.1</b>	<b>5.36</b>	<b>57.45</b>	<b>1.00</b>	<b>9.57</b>	<b>0.28</b>	<b>9.88</b>	<b>8.13</b>	<b>18.65</b>						
%	9%	%	5%	%	1%	%	%	%	%	%	%	%	%						
<b>10.91</b>	<b>35.7</b>	<b>-2.06</b>	<b>48.6</b>	<b>2.38</b>	<b>53.5</b>	<b>8.71</b>	<b>68.55</b>	<b>0.70</b>	<b>22.5</b>	<b>-0.8</b>	<b>27.5</b>	<b>1.87</b>	<b>23.78</b>						
%	4%	%	0%	%	2%	%	%	%	5%	5%	0%	%	%						
<b>September</b>		<b>October</b>		<b>November</b>		<b>December</b>													
<b>BSE</b>		<b>BSE</b>		<b>BSE</b>		<b>BSE</b>													
<b>Sensex</b>		<b>Sensex</b>		<b>Sensex</b>		<b>Sensex</b>													
<b>59,126</b>		<b>59,307</b>		<b>57,065</b>		<b>58,254</b>													
<b>6.03</b>	<b>41.9</b>	<b>0.11</b>	<b>42.1</b>	<b>-2.17</b>	<b>39.0</b>	<b>1.15</b>	<b>40.6</b>												
%	9%	%	5%	%	6%	%	5%												
<b>4.44</b>	<b>56.2</b>	<b>-0.34</b>	<b>55.7</b>	<b>-0.09</b>	<b>55.5</b>	<b>5.44</b>	<b>64.0</b>												
%	6%	%	3%	%	9%	%	6%												
<b>0.20</b>	<b>61.0</b>	<b>0.78</b>	<b>62.2</b>	<b>3.02</b>	<b>67.1</b>	<b>-6.87</b>	<b>55.7</b>												
%	4%	%	9%	%	8%	%	0%												
<b>3.5%</b>	<b>32.8</b>	<b>0.29</b>	<b>33.2</b>	<b>-2.79</b>	<b>29.5</b>	<b>2.55</b>	<b>32.8</b>												
	4%	%	3%	%	1%	%	1%												
<b>3.18</b>	<b>23.8</b>	<b>1.41</b>	<b>24.9</b>	<b>-3.83</b>	<b>18.8</b>	<b>1.25</b>	<b>20.3</b>												
%	5%	%	9%	%	4%	%	2%												
<b>10.03</b>	<b>36.2</b>	<b>-2.91</b>	<b>32.2</b>	<b>-4.09</b>	<b>26.8</b>	<b>1.15</b>	<b>28.2</b>												
%	0%	%	3%	%	3%	%	9%												

**Table 4: The BSE Sensex of Capital market & strategies**

For the setting of any approach, both quantitative and qualitative data are required for going out of making strategies of pre-decided to research scientifically for the best result that again make me has stopped for the deciding and raise qualm that which approach more appropriate whether Quantitative or qualitative technique or mixed required to apply. Which type of approach is most suitable for this research? Is this research valuable in the future? Is this research valid for corporate assessments? Is the cited above data adequate enough for the research? What other Sensex indexing can use for research? I found Sensex points of cited above tables not enough for my research and not fit for better hypothetical analysis. As a result, other Sensex are taken into account for the research's competitive outcomes. The Indian Equity Index –BSE Sensex, NIFTY Index weighted average, and Global Equity Index Sensex points help to compute the output of the research. The month-wise Sensex of BSE, NIFTY, and Global equity Index of Sensex points from January 2020 to December 2021 has the summary of the whole of the months showed ups and downs in the Sensex regularly by the cited below data. January 2020 was the witness of the start crashing of the BSE, NIFTY as well as Global equity Index Sensex till to the October 2020 and then start rising continuously till taken to December 2021. China has faced covid at the beginning of 2020 whereas India has to commence last of March 2020. During this period the three Indian Equity, NIFTY, and Global equity Index were affected more. The India government has decided to announce a sudden lockdown in the last of March 2020. With this decision, every financial and physical activity has been shut down. But March 2020 is the only month where BSE Sensex becomes the lowest and in April 2020 NIFTY becomes the lowest too. The collected data for the coverage of the period twenty-four months in this research paper has been assembled in table 05.

