

NEWS ALERT

BUDGET SPECIAL

“Democracy is the art and science of mobilizing the entire physical, economic and spiritual resources of various sections of the people in the service of the common good of all.”

FM Pranab Mukherjee quoting Mahatma Gandhi during his Budget speech



For the Consumer

- Higher disposable income for consumers after tax re-cast
- LCD TVs, branded jewelry, luxury cars cheaper
- Set top boxes, cotton apparel and branded fuel turn dearer
- Cancer, AIDS and heart ailment drugs cheaper



Effect on Taxes

- Savings on personal income tax as exemption limit hiked by Rs.10K, Rs.15K for senior citizens
- The 10% surcharge on individual income in excess of Rs.10lac goes
- Employees to pay tax on perquisites such as ESOPs and contribution to superannuation funds
- Commodity transaction tax goes, but market upset as STT stays

Impact on Business

- FBT scrapped for companies
- FBT on ESOPs and employer's share of superannuation
- MAT hiked to 15%, credit extended to 10 years
- Dispute resolution mechanism for foreign companies

TOP STORIES

- Divestment target for the year set at measly Rs.1120 cr
- The market finds its own deficit. Sensex loses 6%. Banks lead biggest Budget day fall
- Fiscal deficit 6.8% of GDP. Half of it to be met through market borrow-