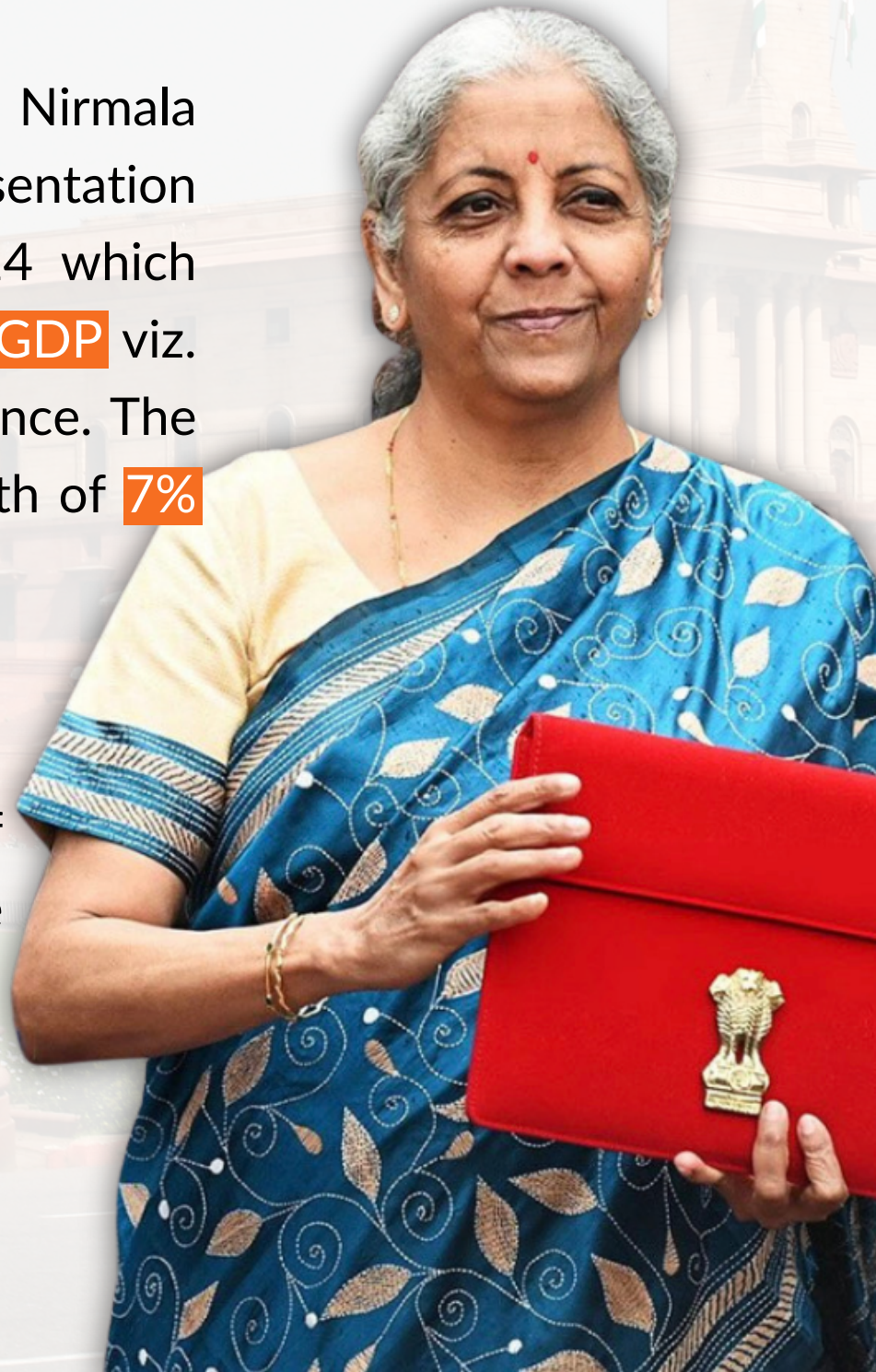


BUDGET 2024

KEYPOINT ANNOUNCEMENTS:

- ▶ Honourable Finance Minister Smt. Nirmala Sitharaman in her 6th Budget presentation unveiled the Interim Union Budget 2024 which focuses on the renewed abbreviation of GDP viz. Governance, Development, and Performance. The budget aims to achieve a real GDP growth of 7% in the forthcoming year.
- ▶ Through the budget speech, Madam Finance Minister mentioned the vision of development that India will achieve in the coming years taking into consideration the significant growth that India has seen in the past 10 years.



SUSTAINABLE DEVELOPMENT:

- ▶▶ The government aims for Net Zero by 2070, supporting wind energy and coal alternatives. Cleaner fuels are encouraged through mandatory blending, and 1 crore households will get free electricity via Rooftop Solarization. A new biomanufacturing scheme promotes eco-friendly alternatives.

INFRASTRUCTURE:

- ▶▶ The government supports e-buses and railway corridor development, aims for airport expansion, and promotes urban transformation through metro rail for comprehensive infrastructure enhancement.

TOURISM:

- ▶▶ States are encouraged to develop iconic tourist centers with long-term interest-free loans, fostering local entrepreneurship. Additionally, projects for port connectivity and tourism infrastructure in islands like Lakshadweep are underway.

AGRICULTURE:

- ▶▶ The government encourages investment in post-harvest activities, aims for oilseeds self-sufficiency, and is formulating programs for dairy development and enhanced aquaculture productivity.

No significant changes have been announced under direct and indirect taxes in the interim budget speech. However, below are some of the key highlights of the budget speech:

INCOME TAX:

- ▶ No changes are proposed in income tax slab rates for either individuals or corporate entities.
- ▶ Outstanding tax demands for FY 2009-10 up to Rs. 25,000 and FY 2010-11 to 2014-15 up to Rs. 10,000 may be waived, benefiting around 1 crore taxpayers.
- ▶ The timeline for eligible start-ups, IFSC units, and sovereign wealth funds/pension funds to incorporate and commence operations is proposed to be extended from March 31, 2024, to March 31, 2025.

Direct tax collections have tripled in the past decade, with a remarkable 2.4-fold increase in individuals filing tax returns. The average return processing time has sharply reduced to 10 days from 93 days a decade ago.

GOODS AND SERVICE TAX (GST):

- ▶ No changes are proposed in GST rates.
- ▶ Reduction in logistics costs and prices of most goods and services are seen as a major benefit to consumers as the GST burden on these goods and services has reduced significantly.

In FY 2023-24, monthly GST collections doubled to Rs. 1.66 lakh crore, and 94% of industry leaders see GST as a significant positive, with 80% noting improved supply chain optimization, embodying the principle of One Nation One Market One Tax.

*The above highlights are proposals and are subject to approval by the parliament. The above note is based on the budget speech and is subject to further study and clarification. This note does not form any kind of opinion from our end and before taking any action based on the above it is recommended to consult our experts in the subject.