<b>Year 2020</b>	<b>Indian Equity Index –BSE Sensex (Points)</b>	<b>NIFTY Index weighted average (Points)</b>	<b>Global Equity Index Sensex (Points)</b>	<b>Year 2021</b>	<b>Indian Equity Index –BSE Sensex (Points)</b>	<b>NIFTY Index weight ed averag e (Points )</b>	<b>Global Equity Index Sensex (Points)</b>
<b>January 2020</b>	<b>40,723</b>	<b>12,065</b>	<b>28,859</b>	<b>January 2021</b>	<b>46,286</b>	<b>13,650</b>	<b>30,603</b>
<b>February 2020</b>	<b>38,297</b>	<b>11,834</b>	<b>25,676</b>	<b>February 2021</b>	<b>49,100</b>	<b>15,431</b>	<b>30,402</b>
<b>March 2020</b>	<b>29,468</b>	<b>14,024</b>	<b>22,327</b>	<b>March 2021</b>	<b>49,509</b>	<b>14,691</b>	<b>33,067</b>
<b>April 2020</b>	<b>33,718</b>	<b>9,850</b>	<b>24,364</b>	<b>April 2021</b>	<b>48,782</b>	<b>14,399</b>	<b>34,060</b>
<b>May 2020</b>	<b>32,424</b>	<b>13,328</b>	<b>25,401</b>	<b>May 2021</b>	<b>51,937</b>	<b>15,337</b>	<b>34,529</b>
<b>June 2020</b>	<b>34,916</b>	<b>10,288</b>	<b>25,596</b>	<b>June 2021</b>	<b>52,483</b>	<b>16,100</b>	<b>34,292</b>
<b>July 2020</b>	<b>37,607</b>	<b>11,284</b>	<b>26,314</b>	<b>July 2021</b>	<b>52,950</b>	<b>15,885</b>	<b>38,493</b>

<b>August 2020</b>	<b>38,628</b>	<b>11,371</b>	<b>28,654</b>	<b>August 2021</b>	<b>57,064</b>	<b>16,722</b>	<b>38,628</b>
<b>September 2020</b>	<b>38,068</b>	<b>10,805</b>	<b>27,453</b>	<b>September 2021</b>	<b>59,949</b>	<b>17,842</b>	<b>38,014</b>
<b>October 2020</b>	<b>39,614</b>	<b>11,835</b>	<b>26,659</b>	<b>October 2021</b>	<b>61,305</b>	<b>18,300</b>	<b>34,496</b>
<b>November 2020</b>	<b>44,150</b>	<b>12,969</b>	<b>29,910</b>	<b>November 2021</b>	<b>57,064</b>	<b>16,983</b>	<b>35,136</b>
<b>December 2020</b>	<b>47,750</b>	<b>13,991</b>	<b>30,410</b>	<b>December 2021</b>	<b>58,253</b>	<b>17,201</b>	<b>36,398</b>

