

Lunawat & Co.

Chartered Accountants



UNION BUDGET 2025 DECODED



Lunawat & Co.
Chartered Accountants

UNION BUDGET 2025 DECODED

For Private Circulation Only

© 2025 Lunawat & Co.

All Rights Reserved

Disclaimer :

Information in this document is intended to provide only a general outline of the subjects covered. We recommend that you seek professional advice prior to initiating action on specific issues. Lunawat & Co. does not take any responsibility for any loss arising from any action taken or not taken by anyone using this material.

INCOME TAX PROPOSALS

CHANGES IN TAX RATES

- With effect from AY 2026-27 the following will be the new tax slab and rate on total income of individual / HUF / AOP / BOI under the new tax regime [S. 115BAC (1A)] of Income Tax as compared to previous assessment year:

FY 2025-26 / AY 2026-27		FY 2024-25 / AY 2025-26	
Total Income	Tax Rate (%)	Total Income	Tax Rate (%)
Up to 4,00,000	0	Up to 3,00,000	0
4,00,001 to 8,00,000	5	3,00,001 to 7,00,000	5
8,00,001 to 12,00,000	10	7,00,001 to 10,00,000	10
12,00,001 to 16,00,000	15	10,00,001 to 12,00,000	15
16,00,001 to 20,00,000	20	12,00,001 to 15,00,000	20
20,00,001 to 24,00,000	25	Above 15,00,000	30
Above 24,00,000			

Notes:

- Rebate u/s 87A under the new tax regime has been increased from Rs 25,000 to Rs 60,000.
- Rebate u/s 87A would not be applicable to special rate taxes for e.g., section 112, 112A, 111, etc.

TAX DEDUCTED & COLLECTED AT SOURCE

- Change in TDS / TCS Rate

Section	Nature of Payment	Existing Rate Upto 31.03.2025	Proposed Rate From 01.04.2025
194 LBC	Income in respect of investment in Securitization Trust	25% (Individual/ HUF) 30% (Other Persons)	10%
206C(1)	(i) TCS on timber or any other forest produce (not being tendu leaves) obtained under a forest lease and (ii) TCS on timber obtained by any mode other than under a forest lease	2.5%	2%
206C(1G)	TCS on remittance under LRS for purpose of education, financed by loan from financial institution	0.5% after 7 lakhs	Nil

- Changes in Threshold to deduct TDS / TCS

Section	Nature of Payment	Existing Threshold Upto 31.03.2025	Proposed Threshold From 01.04.2025
193	Interest on Securities	NIL	10,000
194	Dividends	5,000	10,000
194 B	Winnings from lottery or crossword puzzle	10,000 (Aggregate of amounts during the FY)	10,000 (Limit per Transaction)
194 BB	Winnings from horse race	10,000 (Aggregate of amounts during the FY)	10,000 (Limit per Transaction)
194 D	Insurance Commission	15,000	20,000
194 G	Commission, etc., on sale of lottery tickets	15,000	20,000
194 H	Commission or Brokerage	15,000	20,000
194 I	Rent	2,40,000 (For full year)	50,000 (Per month or part of month)
194 J	Fees for professional or technical services	30,000	50,000
194 K	Income in respect of units	5,000	10,000
194 LA	Payment of compensation on acquisition of certain immovable property	2,50,000	5,00,000
206C(1G)	TCS on Remittance under LRS and overseas tour program package	7,00,000	10,00,000

- Section 194A – Interest other than interest on securities (w.e.f. 01.04.2025)

S. No	Payer	For Other Persons		For Senior Citizens	
		Current threshold	Proposed threshold	Current threshold	Proposed threshold
1.	Banking Companies	40,000	50,000	50,000	1,00,000
2.	Co-operative bank	40,000	50,000	50,000	1,00,000
3.	Any Deposit with Post office	40,000	50,000	50,000	1,00,000
4.	Any Other Case	5,000	10,000	5,000	10,000

5.	Cooperative society referred to in clause (v) and clause (viia) of section 194A(3)	40,000	50,000	50,000	1,00,000
----	--	--------	--------	--------	----------

- TCS u/s 206C (1) amended to reduce the TCS rate from 2.5% to 2% on:
 - Timber or any other forest produce (excluding tendu leaves) obtained under a forest lease
 - Timber obtained by any mode other than under a forest lease

Now Forest produce obtained under a forest lease only would be covered under TCS, as the item 'any other forest produce not being timber or tendu leaves' is omitted.

- Earlier the term "forest produce" was not defined in the Income Tax Act. Now, "forest produce" shall have the same meaning as defined in:
 - Any State Act in force, or
 - The Indian Forest Act, 1927
- Section 206C (1H) is being omitted. Hence, **TCS will no longer be applicable on the sale of goods exceeding ₹50 lakh and only TDS under Section 194Q will apply.**
- Sections 206AB and 206CCA have been omitted hence, TDS and TCS will no longer be applied at higher rates for non-filers of ITR.
- Proviso inserted to section 206C(7A). Currently no order can be passed against a person as an assessee in default for non-payment of TCS after:
 - 6 years from the end of the financial year in which the tax was collectible; or
 - 2 years from the end of the financial year in which a correction statement is filed u/s 206C(3B)

whichever is later

As per the proviso to be inserted, while computing such time limits, period of stay granted by an order of any court and ending on the date on which certified copy of order vacating the stay is received by jurisdictional Pr. CIT or CIT shall be excluded, hence tax authorities would get sufficient time to complete proceedings after the stay is lifted.

(w.e.f. 1st April 2025)

EXEMPTIONS & DEDUCTIONS

- Section 80CCA is being amended to provide tax relief to individuals withdrawing funds from the National Savings Scheme (NSS) since no interest would be paid on NSS balances from October 1, 2024. The amendment would exempt withdrawals made on or after August 29, 2024, for deposits made before April 1, 1992, which had previously qualified for a tax deduction.

(With retrospective effect from August 29, 2024)

- The following benefits which are already available to NPS Contribution u/s 80CCD would now be extended to NPS Vatsalya Scheme.

- Deduction to be allowed to parents/ guardian's maximum upto Rs 50,000/-.
- Where the deduction has earlier been claimed under this section and this amount is subsequently withdrawn, will be charged to tax when such amount is withdrawn.
- In case of the minor's death, the withdrawal amount isn't taxed as the guardian's income.

Where there is a partial withdrawal for education, medical treatment, or disability of Minor Child, the tax exemptions on partial withdrawals shall not be included in the total income of the parent/guardian to the extent it does not exceed 25% of the amount of contributions made by him.

(w.e.f. 1st April 2026)

- Section 80-IAC is being amended to extend the benefit of deduction for another period of 5 years for start-ups incorporated before 01.04.2030. Earlier this deduction is available for Start-ups incorporated before 01.04.2025.
- Section 10(23FE) to be amended to exempt long term capital gain (whether or not such capital gains are treated as short term capital gains u/s 50AA) arising from investment by Sovereign Wealth Funds and Pension Funds made in India. Further the date of investment shall be extended from 31st March 2025 to 31st March 2030.

