

Key Features of Budget 2012-2013

HIGHLIGHTS FOR COMMON TAXPAYER

DTC rates proposed to be introduced for personal income tax.

Income Tax Exemption limit for the general category of individual taxpayers proposed to be enhanced from **Rs. 1,80,000 to Rs. 2,00,000** giving tax relief of Rs. 2,000.

Upper limit of 20 per cent tax slab proposed to be raised from **Rs. 8 lakh to Rs. 10 lakh.**

New Income Limits	Tax
Upto Rs. 2,00,000 for General category (Both men and Women) (This limit is Rs. 2,50,000 for senior citizens)	- Nil
Rs. 2,00,000 to Rs. 5,00,000	- 10%
Rs. 5,00,000 to Rs. 10,00,000	- 20%
Rs. 10,00,000 onwards	- 30%

Proposal to allow individual tax payers, a deduction of upto Rs. 10,000 for interest from **savings bank accounts**. Other bank deposits like FD will not attract this clause.

Proposal to allow deduction of upto Rs. 5,000 for preventive health check up. This is within the overall limits of Rs. 15,000 u/s 80 D.

Tax saving u/s 80CCF for investment in Infrastructure bonds abolished for FY 2012-13.

Life Insurance deduction available only if premiums are below 10% of Sum Assured. Tax exemption u/s 80C shall apply only to the Insurance policies where the premium or other payment made on an insurance policy, other than a contract for a deferred annuity, does not exceed 10% of the actual capital sum assured.

Senior citizens not having income from business proposed to be exempted from payment of advance tax.

Securities Transaction Tax (STT) reduced from 0.125% to 0.1%

As per the new sub-section (5D) to **Section 80 G** any payment exceeding a sum of Rs. 10,000 shall only be allowed as a deduction if such sum is paid by any mode other than cash.

TDS @1% at the time of real estate sale above 50 lac. If you sell your any kind of property / real estate, and if the selling price is more than Rs. 50 lacs, you will have to compulsorily pay TDS @1% , even though after indexation and your decision to use the funds in next house purchase, your overall tax out of the transaction might be Zero. In such cases where the tax is nil, you will have to claim that tax amount back by filing a return. Property registration at the registrar office will not be permitted without proof of deduction and payment of this TDS.

Exemption from Capital Gains tax on **sale of residential property**, if sale consideration is used for subscription in equity of a manufacturing SME for purchase of new plant and machinery.

The amount of **duty free goods** you can bring from outside India increased to Rs. 35,000 from the earlier Rs. 25,000 for adults and children above age 10.

Tax filing compulsory for any resident who holds a **property outside India** even if the taxable income in India is below the limit.

Rajiv Gandhi Equity Saving Scheme to allow for income tax deduction of 50 % to **new retail investors**, who invest upto Rs. 50,000 directly in equities and whose annual income is below Rs. 10 lakh to be introduced. The scheme will have a lock-in period of 3 years.

Proposed to levy 1 % excise duty on **non-branded gold jewellery** besides doubling import duty on gold to 4 %.

Proposed that jeweller should collect 1 % tax from every buyer if sale consideration exceeds Rs. **2,00,000 in cash**.

Branded silver jewellery has been fully exempted from excise duty..

Turnover limit for compulsory tax audit of account and presumptive taxation of SMEs to be raised from Rs. 60 lakhs to Rs. 1 crore.

Proposal to extend the levy of Alternate Minimum Tax to all persons, other than companies, claiming profit linked deductions.

Tax proposals for 2012-13 mark progress in the direction of movement towards DTC and GST.

OVERVIEW OF THE ECONOMY

GDP is estimated to grow by 6.9 % in real terms in 2011-12, after having grown at 8.4 % in preceding two years. India however remains front runner in economic growth in any cross-country comparison.

India's GDP growth in 2012-13 expected to be 7.6 per cent +/- 0.25 per cent.

Fiscal deficit at 5.9 per cent of GDP in RE 2011-12.

Fiscal deficit at 5.1 per cent of GDP in BE 2012-13.

OTHER TAX PROPOSALS DIRECT TAXES

To provide low cost funds to stressed infrastructure sectors, rate of withholding tax on interest payment on ECBs proposed to be reduced from 20 % to 5 % for 3 years for certain sectors.

Restriction on Venture Capital Funds to invest only in 9 specified sectors proposed to be removed.

Proposal to continue to allow repatriation of dividends from foreign subsidiaries of Indian companies at a lower tax rate of 15 % upto 31.3.2013.

Investment link deduction of capital expenditure for certain businesses proposed to be provided at the enhanced rate of 150 %.

New sectors to be added for the purposes of investment linked deduction.