**Table 5: The Comparative index of Capital market: Indian BSE Sensex, NIFTY, and Global Equity Index**

#### **IV. METHODS AND METHODOLOGY**

##### **4.1. Research Design**

The goal of this study is to compare the impact and challenges of corporate tax in India during the epidemic period to the impact and challenges of corporate tax in the twenty nations with the highest and lowest corporate tax rates<sup>5</sup>. The Corporate tax is always a momentous milestone in the collection of revenue as well as the development of growth and criteria for the fulfillment of the need from scarce resources make the question of abundance. The resources have become scared to the scared due to the corona always an issue in any economy, factors of production shut down, transportation and logistics become a challenge of entrepreneurs as well physical and monetary transactions have a greater issue and the exchange of commodities also become difficult in any local as well regional to the national and international boundaries of the country. Where one side is the issue of production possibility and on the side issue of distribution as well as an exchange that makes it impossible to difficult for the period of lock-down during a pandemic. In a lockdown, each economical activities and economical rewards make more sensitive issues towards production houses as well not the only issue but filling the gap of economic and social responsibilities towards various parties like government, banks and financial institutions, Non-banking financial institutions, creditors, investors, customers, and the consumers, etc. This was lots of issues and challenges faced by every economy whether in two-sector economies, three-sector or four-sector economy, or any type of economy whether closed or open. Even the Open economy has shrunk a lot and faced so many unexpected challenges that were not imaginable ever before. There are “n” issues that have to divert my mind and curious to me work over the title of impact and challenges of corporate tax towards business in the diversified surroundings during corona 19. The hundreds of issues have constituted a new tax regime and modified the tax slab of the tax structure with new rates and certain other provisions, sections, and remittances in the Act. This was not found sufficient so, the government introduce new Acts for

the establishment of new digital company-wide called start-up India as well to help compassionate existing companies. When of a sudden the government announcement of lockdown has stopped every activity whether economic or social in the environment from the spreading of the virus enormously and try to save one of the most significant factors of production i.e., a human resource which makes other factors directly or indirectly more efficient and effective.

This type of research follows a mixed approach which is covered only the period of the pandemic in India and other advance, developing countries which are coming in the category of highly taxed levied countries, the lowest tax levied countries with the help of surveys and Sensex. The mixed approach considered here best-sophisticated approach worked with both quantitative as well as qualitative scientific formation tools to find out in a specific manner for dealing with pre-decided techniques with certain assumptions or hypotheses. The quantitative norms followed published data organized scientifically and figure used for calculation of central tendencies like average, median, mode, range, and some other valuable calculations like indices and surveys, etc. The qualitative research-based deep analysis, experiments, visions, interviews, other announcements, experts' comments, and so on, etc. When the measure of the central tendencies the mean, median, and mode are skewed it can be used to check the variability in the data at any probable time during the collection and synthesize the data with their computation. Mean is the algebraic treatment used for comparison which is easy to calculate by adding all the values together and then dividing by the number of the years. Median is the mid-value of all the magnitude in the form of ascending or descending the values that divide into two halves. That's a positional average and used in the context of qualitative phenomena. Whereas mode is the size of the items which has occurred at the maximum frequency lie there. That affects the neighboring value but it is not affected by any extreme values. Another comparative value of range is computed by the difference between the two values that is the highest and the lowest values. The other qualitative variances enhance the exposure of any type of research when it supports and connect the significant pre-decided result which makes simple comprehensive result for easy understanding. The hypothesis of the designed research problems in this research are as follows;

- **H<sub>0</sub>**: Is the impact and challenges of corporate tax make more compatible to the entrepreneurs in covid 19 for the business environment?
- **H<sub>1</sub>**: Is the impact and challenges of corporate tax making dull and useless for the entrepreneurs in covid for the business environment?

During the pandemic phase, every country has stopped numerous economic activities. Due to lockdown economics and social activities and so many other things have become slow, stagnant, and then stopped. In that situation where one side everything is going to stop for an indefinite period was the greatest challenge for the central government to draft such type of strategies for monetary as well as fiscal policies for the collection of more funds from the public and to enhance the revenue through different sources whether direct or indirectly before starting of unlocking period. In **H<sub>0</sub>** based on the making of fiscal policies in a manner which works effective and efficient on the corporate as well other sectors where the liability becomes easy for



the corporate assesses especially compatible for entrepreneurs to pay taxes and government also get more revenue in their hands for maintaining and processing of own expenses or government or public expenditure. Whereas the hypothesis  $H_1$  was based on the fiscal policies of the government is ineffective and not fruitful for any type of corporate assesses specifically for the payment of corporate tax due to conditions and circumstances rose towards economic activities which make business ruined and finished of the business environment. Both hypotheses are connected to corporate tax that affects various economic activities like productivity, allocation of resources, distribution, or exchange, banking, insurance, transportation, etc that become challenges how to strategize to step towards stopping or start unlocking again during the pandemic period or covid 19 in the business environment.