(w.e.f. 1st April 2025)

CHARITABLE TRUSTS

- It is proposed that for the trusts and institutions registered u/s 12A (1) (ac) (i to v) and whose total income of each of 2 years does not exceeds Rs. 5 crores, preceding to the previous year in which such application is made, the period of validity of registration is extended from 5 to 10 years.
- Explanation to section 12AB (4) amended to clarify that an incomplete application will not be treated as a specified violation for cancellation of registration.
- Section 13 of the Act excludes income from the trust or institution if it benefits certain individuals, including those who have made substantial contributions (over ₹50,000 in aggregate in lifetime of the trust), their relatives, or concerns in which they have a substantial interest. It is proposed that the following categories of substantial contributors shall be treated as persons specified u/s 13:
 - Persons making substantial contributions will be those whose total contribution exceeds ₹1 lakh in the relevant year or ₹10 lakh cumulatively.
 - Relatives of these contributors will *not* be included in the specified persons under section 13.
 - Concerns in which such persons have a substantial interest will also *not be included* in the specified persons u/s 13.

(w.e.f. 1st April 2025)

SALARIES

- It is proposed u/s 17(2), that if the salary exceeds the prescribed limit, only then the benefits would be treated as perquisite and will be taxable under head salary.

Aspect	Current Limit	Proposed Limit
Benefits or amenity granted or provided free of cost or at concessional rate	50,000	Limit as may be prescribed
Medical travel expense for employee or his family outside India	200,000	

(w.e.f. 1st April 2026)**HOUSE PROPERTY**

- It is proposed to amend section 23(2), to provide that the annual value of 2nd self-occupied house property will be taken as nil, if the 2nd house property could not be occupied due to any reason. Earlier the reason for not occupying the 2nd house property was mentioned as due to employment, business or profession carried on at any other place.

(w.e.f. 1st April 2025)**CAPITAL GAINS**

- The rates for tax payable on Long Term capital gain derived from the transfer of securities other than equity share in a company or a unit of an equity-oriented fund or a unit of a business trust u/s 115AD have been increased from 10% to 12.5%.

(w.e.f. 1st April 2026)

- Section 2(14) amended to clarify that securities held by investment funds u/s 115UB (AIFs) are capital assets, and consequently income from their transfer would be treated as capital gains from AY 2026-27
- The provisions of section 115UA shall now also include Section 112A apart from Section 111A and 112 for the purpose of taxation of business trusts (InvIT & REIT) at lower rates in case of income arises from Capital Gains. Other Incomes are taxable at maximum marginal rates.
- Income on redemption of Unit Linked Insurance Policy would be treated as Capital Gains and following clarifications have been made:
 - ULIPs which are not exempt u/s 10(10D) shall be treated as a Capital Asset
 - The income arising from the redemption of ULIPs on which the exemption of Section 10(10D) does not apply are taxable as Capital Gain u/s 45
 - For the purpose of clause (a) of Explanation to section 112A, the definition of equity-oriented funds shall also include ULIPs on which the exemption u/s 10(10D) is not applicable.

RETURNS, ASSESSMENT & APPEALS

- Now the updated Return can be filed upto 4 years instead of 2 years. The following table summarizes the proposed amendments and conditions for filing updated returns u/s 139(8A).

Time Period	Rate of Additional tax
Upto 12 months from the end of the relevant AY	25%
After expiry of 12 months and upto 24 months	50%
After expiry of 24 months and upto 36 months	60%
After expiry of 36 months and upto 48 months	70%
Post 36 months (If notice under Section 148A issued)	Updated return cannot be filed*

*However, if an order is passed stating that no notice under Section 148 is required, an updated return can be filed within post 36 months but upto 48 months.

- Currently in search cases, approval for retention of seized books or documents u/s 132(8) must be sought within 30 days from the date of assessment or reassessment orders. In group search cases, the timing of assessments and segregation of seized documents can be challenging, leading to a complex and burdensome process for Assessing Officers. The time limit for obtaining approval for retention of seized documents will be extended to one month from the end of the quarter in which the assessment, reassessment, or recomputation order is passed.
- Section 144C provides a special dispute resolution mechanism for certain taxpayers, like foreign companies and those with international transactions, to settle tax disputes efficiently. Faceless schemes were introduced under S. 144C, with the deadline to notify them initially set for March 31, 2024, and later extended to March 31, 2025. The proposal now is to remove the deadline, allowing the central government to implement faceless schemes even after March 31, 2025, if needed.
- Changes in Block Assessment Introduced in Finance Act, 2024 effective from 01.09.2024
 - Block assessment will apply to cases where a search U/s 132 or requisition u/s 132A is conducted on or after September 1, 2024.
 - The definition of **undisclosed income** in S. 158B is expanded to include **virtual digital assets** (e.g., cryptocurrency).
 - Any **pending assessment, reassessment, recomputation, reference, or order** on the date of search will be **abated** (cancelled). If the block assessment is annulled in appeal, these abated proceedings will **revive** (restart). (S. 158BA)
 - In case of a **second search** while the first assessment is ongoing, the earlier assessment must be **completed first**. The word "**pending**" is replaced with "**required to be made**" for clarity. (S. 158BA(4))
 - The term "total income disclosed" is replaced with "undisclosed income" in S. 158BB to ensure only undisclosed income is taxed separately.

- Income declared in regular tax returns (before search) will be included in the block period but will get due credit while calculating tax.
- Income for the previous year (where the return due date has not expired before search) will be taxed under normal provisions, ensuring proper assessment.
- International and specified domestic transactions will be excluded from block assessment, as their valuation requires a full financial year for accurate computation.
- The time limit for completing a block assessment is now 12 months from the end of the quarter (instead of the month) in which the last authorization of search/requisition was executed.

(w.e.f. 1st February 2025)

- Section 253 which deals with appeals to the Appellate Tribunal and allows the Central Government to introduce a faceless scheme. Currently, the government cannot issue any directions under this section after 31st March 2025, this deadline has been removed allowing flexibility to make changes even after this date.
- Section 255 deals with the constitution and functioning of the Income Tax Appellate Tribunal (ITAT) and allows the Central Government to modify or exclude certain provisions of the Act to implement a faceless scheme. The rule previously stated that these changes couldn't be made after 31st March 2025 but now this deadline has been removed giving the government more flexibility to make changes even after that date.

(w.e.f. 1st April 2025)

CARRY FORWARD AND SET OFF OF LOSSES

- Sections 72A and 72AA are being amended which deal with the carry-forward and set-off of accumulated losses and unabsorbed depreciation in cases of business amalgamation or reorganization. Currently, accumulated losses of the predecessor entity can be carried forward by the successor entity. However, to prevent indefinite carry forward of these losses through successive amalgamations, the proposed amendment will limit the carry forward period to **8 assessment years** from the year the loss was first calculated for the predecessor for amalgamation or business reorganization effected on or after 1st April 2025.

