

KEY HIGHLIGHTS OF BUDGET 2024



◆ Capital Gains Tax

→ **Long-Term Capital Gains(LTCG) on Equity:**

- Increased from 10% to 12.5%.
- Gains up to Rs. 1.25 lakh exempt from tax.

→ **Short-Term Capital Gains(STCG) on Equity:**

- Increased from 15% to 20%.

→ **Holding Periods:**

- Listed financial assets: >1 year = Long-term
- Unlisted financial and non-financial assets: >2 years = Long-term

→ **Eliminations & Taxes:**

- Indexation bonus on property sales eliminated
- Income from buyback of shares taxed at the recipient's hand
- 20% TDS on repurchase by MF or UTI withdrawn



❖ Securities Transaction Tax (STT)

→ Increase in STT:

- Futures: 0.0125% to 0.02%
- Options: 0.0625% to 0.10%

❖ Income Tax Regime

→ Revised Tax Slabs of New Regime:

- 0-3 Lakhs: Nil
- 3-7 Lakhs: 5%
- 7-10 Lakhs: 10%
- 10-12 lakhs: 15%
- 12-15 Lakhs: 20%
- Above 15 Lakhs: 30%

→ Standard Deduction:

- Increased to Rs 75,000 from Rs 50,000
- Deduction on family pension increased from Rs 15,000 to Rs 25,000

→ Non-reporting of movable foreign assets:

- Indian professionals working in MNC, failing to report movable foreign assets like ESOPs up to Rs 20 lakh to be de-penalised.



◆ NPS

→ **NPS Vaatsalya:**

- For minor children, convertible to regular NPS upon majority.

→ **Employer's Contribution Deduction:**

- Increased to 14% from 10% (New tax regime)

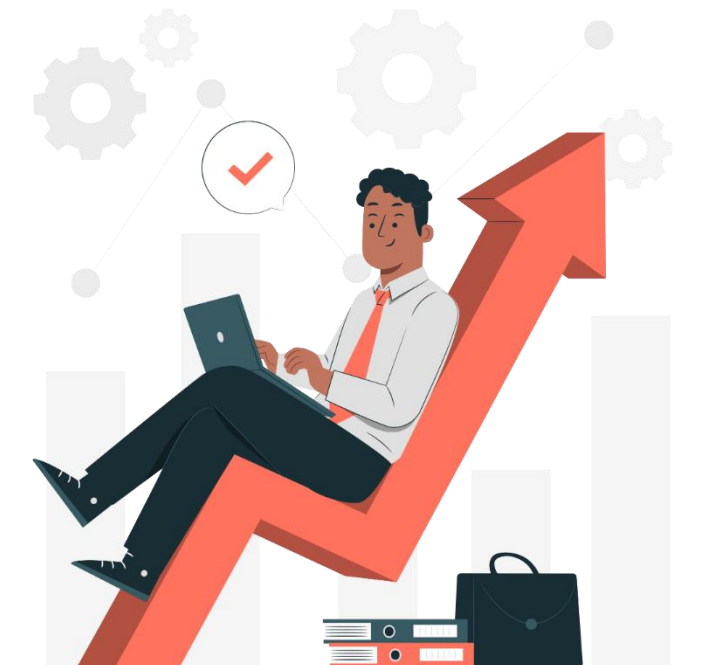
◆ **Foreign Companies & Start-ups:**

→ **Corporate Tax Rate:**

- Reduced to 35%

→ **Angel Tax:**

- Abolished



→ Youth Schemes:

- Five schemes with Rs 2 lakh crore central outlay
- DBT of one month's salary to first-time employees
- Comprehensive internship scheme for 1 crore youth
- Skill development for 20 lakh youth
- Upgradation of 1000 ITIs
- Revised Model Skill Loan scheme
- Higher education loans up to Rs 10 lakh
- EPFO contribution reimbursement for employers

Metals

→ Import Tax on Gold & Silver:

- Basic Customs duty from 10% to 6%
- 5% Agriculture Infrastructure Development Cess(AIDC) remains unchanged

→ Import Duty Exemption:

- 25 critical minerals, including lithium

→ Customs Duty:

- No significant hike on metal imports



◆ MSME

→ **Mudra Loans:**

- Enhanced to Rs 20 lakh from Rs 10 lakh

→ **Credit Guarantee Scheme:**

- For MSMEs in the manufacturing sector

→ **Term Loans:**

- For machinery purchase

→ **Technology Support:**

- Financial package for MSMEs



◆ Agriculture

→ Agri Research:

- Focus on productivity and climate resilience

→ Allocation:

- Rs 1.52 lakh crore for agri and allied sectors

◆ Special Packages for States

→ Bihar:

- New airports, medical facilities, sports infrastructure
Industrial node at Gaya on Amritsar Kolkata Industrial Corridor to be developed.

→ Andhra Pradesh:

- Rs 15,000 crore for Pollavaram project



→ **Flood-Affected States:**

- Financial assistance for Sikkim, Assam, Uttarakhand, HP

→ **Payment Bank for North East:**

- Centre to set up 100 branches of India Post Payments Bank in North East

◆ **Women Development:**

→ **Schemes:**

- Rs 3 lakh crore for women and girls Focus on increasing workforce participation



◆ Housing

→ Urban Housing:

- Investment of Rs 10 lakh crore for 1 crore urban poor and middle-class families

→ Rental Housing:

- PPP mode dorm-like accommodation for industrial workers

→ Rooftop Solar:

- PM Surya Ghar Muft Bijli Yojana for 1 crore households

◆ Capital Expenditure

→ FY25 Capex Outlay:

- Rs 11.11 lakh crore (3.4% of GDP)



◆ Fiscal Consolidation

→ Receipts & Expenditure:

- Receipts: Rs 32.07 lakh crore
- Expenditure: Rs 48.21 lakh crore

◆ Space Economy

→ Boost:

- Rs 1,000 crore allocation

◆ Banking

→ Integrated Tech Platform:

- To improve IBC outcomes

→ Voluntary Closure:

- C-PACE extended to LLPs



❖ Rural Development



➔ Provision:

- Rs 2.66 lakh crore

➔ Pradhan Mantri Janjatiya Unnat Gram Abhiyan

- Launched to benefit 5 crore tribals in 63,000 villages.

❖ Government Expenditure

➔ Major Items:

- Defence: Rs 4,54,773 crore
- Rural Development: Rs 2,65,808 crore
- Agriculture: Rs 1,51,851 crore
- Home Affairs: Rs 1,50,983 crore
- Education: Rs 1,25,638 crore
- IT & Telecom: Rs 1,16,342 crore
- Health: Rs 89,287 crore
- Energy: Rs 68,769 crore
- Social Welfare: Rs 56,501 crore
- Commerce & Industry: Rs 56,501 crore

➔ Lowers gross market borrowing by Rs 12,000 crore for FY 2025.



◆ Telecom Equipment



→ Duty Changes:

- PCBA for specific telecom equipment: Increased to 10-15%
- Mobiles & Accessories: Cut to 15%

◆ GST

→ Rationalization:

- Structure to be rationalized

◆ FDI

→ Rules:

- To be simplified further

◆ Tourism

→ Spiritual Tourism:

- Emphasis on Kashi Vishwanath, Nalanda, and more.



◆ Energy

➔ Development:

- Focus on small and modular nuclear reactors
- Policy document on energy transition pathways

◆ Infrastructure

➔ Road Connectivity:

- Rs 26,000 Crore allocation

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