## V. DATA COLLECTION AND ANALYSIS

No doubt every year government frames new strategies for the fiscal and monetary policies that concern certain factors, issues, and challenges faced in the previous year by providing more benefits to different assesses especially corporate assesses for the collection of revenue from different sources directly or indirectly for dealing of their expenses too. Covid-19 of such a pandemic situation where each economic activity even social activity has stopped and not a single assessee was earning a single penny to pay taxes and deal with their expenses. It becomes difficult for the survival itself for the non-human factors even human factors also. When unlocking started the government announces new fiscal policies for the fighting of covid-19 for the corporate assesses levied on such taxes. Here is a question that arises for the survival of assesses and government too because without money no one can survive. The new tax regime has been started by the government for fulfilling their responsibility towards various parties or different types of assesses. The new tax slab has been introduced not only to reduce the taxable amount and tax rate that become lesser but has added with some other sections in tax structure concerning especially corporate tax in India. In Section 115BAA total income of a company is taxable at the rate of 22% (from A.Y 2020-21), if the following conditions are satisfied as **a.** Company is not claiming any deduction u/s 10AA or 32(1) (ii-a) or 32AD or 33AB or 33ABA or 35(1)(ii)/(ii-a)/(iii)/35(2AA)/(2AB) or 35AD or 35CCC or 35CCD or section 80H to 80TT (Other than 80JJA). **b.** When the company is not claiming any brought forwarded losses (if such loss is related to the deductions specified in the above point). **c.** Provisions of MAT do not apply to such a company after exercising of option. If any MAT credit is available at the time of exercising section 115BAA, the corporation cannot claim it. If any MAT credit is available at the time of exercising section 115BAA, the corporation cannot claim it.

Section 115BAB - From Assessment Year 2020-21 onwards, a company's total income is taxable at a rate of 15% if the following conditions are met: **(a).** A company that is not covered in sections 115BA and 115BAA is registered on or after October 1, 2019, and commenced manufacturing on or before 31st March 2023. **(b).** A company is not formed by splitting up or reconstructing a business already in existence. **(c).** the company does not use any machinery or plant previously used for any purpose. **(d).** the company does not use any building previously used

as a hotel or a convention center, as the case may be. **(e).** The company's exclusive activity is the manufacture or production of any piece or thing, as well as research and distribution of such articles or things developed or produced by it. Business of manufacture or production shall not include the business of; **1.** Development of computer software **2.** Mining **3.** Conversion of marble blocks or similar items into slabs **4.** Filling a cylinder with gas **5.** Printing of books or production of cinematographic film or **6.** Any other notified by Central Govt. **a.** Company is not claiming any deduction u/s 10AA or 32(1)(ii) or 32AD or 33AB or 33ABA or 35(1)(ii)/(ii-a)/(iii)/35(2AA)/(2AB) or 35AD or 35CCC or 35CCD or section 80H to 80TT (Other than 80JJAA and 80M). **b.** The company is not claiming any brought forwarded losses (if such loss is related to the deductions specified in the above point). **c.** Provisions of MAT do not apply to such a company after exercising of option. The business is unable to claim the MAT credit (if any is available at the time of exercising section 115BAA).

In the year 2020-21, when the total turnover is up to Rs.400 crores the effective corporate tax rate is 25.17%, the total Income is more than Rs.1 crore but exceeds Rs.10 crores the effective corporate tax rate is 30.9%, the total Income exceeds Rs.10 crores the effective corporate tax rate is 33.063% for the domestic companies but in the case of non-domestic companies, the effective corporate tax rate is 34.608%. In case non-domestic Companies with a total income of less than Rs. 01 crores effective corporate tax rate is 41.2%, with total income more than Rs. 01 crores but less than 10 cores effective corporate tax rate is 42.024% and in the case of other companies, the effective corporate tax rate is 43.26% in India. Data analysis is the method of cleaning, transforming, and modeling data to uncover valuable knowledge for business decision-making. It breaks substance or complex topics into smaller parts to gain a better understanding of them logically and mathematically.

