

Highlights

- **Budget speech completed. Finance Bill-II 2009 introduced.**
- Customs duty on bio-diesel reduced.
- **Silver to cost more.**
- Tax to be levied on Law Firms.
- Textile units to receive tax holiday.
- **LCD TVs to cost less. Custom duty on LCD TVs cut from 10% to 5%.**
- **Set-Top Boxes to cost more. Customs duty of 5% on set-top boxes.**
- To extend tax holiday for commercial production of mineral oil and natural gas.
- Enhance budgetary support by Rs 40,000 cr.
- **Fringe Benefit Tax abolished.**
- **Commodity Transaction Tax abolished.**
- **Personal income tax exemption hiked by Rs 10,000.**
- No surcharge of 10% on personal income tax.
- Centralised processing center at Bengalooru to streamline taxation.
- **No change in corporate tax.**
- **Increase in exemption slab for senior citizens by Rs 15,000.**
- **Fiscal deficit at 6.8% of GDP.**
- Proposes Rs 500 cr for rehabilitation of displaced persons of northern and eastern areas of Sri Lanka.
- Aila Relief proposed at Rs 1,000 crore.
- **Increased allocation for higher education. New IITs to be set up. Rs 2,113 cr for IITs and NITs.**
- Rs 25 cr each for AMU campuses in Murshidabad and Mallapuram.
- **Defence outlay goes up. One lakh dwelling units for paramilitary forces personnel to be constructed.**
- Allowances to para-military forces at par with defence forces. One rank, one pension for ex-servicemen.
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- Allocation for Commonwealth Games to be raised to Rs 3472 crore
- Online job exchange to be started with private partnership.
- **Unique ID plan to roll out in 12-18 months.**
- Top people from private sector to be given responsibility of vital national projects.
- **Interest subsidy for home loans up to Rs 1 lakh.**
- **All BPL families to be bought under one smart card program.**
- 50% of all rural women to be brought into self-help group programmes.
- Rural mega clusters in Bengal and Rajasthan.
- To add handloom clusters in West Bengal and Tamil Nadu.
- 75% hike in irrigation projects.
- Rural Housing: Allocation to Indira Awaas Yojna hiked by 63% to Rs 8,883 cr. Rs 7000 crores for rural electrification scheme.
- Rs 31,100 crore allocation for NREGA. NREGA gave employment opportunities to more than 4.479 cr households.
- Rs 100 cr one-time grant to expand banks in non-banking areas.
- **Banks, insurance to stay with Govt. Banking network to be expanded.**
- **Expert panel to look into petroleum product pricing. Domestic oil prices must be in sync with global prices.**
- 'Aam Admi' is the focus of all our programmes and schemes: Pranab
- Tax system should be such that it should encourage voluntary compliance.
- **Income Tax forms to be made user-friendly. Saral-II forms to simplify taxation process.**
- Export Credit Guarantee scheme extended till March 2010.
- Stimulus package to print media extended till December 31.

- Farmers loan interest to come down to 6%. Interest subvention scheme for farm loans to be maintained.
- Additional budget allocation for farmers.
- IIFCL will refinance 60% of commercial bank loans in PPP. IIFCL to look at infrastructure needs.
- Mumbai flood management allocation hiked to Rs 500 cr.
- 87% rise in urban renewal mission. Housing allocation hiked.
- Fiscal stimulus at 3.5% of GDP
- Allocation for NHAI up 23%
- Trade in goods and services doubled in 2008
- Job creation hit due to economic slowdown: Pranab
- **Govt took 3 stimulus packages so far. Two worst quarters of the global economic crisis is now behind us: Pranab**
- One budget can not solve all problems: Pranab
- Foreign capital inflow is important
- Increased focus on growth and encourage nation's development
- Sustain growth rate of 9% for a longer period. Farm sector growth at 4%
- Union Finance Minister begins his speech. This is Pranab Mukherjee's 4th budget.
- Cabinet approves Union Budget.



Taxes

- Service tax levied on law firm
- Custom duty on gold re-imposed
- Customs duty to be reduced on drugs for heart treatment
- No new tax on edible oil imports
- 4 per cent excise duty on cotton products restored
- Customs duty on bio-diesel reduced
- Life saving devices on heart condition exempted from custom duty
- Small business exempt from advance tax
- To maintain overall customs and excise duty structure
- Tax holiday to natural gas extended
- Tax slab raised
- MAT hiked to 15 per cent of book profit
- Commodity transaction tax abolished
- New pension scheme
- Tax holiday for exporters extended until 2012
- Personal income tax exemption hiked by Rs 10,000
- Abolish fringe benefit tax
- Tax holiday extended for textile units
- Goods and services tax from April 1, 2010
- Share of direct taxes has increased to 56 per cent in 2008-09
- Federal Tax/GDP ratio is 11.5 per cent
- No surcharge of 10 per cent on personal income tax
- Increase in exemption slab for senior citizen
- No change in corporate taxes
- Hike in IT exemption for women to Rs 1,90,000
- Govt committed to tax reforms
- Increase automation in direct tax collection
- New tax code in 45 days
- Centralised processing center at Bengaluru to streamline taxation
- Income tax forms should be user friendly
- Tax system should be such that it should encourage voluntary compliance
- Saral form 2 will be introduced



Markets

- Markets in the red.
- Sensex down more than 600 pts



Prices

- Branded jewellery to become cheaper
- Mobile phone accessories to get cheaper
- Set-top box to cost more
- Silver to cost more
- Reduce custom duty on LCD TVs cut from 10 per cent to 5 per cent
- Customs duty of 5 per cent on set top boxes