(w.e.f. 1st April 2026)

PENALTIES

- Section 270AA of the Act allows taxpayers to apply for **immunity (protection) from penalties** under certain conditions, pay the taxes due and **file a valid declaration**. **Earlier, a taxpayer had to apply for immunity within 1 month of receiving an order, and the Assessing Officer had one month to decide. Now, the deadline for the Assessing Officer to process the application is extended to 3 months.**
- Section 271AAB of the Income Tax Act currently applies a penalty for undisclosed income found during searches initiated after December 15, 2016. It has been clarified that penalty provisions u/s 271AAB will not apply to Block Assessments initiated on or after September 1, 2024.

(w.e.f. 01.09.2024)

- Currently, penalties u/ss 271C, 271CA (Failure to deduct or collect tax at source), 271DA (S. 269 ST violation), 271DB (S. 269 SU – electronic mode), 271D & 271E (Accepting or repaying loans in cash exceeding legal limits) are imposed by the Joint Commissioner, even though the Assessing Officer handles the assessment. From now on, the Assessing Officer will be responsible for imposing penalties under these sections, instead of the Joint Commissioner. However, if the penalty amount exceeds a certain limit, the Assessing Officer will need to get approval from the Joint Commissioner before imposing the penalty [in accordance with Section 274(2)]

(w.e.f. 01.04.2025)

- Section 271BB deals with penalties for failing to subscribe to eligible capital issues. However, this section is outdated because the related **Section 88A** has been **removed** since 1996. Since **Section 88A** no longer exists, **Section 271BB** will be **removed** because it no longer serves any purpose.

(w.e.f. 1st April 2025)

- Section 275 is being substituted to provide that penalties shall be imposed under this section within six months from the end of the quarter in which the legal process (appeal or review) is completed.

(w.e.f. 1st April, 2025)

- Currently, if someone fails to pay the tax collected at source (TCS) on time, they may currently be penalized with rigorous imprisonment u/s 276BB. After the change is implemented, there will be no prosecution if the tax is paid before the due date for filing the quarterly statement.

(w.e.f. 1st April, 2025)

INTERNATIONAL TAXATION

- Section 9 of the Act deems certain income to accrue or arise in India. Clause (i) specifies that income arising from a business connection in India is deemed to arise in India. Explanation 1 to Clause (i) excludes income of a non-resident from operations confined to purchasing goods in India for export. Explanation 2A defines "significant economic presence" as a business connection, including transactions involving goods between a non-resident and any person in India. Concerns were raised that this definition might override the exclusion for export-related transactions. To resolve this, it is proposed to amend Explanation 2A of section 9, ensuring that transactions limited to purchasing goods for export will not be considered significant economic presence, aligning with the existing exclusion for such operations.

(w.e.f. 1st April 2026)

- Section 44BBD is to be introduced for presumptive tax for non-residents providing services or technology, to a resident company operating in electronics manufacturing facility or other connected services, where 25% of the total amount received by non-residents for these services shall be considered as income.

(w.e.f. 1st April 2026)

- Section 92CA of the Act has been amended to provide an option to the assessee for Arm's Length Price (ALP) determination in relation to an international transaction or a

specified domestic transaction for any previous year, the assessee shall apply to the similar transaction for the 2 consecutive previous years immediately following such previous year in the form or manner as prescribed. The TPO shall within 1 month from the date of exercising the option shall declare the option as valid.

If the option exercised by the assessee is declared as valid by the TPO, then:

- The ALP set for an international or specified domestic transaction in 1 previous year will also apply to similar transactions for the next two previous years immediately following such previous year.
- TPO shall examine and determine the ALP for the above-mentioned transactions for the consecutive years in the order passed by him
- After the order is received, the total taxable income shall be recomputed by the TPO as per Section 155(21).
 - A new sub section is being added to S 155 to allow changes in total income when the Transfer Pricing Officer (TPO) accepts the method used by the taxpayer to calculate the Arm's Length Price (ALP) for two years in a row.
 - If the TPO agrees with the taxpayer's method for two consecutive years, the Assessing Officer (AO) must recalculate the total income for those years by:
 1. Following the ALP set by the TPO u/s 92CA(4A).
 2. Considering any directions given u/s 144C(5).
 - The AO must complete this recalculation within three months from the end of the month in which the original assessment was completed.
 - If no assessment order or tax intimation was issued within that time, then the AO still has three months from when it is finally issued to complete the recomputation.
 - The recalculation must follow the same transfer pricing rules mentioned in S. 92C(4).
- Once the Arm's Length Price (ALP) is determined, no further reference for its computation will be made. If a reference is still made (before or after the TPO's declaration), it will be treated as if it was never made, as per Section 92CA(1).

The option to apply the above provisions and any related proceedings will not apply to search cases.

(w.e.f. 1st April 2026)

INTERNATIONAL FINANCIAL SERVICES CENTRE (IFSC)

- Section 10(4E) currently exempts income of non-residents from the transfer of non-deliverable forward contracts, offshore derivatives, or income from such instruments with an offshore banking unit in the IFSC. It is proposed to extend the exemption to income from such transactions entered into with Foreign Portfolio Investors (FPIs) in an IFSC unit, subject to certain conditions.

(w.e.f. 1st April 2026)

- Sunset dates extended for several tax concessions pertaining to IFSC

Section	Existing Date	Proposed Date
Section 80LA(2)(d) -Deductions in respect of certain incomes of Offshore Banking Units and IFSC	31.03.2025	31.03.2030
Section 10(4D)- Income from transfer of Capital Asset located in IFSC	31.03.2025	31.03.2030
Section 10(4F)- Royalty or Interest Income of a Non-Resident paid by IFSC	31.03.2025	31.03.2030
Section 10(4H)-Income from transfer of shares by a non-resident or IFSC	31.03.2026	31.03.2030
Section 47(viiad)(b) – relocation of original fund to resultant fund	31.03.2025	31.03.2030

- Resultant fund definition u/s 47(viiad)(c) has been substituted to include a trust, company or LLP in IFSC referred u/s 80LA(1A) who has been granted a certificate as a retail scheme or an Exchange Traded Fund as per item (b) of sub-clause (l) of clause (c) of Explanation to s. 10(4D)
- Non-residents availing life insurance from the insurance office in IFSC and receiving proceeds on such policy issued by IFSC insurance intermediary office shall be exempt u/s 10(10D) even if the maximum premium paid in a year exceeds Rs. 5 Lacs or premium on ULIP exceeding Rs. 2.5 Lac a year.
- Non-residents or units of IFSC engaged in ship leasing (aircrafts were already covered) exempted from income being capital gain on transfer of equity shares u/s 10(4H).
- Non-residents or units of IFSC engaged in ship leasing (aircrafts were already covered) exempted from dividend paid u/s 10(34B).
- Section 2(22)(e) amended to exclude loans between group entities, where one is a finance company/unit in an IFSC and the parent entity is listed abroad, from being treated as dividends with effect from 1st April 2025
- Section 9A exempts fund management by eligible fund managers from being a business connection in India, subject to conditions. Clause (c) limits Indian participation in the fund to 5% of its corpus. Section 9A(8A) permits the Central Government to relax conditions for funds managed by IFSC-based fund managers starting operations by 31st March 2024. Amendment made that 5% rule to be checked on 1st April and 1st October. If not met, four months to comply and Conditions (a) to (m) may be relaxed for funds managed by IFSC-based managers where the date of commencement of operations is on or before 31st March 2030.