**a. Analysis of highest taxpaying countries**

When we analyze the highest tax-paying countries it is found that thirteen countries are more and above paying than the average corporate tax rate i.e., 35% from the twenties highest corporate tax-paying countries, where seven countries are from African continents, three from North American continents, one from Oceania continent and one from European continent which is the summarized that can easily understand from the figure 01.

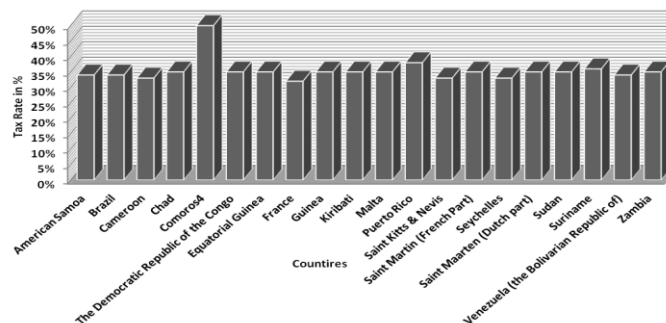


Figure 01: The highest tax levied in Countries

The highest corporate tax is 50% which is paid by Comoros lies in Africa whereas France lies in Europe levied the lowest corporate tax rate-paying i.e., 32.02% amongst the twenty highest tax levied countries. Comoros is the only country that charges the same corporate tax rate on domestic as well as foreign companies. The range of corporate tax among the highest tax levied countries is 17.5% = 50% - 32.5% whereas the mean is 35.326%, the median 35%, and the mode is 35%. It not only demonstrates that the central values of the three metrics are equal, symmetrical, and uniform, which has been surveyed in 2020 for the highest corporation tax rate. It proved that the highest tax levied countries prosperous, developing faster and capable enough production for fulfilling their objectives as well as equipped with the latest techniques of productivity.

**b. Analysis of lowest taxpaying countries**

When we analyze the lowest tax-paying countries it is found that the fifteen countries pay more than the average corporate tax rate. In which ten countries are lying in European continents, three countries from Asian continents, one from Oceania and one from south American continents are paying more and above than average corporate tax rate, i.e., 10% which can easily be seen in the figure 02 and ten

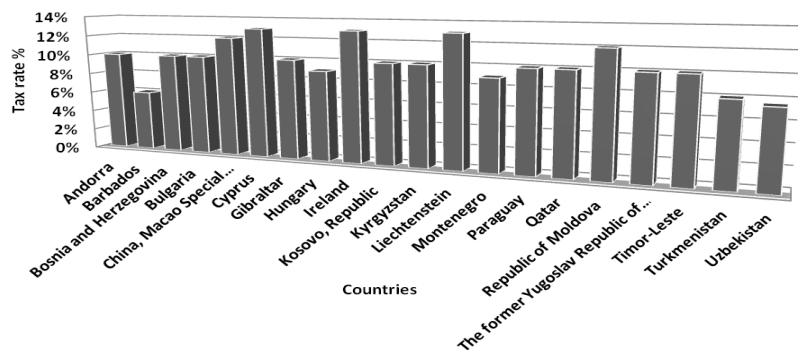


Figure 02: The lowest tax levied in countries

other countries are paying lower than the average corporate tax rates. The lowest charging of corporate tax rating countries lies in the range of 07% = 12.5% - 5.5%. The average percentage of lowest corporate tax rate paying twenty countries is 10.025%, the median 10%, and the mode is 10%. When we compare India with the highest tax levied countries and lowest levied tax charging countries found that the Indian statutory standard of the corporate tax rate is lower but higher than the lowest taxpaying countries i.e. 25.75%. It reverses in case of lowest tax levied countries not prosperous, developing slower and not capable to yield of their production for fulfilling their objectives as well as not equipped with latest techniques of productivity