Proposal to extend weighted deduction of 200 % for R&D expenditure in an in house facility for a further period of 5 years beyond March 31, 2012.

Proposal to provide weighted deduction of 150 % on expenditure incurred for agri-extension services.

Proposal to extend the sunset date for setting up power sector undertakings by one year for claiming 100 % deduction of profits for 10 years.

Proposal to provide weighted deduction at 150 % of expenditure incurred on skill development in manufacturing sector.

Proposal to introduce General Anti Avoidance Rule to counter aggressive tax avoidance scheme. Measures proposed to deter the generation and use of unaccounted money.

A net revenue loss of Rs. 4,500 crore estimated as a result of Direct Tax proposals.

INDIRECT TAXES Service Tax

To maintain a healthy fiscal situation proposal to raise service tax rate from 10 % to 12 %, with corresponding changes in rates for individual services.

Service tax confronts challenges of its share being below its potential, complexity in tax law, and need to bring it closer to Central Excise Law for eventual transition to GST.

Proposal to tax all services except those in the negative list comprising of 17 heads.

Exemption from service tax is proposed for some sectors.

Number of alignment made to harmonize Central Excise and Service Tax. A common simplified registration form and a common return comprising of one page are steps in this direction.

Revision Application Authority and Settlement Commission being introduced in Service Tax for dispute resolution. Utilization of input tax credit permitted in number of services to reduce cascading of taxes.

Place of Supply Rules for determining the location of service to be put in public domain for stakeholders' comments.

Study team to examine the possibility of common tax code for Central Excise and Service Tax.

New scheme announced for simplification of refunds.

Rules pertaining to point of taxation are being rationalized.

Proposals from service tax expected to yield additional revenue of Rs. 18,660 crore.13

Other proposals for Indirect Taxes

Given the imperative for fiscal correction, standard rate of excise duty to be raised from 10 % to 12 %, merit rate from 5 % to 6 % and the lower merit rate from 1 % to 2 % with few exemptions.

Excise duty on large cars also proposed to be enhanced.

No change proposed in the peak rate of customs duty of 10 % on nonagricultural goods.

To stimulate investment relief proposals for specific sectors - especially those under stress.

Agriculture and Related Sectors

Basic customs duty reduced for certain agricultural equipment and their parts;

Full exemption from basic customs duty for import of equipment for expansion or setting up of fertilizer projects upto March 31, 2015.

Infrastructure

Proposal for full exemption from basic customs duty and a concessional CVD of 1 % to steam coal till 31st March, 2014.

Full exemption from basic duty provided to certain fuels for power generation.

Mining

Full exemption from basic customs duty to coal mining project imports.

Basic custom duty proposed to be reduced for machinery and instruments needed for surveying and prospecting for minerals.

Railways

Basic custom duty proposed to be reduced for equipments required for installation of train protection and warning system and upgradation of track structure for high speed trains.

Roads

Full exemption from import duty on certain categories of specified equipment needed for road construction, tunnel boring machines and parts of their assembly.

Civil Aviation

Tax concessions proposed for parts of aircraft and testing equipment for third party maintenance, repair and overhaul of civilian aircraft.

Manufacturing

Relief proposed to be extended to sectors such as steel, textiles, branded readymade garments, low-cost medical devices, labour-intensive sectors producing items of mass consumption and matches produced by semi-mechanised units.

Health and Nutrition

Proposal to extend concessional basic customs duty of 5 per cent with full exemption from excise duty/CVD to 6 specified life saving drugs/vaccines.

Basic customs duty and excise duty reduced on Soya products to address protein deficiency among women and children.

Basic customs duty and excise duty reduced on Iodine.

Basic customs duty reduced on Probiotics.

Environment

Concessions and exemptions proposed for encouraging the consumption of energy-saving devices, plant and equipment needed for solar thermal projects.

Concession from basic customs duty and special CVD being extended to certain items imported for manufacture for hybrid or electric vehicle and battery packs for such vehicles.

FRBM ACT

Introduction of amendments to the FRBM Act as part of Finance Bill, 2012.

Concept of “Effective Revenue Deficit” and “Medium Term Expenditure Framework” statement are two important features of amendment to FRBM Act in the direction of expenditure reforms.

Effective Revenue Deficit is the difference between revenue deficit and grants for creation of

capital assets. This will help in reducing consumptive component of revenue deficit and create space for increased capital spending.

“Medium-term Expenditure Framework” statement will set forth a three-year rolling target for expenditure indicators.

Recommendations of the Expert Committees to streamline and reduce the number of centrally sponsored schemes and to address plan and non-plan classification to be kept in view while implementing Twelfth Plan.

Central Plan Scheme Monitoring System to be expanded for better tracking and utilisation of funds.