(w.e.f. 1st April 2025)

MISCELLANEOUS

- Various provisions of Chapter XII - G related to income of shipping companies (Tonnage Tax) have been expanded to include the “Inland Vessels” as well apart from the Ships. The following amendment shall be applicable from AY 2026-27 and subsequent AYs.
- Statement for Crypto assets - Tax is charged at 30% on crypto assets like cryptocurrency, with no deductions allowed except for the cost of the asset. Also, 1% tax is deducted when buying or selling crypto. It is proposed to introduce u/s 285BAA to track crypto transactions by periodic filing of crypto transactions.
- It is proposed to update the definition of “virtual digital assets” to make sure that all crypto-assets are included, even if they weren't specifically listed before by amending definition u/s 2(47A). Any crypto-asset being a digital representation of value that relies on a cryptographically secured distributed ledger or a similar technology to validate and secure transactions, whether or not such asset is included in other clauses.

(w.e.f. 1st April, 2026)

GOODS AND SERVICE TAX PROPOSALS

AMENDMENTS IN DEFINITIONS CONTAINED IN SECTION 2

- It is proposed to amend the definition of “**Input Service Distributor**” (ISD) under clause (61) of section 2 of the GST Act to explicitly provide that Input Service Distributors can **distribute tax credits for interstate transactions where the tax is paid by the recipient under reverse charge**.
- It is also proposed to insert a new clause (116A) in section 2 to define “**unique identification marking**” as a special mark used **for tracking goods**. The mark will be distinct, secure, and **impossible to remove**, ensuring goods can be traced accurately throughout the supply chain.

AMENDMENTS IN PROVISIONS RELATED TO TIME OF SUPPLY

- The Bill seeks to omit sub-section (4) of section 12 and sub-section (4) of section 13 of the Central Goods and Services Tax Act so as to **remove the provision for time of supply** in respect of transaction in **vouchers, the same being neither supply of goods nor supply of services**.
- The proposal seeks to **replace the term “plant or machinery” with “plant and machinery”** in Clause (d) of Sub-section (5) of Section 17 of the Central Goods and Services Tax (CGST) Act. This change is intended to remove any ambiguity in interpretation regarding the eligibility for Input Tax Credit (ITC) in cases where businesses acquire plant and machinery. The change ensures that there is no confusion about whether the term refers to only plant or only machinery-**businesses can claim ITC for both plant and machinery**.

AMENDMENTS RELATED TO PENAL PROVISION

- Earlier, there was no requirement for a pre-deposit of the **penalty** amount in the case of an appeal before the Appellate Authority. The amendment under section 107(6) and 112(8) proposes a **pre-deposit of 10% of the penalty amount** must be paid before an appeal can be filed with the **Appellate Authority or Appellate Tribunal** against an order that **involves only the demand for penalty** (without involving any demand for tax)
- The Bill seeks to insert a new section 122B in the Central Goods and Services Tax Act to provide for penal provisions for contraventions of the provision relating to track and trace mechanism.

OTHER AMENDMENTS

- Proviso to section 34(2) is being substituted to provide reversal of corresponding input tax credit in respect of a credit-note, if availed, by the registered recipient, for the purpose of reduction of tax liability of the supplier in respect of the said credit note.
- Earlier, the **statement of Input Tax Credit (ITC)** was **auto-generated** by the GST system. The recipient could **claim ITC** only if the ITC was available to them under the provisions of the **CGST Act**. The term “**auto-generated**” is **removed**. This change provides **flexibility** to make

corrections or adjustments in the ITC statement when needed. It now covers not only the situation where the recipient claims ITC, but also **other cases** where ITC may be **denied or unavailable** due to other reasons under the Act.

- **Section 148A is being inserted**, which will provide the legal basis to **track and monitor certain goods** throughout their journey in the supply chain. The aim is to ensure transparency and reduce illegal activities.
- Schedule III is being amended to insert clause 8(aa) to provide **warehoused in a Special Economic Zone (SEZ) or a Free Trade Warehousing Zone (FTWZ)**, and are supplied to any person **before clearance for export or to the Domestic Tariff Area (DTA)**, shall be treated **neither as a supply of goods nor as a supply of services**.

COMPANY LAW PROPOSALS

EXTENSION FOR INCORPORATION OF START-UPS

- To support the Indian start-up eco-system, there is a proposal to extend the period of incorporation by 5 years to allow the benefit available to start-ups which are incorporated before 1.4.2030.

MERGER OF COMPANIES

- Requirements and procedures for speedy approval of company mergers will be rationalized. The scope for fast-track mergers will also be widened and the process made simpler.

CUSTOM PROPOSALS

- **A New Sub-section (1B) has been inserted in section 18:**

- A 2-year time limit will be set for finalizing provisional assessments.
- This time limit can be extended by the Commissioner of Customs for 1 more year if there is a valid reason.

- **Another Subsection (1C) is inserted:**

- This introduces specific situations where the 2-year time limit for finalizing provisional assessments can be suspended.
- Section 18A is being inserted to allow importers and exporters to voluntarily revise their entry (declaration) after goods are cleared. Revised entry will be treated as self-assessment, meaning the importer or exporter can determine the duty.
- Explanation is being added to Section 27(1) to clarify that in case of refund claim due to a revised entry under Section 18A or an amendment under Section 149, the limitation period for making the refund claim will be one year from the date of payment of the duty or interest.
- A new clause is being inserted in Explanation 1 of section 28, wherein, the relevant date in the case where duty is paid under the revised entry under section 18A is the date of payment of duty or interest.
- Two new provisos are being inserted after sub-section (5) in section 127B of the Customs Act, 1962 to provide end date for receipt of applications for settlement of custom cases.
- A new sub section (11) is inserted in section 127C for providing Time Limit for extension by the interim board for settlement of custom cases.
- The rules 6 and 7 of **IGCR (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 2017** are being changed to:
 - a) Increase the time limit for fulfilling the end-use requirement from 6 months to 1 year.
 - b) Importers will now need to file a statement every quarter instead of the current monthly filing.