Once we go to Sensex Indexing of India with other indexing, it is found that the Indian capital market has impact a lot just started of covid-19 in other countries of the companies whether domestic or foreign where BSE equity index i.e., all capital – mid capital, small capital, and IPO has reached to negative indexing from February to August 2020. It has seen mid-cap and small capital had started shrink-wrapping from February 2020 but all capital had started negative from January 2020. The small capital was -6.39% in February reached - 29.64% in March, and the

1.87% in May of 2020, -0.34% in October, and -0.09% in November 2021 at the beginning of 1M whereas -35.11% in March reduce to -22.97% in April, again -25.68% in May than -9.07% in June, -4.04% in July found of 12M. The mid capital was -5.35% in February that reached -27.42% in March, and the -1.34% in May of 2020, and -2.17% in November 2021 in the beginning of 1M whereas -30.79% in March, -18.25% in April, -20.49% in May, -12.18% in June, -7.33% in July, -1.20% in August, -0.79% in September and October 2020 and the -2.17% November 2021 was found for 12M. In Case of All capital -0.01% from January, 6.46% in February, -24.03% in March, -2.32% in May, -0.18%, September 2020 and -1.73% in January 2021 in the beginning of 1M and -27.02% in March, -16.13% April, -19.35% in May, -13.58% in June, -7.49% in July, -3.70 in August, -3.87% September, -3.87% in October 2020 was found in 12M. In the case of IPOs -36.91% in March, -0.92% in May 2020, -1.66% in January, -4.09% in March, -6.87% in December 2021 was at the beginning of 1M, and 4.57% in May, 19.65% in June, -12.32% in July, -0.18% in August 2020 was found in 12M. In case of Sensex future -1.05% in January, -2.28% in February, -23.75% in March, -5.22% in May, -1.73% in September 2020, -1.89% in January, -3.83% in November 2021 was found in 1M and -24.26% in March, -15.77% in April, -19.23% in May, -16.12% June, -9.46% in July, -5.33% August, -8.95% in September, -8.95% in October 2020 was found in 12M. In case of dividend stability -4.29% in January, -9.99% February, -20.53% in March, -24.72% in May, -27.48% in June, -3.45% September 2020, -1.31% in January, -2.06% in March, -0.85% in July, -2.91% October, -4.09% in November 2021 was found in 1M and -10.11% in February, -35.23% in March, -24.72% in April, -27.48% in May, -17.77% in June, -14.68% in July, -10.8% in August, -13.87% in September, -13.87% in October 2020, July was found in 12M. It was not enough the dividend stability on the equity Index was also negative from January to December 2020 even in January, March, October, and November 2021. In other words, it can be said that dividend stability is found less or negative during the research time. The future Sensex also start declining and reached negative from March to dividend stability 2020 even January, March, and November 2021 too. After deeply analyzing all the data, facts, and values directly or indirectly. It is found that the impact and challenges of corporate tax on an existing business environment during Covid-19 have a positive effect which has to establishing a competitive business environment for the entrepreneurs and enhancing the potential to reach the international market which may secure their objectives and raise the profit in the market in India. This happened because of the Government's strategy to control the capital market as well as add new provisions in corporate tax for the benefit of new and existing corporate assesses. It proved the null hypothesis ( $H_0$ ) is true, valid, and authentic for the cited research which automatically rejects the alternate hypothesis ( $H_1$ ).