SUBSIDIES

Some subsidies, while being inevitable, may become undesirable if they compromise the macroeconomic fundamentals of economy.

Subsidies related to administering the Food Security Act will be fully provided for.

Endeavour to keep central subsidies under 2 % of GDP in 2012-13. Over next 3 year, to be further brought down to 1.75 % of GDP.

Based on recommendation of task force headed by Shri Nandan Nilekani, a mobile-based Fertilizer Management System has been designed to provide end to-end information on movement of fertilisers and subsidies. Nation-wide roll out during 2012.

All three public sector Oil Marketing Companies have launched LPG transparency portals to improve customer service and reduce leakage.

Endeavour to scale up and roll out Aadhaar enabled payments for various government schemes in atleast 50 districts within next 6 months.

TAX REFORMS

DTC Bill to be enacted at the earliest after expeditious examination of the report of the Parliamentary Standing Committee.

Drafting of model legislation for the Centre and State GST in concert with States is under progress.

GST network to be set up as a National Information Utility and to become operational by Aug'12.

DISINVESTMENT POLICY

Government has further evolved its approach to divestment of Central Public Sector Enterprises by allowing them a level playing field vis-à-vis the private sector in respect of practices like buy backs and listing at stock exchanges.

For 2012-13, Rs. 30,000 crore to be raised through disinvestment. At least 51 % ownership and management control to remain with Government.

STRENGTHENING INVESTMENT ENVIRONMENT

Foreign Direct Investment

Efforts to arrive at a broadbased consensus in consultation with the State Governments in respect of decision to allow FDI in multi-brand retail upto 51 %.

Advance Pricing Agreement

Provision regarding implementation of Advance Pricing Agreement to be introduced in Finance Bill, 2012.

Capital Market

Various steps proposed to be taken for deepening the reforms in the Capital markets, including simplifying process of IPOs, allowing QFIs to access Indian Bond Market etc.

Legislative Reforms

Official amendment to “The Pension Fund Regulatory and Development Authority Bill, 2011”, “The Banking Laws (Amendment) Bill, 2011” and “The Insurance Law (Amendment) Bill, 2008” to be moved in this session.

Various Bills proposed to be moved in the Budget session of the Parliament to take forward the process of financial sector legislative reforms.

Capitalisation of Banks and Financial Holding Company. To protect the financial health of Public Sector Banks and Financial Institutions,

Rs. 15,888 crore proposed to be provided for capitalisation. Possibility of creating a financial holding company to raise resources to meet the capital requirements of PSU Banks under examination.

A central “Know Your Customer” depository to be developed in 2012-13 to avoid multiplicity of registration and data upkeep.

Priority Sector Lending

Revised guidelines on priority sector lending to be issued after stakeholder consultation.

Financial Inclusion

Out of 73,000 identified habitations that were to be covered under “Swabhimaan” campaign by March, 2012, about 70,000 habitations have been covered. Rest likely to be covered by March 31, 2012.

As a next step, Ultra Small Branches are being set up at these habitations.

In 2012-13, “Swabhimaan” campaign to be extended to more habitations.

Regional Rural Banks

Out of 82 RRBs in India, 81 have successfully migrated to Core Banking Solutions and have also joined the National Electronic Fund Transfer system.

Proposal to extend the scheme of capitalisation of weak RRBs by another 2 years to enable States to contribute their share.

INFRASTRUCTURE AND INDUSTRIAL DEVELOPMENT

During Twelfth Plan period, investment in infrastructure to go up to Rs. 50 lakh crore with half of this, expected from private sector.

More sectors added as eligible sectors for Viability Gap Funding under the scheme “Support to PPP in infrastructure”.

Government has approved guidelines for establishing joint venture companies by defence PSUs in PPP mode.

First Infrastructure Debt Fund with an initial size of Rs. 8,000 crore launched earlier this month.

Tax free bonds of Rs. 60,000 crore to be allowed for financing infrastructure projects in 2012-13.

A harmonised master list of infrastructure sector approved by the Government.

IIFCL has put in place a structure for credit enhancement and take-out finance for easing access of credit to infrastructure projects.

National Manufacturing Policy

National Manufacturing Policy announced with the objective of raising, within a decade, the share of manufacturing in GDP to 25 % and creating of 10 crore jobs.

Power and Coal

Coal India Limited advised to sign fuel supply agreements with power plants, having long-term PPAs with DISCOMs and getting commissioned on or before March 31, 2015.

External Commercial Borrowings (ECB) to be allowed to part finance Rupee debt of existing power projects.

Transport: Roads and Civil Aviation

Target of covering a length of 8,800 kilometer under NHDP next year.