PROPOSALS INVOLVING CHANGES IN RATES OF DUTY

A. Tariff rate changes for Basic Customs Duty

APPLICABLE WITH EFFECT FROM 02.02.2025

Textile

S. No.	Increase in Tariff rate	Rate of Duty	
	Commodity	Form	To
1.	Knitted Fabrics	20%/10%	20% or Rs115/kg, whichever is higher

IT & Electronic Sector

S. No.	Increase in Tariff rate	Rate of Duty	
	Commodity	Form	To
1.	Interactive Flat Panel Displays (Completely Built Units)	10%	20%

B. Decrease in tariff rate (to be effective from 01.05.2025 unless otherwise specified)

S. No.	Decrease in Tariff rate	Rate of Duty	
	Commodity	Form	To
1.	Marble and travertine, crude or roughly trimmed, merely cut into blocks, slabs and other	40%	20%
2.	Granite, crude or roughly trimmed, merely cut into blocks, slabs and other	40%	20%
3.	Other compounds containing a pyrimidine ring (whether or not hydrogenated) or piperazine ring in the structure	10%	7.5%
4.	Synthetic flavoring essences and mixtures of odoriferous substances of a kind used in food and drink industries	100%	20%
5.	Candles, tapers and the like	25%	20%
6.	Reference Materials	30%	10%
7.	Sorbitol other than that of sub heading 2905 44	30%	20%
8.	Other, plates, sheets, films, foil and strip, of plastics, non-cellular and not reinforced, laminated, supported or similarly combined with other materials	25%	20%
9.	Other plates, sheet, film, foil and strip of plastics	25%	20%
10.	Waterproof Footwear with outer soles and Uppers of Rubber or of plastics, the uppers of which are neither fixed to the sole nor assembled by stitching, riveting, nailing, screwing, plugging or similar processes	35%	20%
11.	Other footwear with outer soles and uppers of rubber or plastics	35%	20%
12.	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather	35%	20%
13.	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials	35%	20%
14.	Other Footwear	35%	20%
15.	Worked monumental or building stone	40%	20%

S. No.	Decrease in Tariff rate	Rate of Duty	
	Commodity	Form	To
16.	Articles of Jewellery and parts thereof	25%	20%
17.	Articles of goldsmiths' and silversmiths' wares and parts thereof	25%	20%
18.	Copper Waste and Scrap	2.5%	Nil
19.	Tin Waste and Scrap	5%	Nil
20.	Tungsten Waste and Scrap	5%	Nil
21.	Molybdenum Waste and Scrap	5%	Nil
22.	Tantalum Waste and Scrap	5%	Nil
23.	Cobalt Waste and Scrap	5%	Nil
24.	Waste and Scrap of Bismuth and Bismuth alloys	5%	Nil
25.	Zirconium Waste and Scrap	10%	Nil
26.	Antimony Waste and Scrap	2.5%	Nil
27.	Beryllium Waste and Scrap	5%	Nil
28.	Rhenium Waste and Scrap	10%	Nil
29.	Cadmium Waste and Scrap	5%	Nil
30.	Solar Cells	25%	20%
31.	Solar Module and Other semiconductor devices and photovoltaic cells	40%	20%
32.	Motor vehicles for transport of 10 or more persons	40%	20%
33.	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 8702)	125%	70%
34.	Motor vehicles for transport of goods	40%	20%
35.	Motorcycles and cycles fitted with an auxiliary motor with or without side-car	100%	70%
36.	Bicycles	35%	20%
37.	Yachts and other vessels for pleasure or sports; rowing boats and canoes	25%	20%
38.	Electricity meters for alternating current (Smart meter)	25%	20%
39.	Seats (other than those of headings 9402), whether or not convertible into beds, and parts thereof	25%	20%
40.	Other furniture and parts thereof	25%	20%

S. No.	Decrease in Tariff rate	Rate of Duty	
	Commodity	Form	To
41.	Mattress supports, articles of bedding and similar furnishing etc.	25%	20%
42.	Luminaries and lighting fittings including searchlights and spotlights and parts thereof etc.	25%	20%
43.	Parts of electronic toys	70%	20%
44.	Laboratory Chemicals	150%	70%
45.	All dutiable articles, imported by a passenger or a member of a crew in his baggage	100%	70%
46.	All dutiable goods imported for personal use.	35%	20%

C. Tariff rate changes (without change in existing effective rate of duty) to be effective from 01.05.2025 unless otherwise specified

S. No.	Tariff rate	Rate of Duty	
	Commodity	Form	To
1.	Glycerol Crude, glycerol waters, glycerol lye	30%	20%
2.	Copper Ores and concentrates	2.5%	NIL
3.	Tin Ores and concentrates	2.5%	NIL
4.	Tungsten Ores and concentrates	2.5%	NIL
5.	Molybdenum Ores and concentrates	2.5%	NIL
6.	Zirconium Ores and concentrates	2.5%	NIL
7.	Vanadium Ores and concentrates	2.5%	NIL
8.	Niobium or Tantalum Ores and concentrates	2.5%	NIL
9.	Antimony Ores and Concentrates	2.5%	NIL
10.	Liquefied Propane	15%	2.5%
11.	Liquefied Butane	15%	2.5%
12.	LPG (for non-automotive purpose)	15%	5%
13.	LPG (for automotive purpose)	15%	5%
14.	Other liquified petroleum gas	15%	5%
15.	Phosphoric Acid	20%	7.5%
16.	Boric Acid	27.5%	7.5%

S. No.	Tariff rate	Rate of Duty	
	Commodity	Form	To
17.	Other – Prepared Binders, chemical products and preparations of chemical or allied industries	17.5%	7.5%
18.	OTS/MR type-flat rolled products of thickness less than 0.5 mm	27.5%	15%
19.	Other flat rolled products of thickness less than 0.5 mm	27.5%	15%
20.	Hot-rolled products in coils of thickness greater than or equal to 4.75 mm, but not exceeding 10 mm	22.5%	15%
21.	Hot-rolled products in coils of thickness greater than or equal to 3 mm but less than 4.75 mm	22.5%	15%
22.	Flat rolled products of stainless steel of width 600 mm or more - Other nickel chromium austenitic type	22.5%	15%
23.	Flat rolled products of stainless steel of width 600 mm or more - Other sheets and plates	22.5%	15%
24.	Flat-rolled products of other alloy steel - grain oriented, silicon electrical steel	20%	15%
25.	Other tube or pipe fittings of stainless steel	25%	15%
26.	Other fittings of iron or steel, non-galvanized	25%	15%
27.	Other structure and parts of structures of iron and steel	25%	15%
28.	Others-tanks and drums etc.	25%	15%
29.	Other screws and bolts whether or with nuts or washers	25%	15%
30.	Threaded nuts	25%	15%
31.	Other non-threaded articles	25%	15%
32.	Other springs and leaves of iron/steel	25%	15%
33.	Other cast articles of iron or steel	25%	15%
34.	Others - forged or stamped articles of iron or steel but not further worked	25%	15%
35.	Miscellaneous other articles of iron/steel	25%	15%
36.	Unwrought Tin	5%	NIL
37.	Unwrought tungsten, including bars and rods obtained simply by sintering	5%	NIL
38.	Unwrought molybdenum, including bars and rods obtained simply by sintering	5%	NIL