In case of other Sensex NIFTY weighted average index and global Equity index decreasing slightly till to the October 2020 but the NIFTY was the lowest too much in March 2020 i.e., 29,468 points Indian BSE Equity Index 22,327 points of a global Equity index, whereas 9,850 NIFTY weighted average indexes in April 2020. Again the NIFTY and Global equity Index start increasing from November 2020 to till December 2021 continuously i.e., 58,253 points, 17,201 points, and 36,398 points respectively. It shows that the Indian capital market has shrunk and

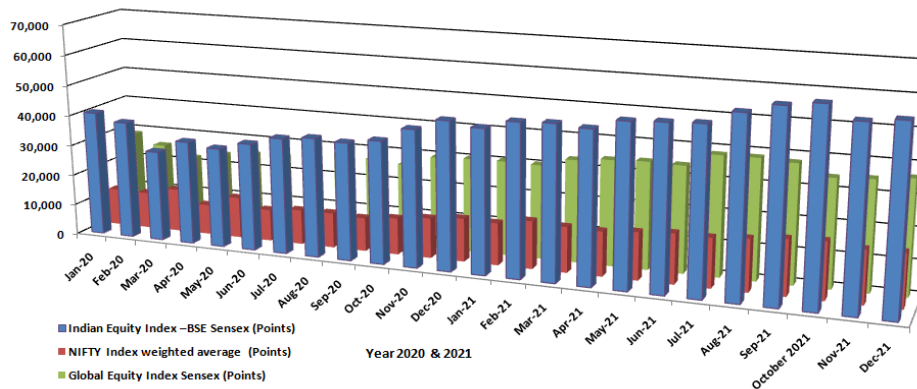
collapsed due to the covid-19 in India and globally too. The different period of locking in various countries has left an impact of long-lasting that has been responsible for the decided strategies of completely lockdown by the government in the last of March 2020 and the shrink of capital and money market of a sudden due to the open financial system of India.

## **VI. Concluding Observations**

Since the paradigm of Corporate tax always complicated itself it has been amended many times from its introduction to the covid-19. It has given challenges for the policymaker to decide on new strategies in a way that accelerates business, especially that effect during and after covid-19 in a manner which makes it possible to give more benefits to every type of assesses especially corporate assessments in recovery from financial loss. That can help to fulfill the commitments towards various parties directly and indirectly as well as the impact for the effect of goodwill enhancement and generate revenue for the government too.

The central tendencies values in both of the twenty highest corporate tax and lowest corporate tax rates are the same. The central tendencies of the highest chargeable corporate rate of twenty countries have a value of 35% whereas the lowest chargeable corporate rate of twenty countries has a value of 10%. The Indian corporate tax rate does not lie in any central tendency value between the highest or lowest paying countries i.e., 25.75% which shows a more effective corporate tax rate is levied by India i.e., 25% is the base corporate tax rate. It shows that the lowest charging tax rate countries are more compatible than the high charging tax rate countries. It means that they required more tax benefits provided by their government more protection and security for their corporate industries to gain more economic units and few are in the categories of charging the same tax rate for their own domestic or foreign corporate-like Comoros lie in African continents. whether the highest charging or lowest charging corporate tax make compatible towards corporate economical activities which make favorable for a pandemic by paying lower corporate tax rate to enhance their products as well as to continue it. The new tax slab and introduction of new cited sections 115BAB and 115BAA in India add up at the rate of 15% and 22% respectively are proved hypothesis  $H_0$  authentic, true, and valid as per the cited research objective of the paper which automatically rejected of hypothesis  $H_1$ . So, it is said that the prevailing corporate tax rate is compatible in the period of covid-19 for the business environment which has a positive impact and makes ready to face a challenge from lockdown to opening of corporate house in the partially unlocking period of covid-19. Whereas the government has drafted new strategies for the tax levied especially for the domestic corporate which is lower than the base and effective corporate tax rate in a progressive nature as well as giving security and benefits to newly established manufacturing concerns during pandemic too. In the new pandemic environment of business was a challenge for the newly set up business to survive and be steady which was made possible due to the fiscal policies of the government. Every business whether small or large, newly establish or existing has security during a pandemic except foreign corporate. It is also seeing that once when all the economical activities of the domestic corporate came to zero or shut down due to covid became normal and now flourishing well and has threatened new business opportunities for the entrepreneurs.