S. No.	Tariff rate	Rate of Duty	
	Commodity	Form	To
39.	Unwrought tantalum, including bars and rods obtained simply by sintering, powders	5%	NIL
40.	Cobalt, unwrought	5%	NIL
41.	Bismuth, unwrought	5%	NIL
42.	Unwrought zirconium, powders, containing less than 1 part hafnium to 500 parts zirconium by weight	10%	NIL
43.	Unwrought antimony, powders	2.5%	NIL
44.	Beryllium unwrought, powders	5%	NIL
45.	Hafnium unwrought, waste and scrap, powders	10%	NIL
46.	Rhenium unwrought	10%	NIL
47.	Cadmium unwrought, Powders	5%	NIL
48.	Cadmium, wrought	5%	NIL

D. Other proposals involving changes in Basic Customs Duty rates in notifications

Aquafarming & Marine Exports

S. No.	Change in Basic Custom Duty Rates	Rate of Duty	
	Commodity	Form	To
1.	Frozen Fish Paste (Surimi) for use in manufacture of Surimi Analogue products, for export	30%	5%
2.	Fish Hydrolysate for use in manufacture of aquatic feed	15%	5%

Leather

S. No.	Change in Basic Custom Duty Rates	Rate of Duty	
	Commodity	Form	To
1.	Wet blue leather (hides and skins)	10%	Nil

Gems and Jewellery Sector

S. No.	Change in Basic Custom Duty Rates	Rate of Duty	
	Commodity	Form	To
1.	Platinum Findings	25%	5%

Metal Scrap & Lithium-Ion Battery Waste and Scrap

S. No.	Change in Basic Custom Duty Rates	Rate of Duty	
	Commodity	Form	To
1.	Lead waste and scrap	5%	NIL
2.	Zinc waste and scrap	5%	NIL
3.	Cobalt powders	5%	NIL
4.	Waste and scrap of Lithium-Ion Battery	5%	NIL

IT and Electronics Sector

S. No.	Change in Basic Custom Duty Rates	Rate of Duty	
	Commodity	Form	To
1.	Ethernet switches Carrier grade	20%	10%
2.	Open cell for Interactive Flat Panel Display Module with or without touch, Touch Glass Sheet and Touch Sensor PCB for the manufacture of the Interactive Flat Panel Display Module.	15%/10%	5%
3.	Inputs and Parts of the Open Cells for use in the manufacture of Television Panels of LED/LCD TV.	2.5%	Nil
4.	Inputs or Parts/sub-parts for use in the manufacture of the Printed Circuit Board Assembly, Camera module and connectors of cellular mobile phones and inputs and raw materials for use in the manufacture of specified parts of cellular mobile phones i.e., on Wired Headset, Microphone and Receiver, USB Cable and Fingerprint reader/Scanner of Cellular Mobile Phone.	2.5%	Nil
5.	Add 35 capital goods for use in the manufacture of lithium-ion battery of EVs and 28 capital goods for use in the manufacture of lithium-ion battery of mobile phones in the list of exempted capital goods	As Applicable	Nil
6.	To amend entry S. No. 6D of Notification No. 57/2017-Customs and incorporate 'any chapter' in column (2) for goods used to manufacture mechanics of mobile phone	As Applicable	10%

Automobile

S. No.	Change in Basic Custom Duty Rates	Rate of Duty	
	Commodity	Form	To
1.	Motor vehicles for transport of 10 or more persons	25%/40%	20%

S. No.	Change in Basic Custom Duty Rates Commodity	Rate of Duty	
		Form	To
2.	Motor cars and other motor vehicles with CIF value more than US \$40,000 or with engine capacity more than 3000 cc for petrol run vehicles and more than 2500 cc for diesel run vehicles or with both	100%	70%
3.	Motor vehicles for transport of goods	25%/40%	20%
4.	Motor cycles with engine capacity not exceeding 1600cc in CBU form	50%	40%
5.	Motor cycles with engine capacity not exceeding 1600cc in SKD form	25%	20%
6.	Motor cycles with engine capacity of 1600cc and above in CKD form	15%	10%
7.	Motor cycles with engine capacity of 1600cc and above in CBU form	50%	30%
8.	Motor cycles with engine capacity of 1600cc and above in SKD form	25%	20%
9.	Motor cycles with engine capacity of 1600cc and above in CKD form	15%	10%

Toys

S. No.	Change in Basic Custom Duty Rates Commodity	Rate of Duty	
		Form	To
1.	Parts of electronic toys for manufacture of electronic toys	25%	20%

Changes in Export Duty

S. No.	Change in Basic Custom Duty Rates Commodity	Rate of Duty	
		Form	To
1.	Crust leather (hides and skins)	20%	NIL

E. Agriculture Infrastructure and Development Cess (AIDC)

S. No.	Change in Basic Custom Duty Rates Commodity	Rate of Duty	
		Form	To
1.	Marble and travertine, crude or roughly trimmed, merely cut into blocks, slabs and other	NIL	20%

S. No.	Change in Basic Custom Duty Rates Commodity	Rate of Duty	
		Form	To
2.	Granite, crude or roughly trimmed, merely cut into blocks, slabs and other	NIL	20%
3.	Candles, Tapers and the like	NIL	7.5%
4.	PVC Flex Films, PVC Flex Sheets, PVC Flex Banner	NIL	7.5%
5.	Waterproof Footwear with outer soles and Uppers of Rubber or Plastics	NIL	18.5%
6.	Other Footwear with Outer Soles and Uppers of Rubber or Plastics	NIL	18.5%
7.	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather	NIL	18.5%
8.	Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of textile materials	NIL	18.5%
9.	Other Footwear	NIL	18.5%
10.	Marble Slab	NIL	20%
11.	Platinum findings	NIL	1.4%
12.	Solar Cells	NIL	7.5%
13.	Solar Module and Other semiconductor devices and photovoltaic cells	NIL	20%
14.	Motor vehicles for transport of 10 or more persons	NIL	20%
15.	Motor vehicles for transport of 10 or more persons when imported under S. No. 524 (1) (b) of the notification No. 50/2017- Customs	NIL	5%
16.	Motor vehicles for transport of 10 or more persons when imported under S. No. 524 (2) of the notification No. 50/2017- Customs	NIL	20%
17.	Used Motor vehicles	NIL	67.5%
18.	Motor cars and other motor vehicles principally designed for the transport of persons in other than Completely Knocked Down and Semi Knocked Down form with CIF value exceeding USD 40,000	NIL	40%
19.	Motor vehicles for transport of goods	NIL	20%
20.	Motor vehicles for transport of goods when imported under S. No. 525 (1) (b) of the notification No. 50/2017- Customs	NIL	5%

S. No.	Change in Basic Custom Duty Rates	Rate of Duty	
		Form	To
21.	Motor vehicles for transport of 10 or more persons when imported under S. No. 525 (2) of the notification No. 50/2017-Customs	NIL	20%
22.	Used motorcycles and cycles fitted with an auxiliary motor with or without side-ca	NIL	40%
23.	Bicycles	NIL	15%
24.	Yachts and other vessels for pleasure of sports	NIL	7.5%
25.	Electricity meters for alternating current (Smart meter)	NIL	7.5%
26.	Seats (other than those of headings 9402), whether or not convertible into beds, and parts thereof	NIL	5%
27.	Other furniture and parts thereof	NIL	5%
28.	Mattress supports, articles of bedding and similar furnishing etc.	NIL	5%
29.	Luminaries and lighting fittings including searchlights and spotlights and parts thereof etc.	NIL	5%
30.	Parts of electronic toys	NIL	20%
31.	Parts of electronic toys for manufacture of electronic toys (S. No. 591 of notification No. 50/2017-Customs dated 30.06.2017)	NIL	7.5%
32.	Laboratory Chemicals (other than those attracting 10% BCD for specified end use)	NIL	70%

F. Social Welfare Surcharge (SWS)

Some notified goods are being exempted from levy of Social Welfare Surcharge in order to maintain the total effective duty owing to rationalization of basic customs duty rate structure.

G. Review Of Customs Duty exemptions

A review has been done for 25 special exemptions or reduced duty rates listed in Notification No. 50/2017-Customs (dated 30th June 2017), which were set to expire by 31st March 2025. After the review, 24 of these exemptions will continue for different periods, with some changes made to a few of them. However, 1 exemption will no longer be available and will be discontinued.

THE DETAILS OF EXEMPTIONS/CONCESSIONAL RATES BEING EXTENDED WITH OR WITHOUT MODIFICATIONS

S. No.	Description	End Date
1.	Ships and vessel for breaking up	31.03.2035
2.	Raw materials, components, consumables or parts, for use in the manufacture of ships/vessels	31.03.2035
3.	Bulk drugs for manufacture of drugs or medicines [A separate entry is being created for Drugs, medicines, diagnostic kits specified in List 3 with modifications in the list]	31.03.2029
4.	Bulk drugs used in the manufacture of polio vaccine and Monocomponent insulins	31.03.2029
5.	Bulk drugs used in the manufacture of life saving drugs or medicines [A separate entry is being created for Drugs, medicines, diagnostic kits specified in List 4 with modifications in the list]	31.03.2029
6.	Drugs, Medicines or Food for Special Medical Purposes (FSMP) used for treatment of rare disease	31.03.2029
7.	Good specified in List 36 imported by testing agencies specified in List 37, for the purpose of testing and/or certification	31.03.2029
8.	Crude Glycerin for use in manufacture of Epichlorohydrin	31.03.2027
9.	Denatured ethyl alcohol for use in manufacture of industrial chemicals	31.03.2027
10.	Fish meal for use in manufacture of aquatic feed	31.03.2027
11.	Goods for the manufacture of telecommunication grade optical fibers or optical fiber cables	31.03.2027
12.	Textile machinery (with addition of two new machinery)	31.03.2027
13.	Parts and components for use in manufacturing of textile machineries	31.03.2027
14.	Goods for use in the manufacture of Open cell of LCD and LED TV panel	31.03.2027
15.	Seeds for use in manufacturing of rough Lab Grown Diamonds [IGCR condition removed]	31.03.2026
16.	Parts of wind operated electricity generators, for the manufacture or the maintenance of wind operated electricity generators	31.03.2026
17.	Permanent magnets for manufacture of PM synchronous generators above 500KW for use in wind operated electricity generators	31.03.2026

THE FOLLOWING ENTRY IS BEING ALLOWED TO LAPSE WITH EFFECT FROM 01.04.2025

S. No.	Description
1.	Heat Coil for use in the manufacture of Electric Kitchen Chimneys falling under tariff item 84146000

OTHER CHANGES IN NOTIFICATION NO. 50/2017 -CUSTOMS DATED 30.6.2017

S. No.	Description
1.	9 new groups of items such as sea shell, adhesive etc. are being added to the list of duty-free items for use in manufacture of handicrafts for export. The time period for export of the handicraft items is also being increased from 6 months to 1 year, further extended by another three months.
2.	The Basic Customs Duty exemption is being continued for imports of ground installations used for satellites and payloads, as well as their spares and consumables.
3.	BCD exemption is being provided on goods for use in the building of launch vehicles and launching of satellites.

AMENDMENT IN CERTAIN NOTIFICATIONS OF CUSTOMS

Notification No.	Description
16/2017-customs dated 20.04.2017	The notification exempts certain drugs and medicines from paying customs duty, as long as they are provided free of cost to patients under the Patient Assistance Programmes (PAP) run by pharmaceutical companies. Additionally, 37 new drugs and 13 new patient assistance programmes are being added to this list.
153/94-customs dated 13.07.1994	Currently, foreign-made goods can be imported into India for maintenance, repair, or overhauling, with the condition that they must be exported within six months, which can be extended to one year. Now, for railway goods imported for such purposes, the export time has been increased from 6 months to 1 year, and it can be extended by another year if needed.

CENTRAL EXCISE PROPOSALS

- **NEW CLAUSE (EA):** a new term, “**Interim Board**”, is defined in the amendment of Section 31. The **Interim Board** refers to a special board that will be set up under **Section 31A** of the Central Excise Act. This board will handle **settlements** under the Act. The purpose of the **Interim Board** is to provide a structure for resolving disputes or claims under the Act in a fair and efficient manner.
- **NEW CLAUSE (FA):** The amendment also introduces a definition for “**pending application**” is an application filed under Section 32E before April 1, 2025, that meets two conditions:
 - It must have been allowed under Section 32F (1).
 - No order should have been issued under Section 32F (5) by March 31, 2025.

If these conditions are met, the application is still considered “pending” and eligible for further action

- A proviso to section 32(1) is being inserted to provide that CCESC shall cease to operate on or after 1st April, 2025. This suggests that from that date onward, the commission will no longer handle settlement cases, and a new system or board (like the **Interim Board for Settlement**) may take over.
- Sections 32A, 32B, 32C and 32D are being amended by inserting a proviso in all these sections to provide that the provisions of these sections shall not apply on or after 1st April, 2025.
- In proviso to section 32E (5) stated that no new application shall be made under this section on or after the 1st day of April, 2025.

OTHER PROPOSALS

SERVICE TAX

- The finance bill seeks to provide **retrospective exemption** from service tax for **reinsurance services** provided by insurance companies under the following schemes:
 - Weather Based Crop Insurance Scheme (WBCIS)
 - Modified National Agricultural Insurance Scheme (MNAIS)

The retrospective exemption would apply for the period from 1st April 2011 to 30th June 2017 (both dates inclusive).