When we compare Indian Equity Index, NIFTY weighted average and global Indexing shows that the lowest in March 2020 again decline by raising slight in May in the same year than continuously raising till to October which reaches to nearby same indexing points which were in January. After that continuously rose till to the period December 2022.



According to the new corporate tax rate of 2022-23, 25% levied on domestic companies, 30% levied on other domestic companies with a surcharge of 7-12% plus a health and educational cess of 4% whereas 50% levied on foreign companies and other foreign companies must pay 40% with surcharge 7% on Rs. 1 crore to Rs 10 crores and 12% on an above Rs. 10 crores plus health and educational cess 4%. Such other provisions continue for domestic companies opted for section 115BA pay 25%, opted for Section 115BAA pay 22%, and opted for Section 115BAB pay 15%. Those companies come under section BAA and BAB must pay a flat surcharge at the rate of 10% and MAT is exempted from them. In budget 2022, it is proposed to amend section 115BAB to extend the date of commencement of manufacturing or production of articles or things from 31<sup>st</sup> March 2023 to 31<sup>st</sup> March 2024. This change will go into effect on April 1, 2022, and will apply to the assessment year 2022-23 and future years. In the case of foreign companies, corporate tax is levied at 50% and other foreign companies must pay 40% with a surcharge of 7% on Rs. 1 crore to Rs 10 crores and 12% on above Rs. 10 crores plus health and educational Cess 4%.

Whereas the compatibility of the corporate tax rate with high paying capacity of the corporate tax of the countries was found Comoros part of Africa but the other high corporate tax-paying countries have less corporate tax rate can be seen in figure 01 and lie in the range of 50% to 32.02% = 17.98% in the previous year of 2020-21 which is more than India's base rate as well as effective corporate tax rate but India lies in the mid of the corporate tax as compared to highest corporate tax rate levied countries as well as above than the range amongst highest tax levied. Most of the highest paying countries amongst twenty countries pay 35% i.e., mode by the eight countries of taxes whereas the median is 35% and the average tax rate is 35.326% or 35.33% or 35%. So, it is proved that the highest corporate tax levied countries balancing their structure of tax rate and symmetrical values of mean, median and the mode shows have a perfect balance among the three's measure.

## VII. LIMITATIONS AND SCOPE OF THE STUDY:

The Present research is based on critical conditions of the business-facing Pandemic with the compulsion of tax payment. When on the one side physical activities of human has come on limited criteria to be worked on the other hand crossed the non-human factors have loosed their shine to glimpse or even shut down for an indefinite periods of time during the two years of research irregularly. The shutting and opening fluctuation has been seen on a wider scale which is difficult to hardly measure. On the same hand, the constitutional body is required to plan and decides how to make them workable for all factors whether human or non-human on regular basis. At least the basic requirements for the survival of human lives can be fulfilled but it is possible to make it workable for the non-human factors. Because both factors depend on each other. At the same time, this body also required money for its own expenditure as well as for other working too. It's become a challenge for the government to decide on corporate taxation strategies to collect funds during lockdown to give strengthen the domestic and foreign corporate to protect and stand themselves. It is found the positive impact of corporate tax on the business which makes flourish the new trend of business and has given opportunities for the extension of new forms of business. Even business became simple as never to do. More than Sixty percent of women are come up with new aspects of business and proved successful entrepreneurs. But during the research, it's very difficult to arrange data because most of the data is collected from primary sources. It is also found rumors are more and fluctuations are unexpected even though both capital markets have crashed. The financial market has also suffered from the inconvenient of physical work which is the backbone of Indian business, especially for small businesses. The Indian business is working with different sectors together and making them successful each other. It has also closed down irregularly at different periods of time during covid-19 of this research. Both markets are suffering nationally and internationally with the changing data day by day. However, policies are only enforced once a year. Weather data is fluctuating in a single minute it's very difficult for any researcher to analyze accurately and make concrete results and reached to pre-decided target.

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