GOVERNMENT SECURITIES ACT, 2006

- **Section 2(3)** defines "Government securities" as government-issued debt instruments. **Section 2(4)** defines "specified undertaking," an entity recognized by the government in relation to the securities market. The amendments proposed under these sections mainly **update references** to Jammu and Kashmir in sections 2(3) and 2(4) due to its change in status to a Union Territory. This ensures that the law continues to apply to Jammu and Kashmir under its new status.
- Section 3 of the **Government Securities Act, 2006** outlines the **rules** and **conditions** under which **government securities** are to be issued and managed. The amendment proposes to remove the phrase "subject to such terms and conditions as may be specified. This removes the additional restrictions or conditions that were previously imposed on the issuance of government securities.

THE PUBLIC DEBT ACT, 1944

- The Public Debt Act, 1944, which dealt with the issuance and management of public debt, will be repealed. However, a saving clause is provided, which ensures that any rights or obligations created under the Public Debt Act before its repeal will continue to be honored or enforced.

PRODUCTIVITY AND RESILIENCE IN AGRICULTURE

- Prime Minister Dhan-Dhaanya Krishi Yojana will be undertaken
 - To enhance agricultural productivity,
 - Adopt crop diversification and sustainable agriculture practices,
 - Augment post-harvest storage at the panchayat and block level,
 - Improve irrigation facilities, and
 - Facilitate availability of long-term and short-term credit.
- A 6 year "Mission for Aatmanirbharta in Pulses" will be launched with a special focus on Tur, Urad and Masoor.

- The loan limit under the Modified Interest Subvention Scheme will be enhanced from Rs. 3 lakhs to 5 lakhs for loans taken through the KCC.
- 5-year “Mission for Cotton Productivity” will be launched to facilitate significant improvements in productivity and sustainability of cotton farming, and promote extra-long staple cotton varieties.
- India Post with 1.5 lakh rural post offices, complemented by the India Post Payment Bank and a vast network of 2.4 lakh Dak Sevaks, will be repositioned to act as a catalyst for the rural economy.
- Comprehensive multi-sectoral ‘Rural Prosperity and Resilience’ programme will be launched in partnership with states to address underemployment in agriculture through skilling, investment, technology, and invigorating the rural economy.

MSMEs

- To improve access to credit, the credit guarantee cover will be enhanced:
 - a) For Micro and Small Enterprises, from ₹ 5 crore to 10 crores, leading to additional credit of ₹ 1.5 lakh crore in the next 5 years;
 - b) For Startups, from ₹ 10 crore to 20 crores, with the guarantee fee being moderated to 1 per cent for loans in 27 focus sectors important for Atmanirbhar Bharat; and
 - c) For well-run exporter MSMEs, for term loans up to ₹ 20 crore.
- Introduce customized Credit Cards with a ₹ 5 lakh limit for micro enterprises registered on Udyam portal.
- A new scheme will be launched for 5 lakh women, Scheduled Castes and Scheduled Tribes first-time entrepreneurs to provide term loans up to ₹ 2 crore during the next 5 years.
- Focus Product Scheme for Footwear & Leather Sectors will be launched to enhance the productivity, quality and competitiveness of India's footwear and leather sector and is expected to facilitate employment for 22 lakh persons, generate turnover of ₹ 4 lakh crore and exports of over ₹ 1.1 lakh crore.
- Focus on development of clusters, skills, and a manufacturing ecosystem that will create high-quality, unique, innovative, and sustainable toys that will represent the ‘Made in India’ brand.
- National Institute of Food Technology, Entrepreneurship and Management will be established in Bihar
 - To enhance income for the farmers through value addition to their produce, and
 - Skilling, entrepreneurship and employment opportunities for the youth.

INVESTMENT

- The Saksham Anganwadi and Poshan 2.0 programme will be launched to provides nutritional support to children's, pregnant woman, lactating mothers and adolescent girls.
- Fifty thousand Atal Tinkering Labs will be set up in Government schools in next 5 years to cultivate the spirit of curiosity and innovation, and foster a scientific temper among young minds.
- Broadband connectivity will be provided to all Government secondary schools and primary health centres in rural areas under the Bharatnet project.
- Propose to implement a Bhartiya Bhasha Pustak Scheme to provide digital-form Indian language books for school and higher education.
- 5 National Centers of Excellence for skilling will be set up with global expertise and partnerships to equip our youth with the skills required for "Make for India, Make for the World" manufacturing.
- A Centre of Excellence in Artificial Intelligence for education will be set up.
- 10,000 additional seats will be added in medical colleges and hospitals, towards the goal of adding 75,000 seats in the next 5 years.
- Day Care Cancer Centers in all district hospitals will be added in the next 3 years.
- The second Asset Monetization Plan for 2025-30 will be launched to plough back capital of ₹ 10 lakh crore in new projects.
- An active partnership, amendments to the Atomic Energy Act and the Civil Liability Act for Nuclear Damage with the private sector towards Development of at least 100 GW of nuclear energy by 2047 will be taken up.
- Top 50 tourist destination sites in the country will be developed in partnership with states through a challenge mode.
- In the next five years, under the PM Research Fellowship scheme, ten thousand fellowships for technological research in IITs and IISc with enhanced financial support will be provided.

EXPORT PROMOTION MISSION

- An Export Promotion Mission, with sectoral and ministerial targets, driven jointly by the Ministries of Commerce, MSME, and Finance to facilitate easy access to export credit, cross-border factoring support, and support to MSMEs to tackle non-tariff measures in overseasmarkets.
- A digital public infrastructure, 'Bharat Trade Net' (BTN) for international trade will be set-up as a unified platform for trade documentation and financing solutions.
- A national framework will be formulated as guidance to states for promoting Global Capability Centres in emerging tier 2 cities.

WE MAY BE CONTACTED AT

PASCHIM VIHAR, NEW DELHI

313-315, 2nd Floor, Local Shopping Complex (LSC), A-6, Paschim Vihar, New Delhi - 110 063
Tel: +91-11-45733511/12 | + 91-11-45581263/4
E-mail : ca@lunawat.com pvoffice@lunawat.com

KESHOPUR, NEW DELHI

WZ-339, 2nd Floor, Street No. 19, Santgarh, Keshopur, Outer Ring Road, New Delhi - 110 018
Tel: +91-98111 16054 | +91-98116 54471
Email: Keshopur@lunawat.com

KARAMPURA, NEW DELHI

109, Magnum House-1, Karampura Complex, New Delhi-110 015
Tel: + 91-11-41427356 | + 91-11-42068101
E-mail : karampura@lunawat.com

DARYAGANJ, NEW DELHI

54, Daryaganj, New Delhi - 110 002
Email: dgoffice@lunawat.com

MUMBAI

No. J/ 7, First Floor, Mangal Kunj, Opp. Jain Derasar, Jambali Gali, Borivali (W) Mumbai - 400 092
Tel: + 91-93205 71421 | + 91-98692 85628
Email: sethia@lunawat.com

JAMMU, J&K

26-A, North Block Bahu Plaza, Jammu, J&K- 180012
Tel: +91 7889753662
E-mail : jammu@lunawat.com

WE ALSO HAVE ASSOCIATES AT MAJOR CITIES IN INDIA & OVERSEAS