Allocation of the Road Transport and Highways Ministry enhanced by 14 % to Rs. 25,360 crore.

ECB proposed to be allowed for capital expenditure on the maintenance and operations of toll systems for roads and highways, if they are part of original project.

Direct import of Aviation Turbine Fuel permitted for Indian Carriers as actual users.

ECB to be permitted for working capital requirement of airline industry for a period of one year, subject to a total ceiling of US \$ 1 billion.

Proposal to allow foreign airlines to participate upto 49 % in the equity of an air transport undertaking under active consideration of the government.

Delhi Mumbai Industrial Corridor

In September 2011 central assistance of Rs. 18,500 crore spread over 5 years approved. US \$ 4.5 billion as Japanese participation in the project.

Housing Sector

Various proposals to address the shortage of housing for low income groups in major cities and towns including allowing ECB for low cost housing projects and setting up of a credit guarantee trust fund etc.

Fertilisers

Government has taken steps to finalise pricing and investment policies for urea to reduce India's import dependence in urea.

Textiles

Government has announced a financial package of Rs. 3,884 crore for waiver of loans of handloom weavers and their cooperative societies.

Two more mega handloom clusters, one to cover Prakasam and Guntur districts in Andhra Pradesh and another for Godda and neighbouring districts in Jharkhand to be set up.

Three Weaver's Service Centres one each in Mizoram, Nagaland and Jharkhand to be set up for providing technical support to poor handloom weavers.

Rs. 500 crore pilot scheme announced for promotion and application of Geo-textiles in the North Eastern Region.

A powerloom mega cluster to be set up in Ichalkaranji in Maharashtra with a budget allocation of Rs. 70 crore.

Micro, Small and Medium Enterprises

Rs. 5,000 crore India Opportunities Venture Fund to be set up with SIDBI.

To enable greater access to finance by Small and Medium Enterprises (SME), two SME

exchanges launched in Mumbai recently.

Policy requiring Ministries and CPSEs to make a minimum of 20 % of their annual purchases from MSEs approved. Of this, 4 % earmarked for procurement from MSEs owned by SC/ST entrepreneurs.

AGRICULTURE

Plan Outlay for Department of Agriculture and Co-operation increased by 18 %.

Outlay for Rashtriya Krishi Vikas Yojana (RKVY) increased to Rs. 9,217 crore in 2012-13.

Initiative of Bringing Green Revolution to Eastern India (BGREI) has resulted in increased production and productivity of paddy. Allocation for the scheme increased to Rs. 1,000 crore in 2012-13 from Rs. 400 crore in 2011-12.

Rs. 300 crore to Vidarbha Intensified Irrigation Development Programme under RKVY.

Remaining activities to be merged into following missions in Twelfth Plan:

National Food Security Mission

National Mission on Sustainable Agriculture including Micro Irrigation

National Mission on Oilseeds and Oil Palm

National Mission on Agricultural Extension and Technology

National Horticultural Mission National Mission for Protein Supplement

Rs. 2,242 crore project launched with World Bank assistance to improve productivity in the dairy sector. Rs. 500 crore provided to broaden scope of production of fish to coastal aquaculture.

Agriculture Credit

Target for agricultural credit raised by Rs. 1,00,000 crore to Rs. 5,75,000 crore in 2012-13.

Interest subvention scheme for providing short term crop loans to farmers at 7 % interest p.a. to be continued in 2012-13. Additional subvention of 3 % available for prompt paying farmers.

Short term RRB credit refinance fund being set up to enhance the capacity of RRBs to disburse short term crop loans to small and marginal farmers.

Kisan Credit Card (KCC) Scheme to be modified to make KCC a smart card which could be used at ATMs.

Agricultural Research

A sum of Rs. 200 crore set aside for incentivising research with rewards.

Irrigation

Structural changes in Accelerated Irrigation Benefit Programme (AIBP) being made to maximise flow of benefit from investments in irrigation projects.

Allocation for AIBP in 2012-13 stepped up by 13 % to Rs. 14,242 crore.

Irrigation and Water Resource Finance Company being operationalised to mobilise large resources to fund irrigation projects.

A flood management project approved by Ganga Flood Control Commission at a cost of Rs. 439 crore for Kandi sub-division of Murshidabad District.

National Mission on Food Processing

A new centrally sponsored scheme titled “National Mission on Food Processing” to be started in 2012-13 in co-operation with State Governments.

Steps taken to create additional food grain storage capacity in the country.

INCLUSION

Scheduled Castes and Tribal Sub Plans

Allocation for Scheduled Castes Sub Plan at Rs. 37,113 crore in BE 2012-13 represents an increase of 18 per cent over BE 2011-12.

Allocation for Tribal Sub Plan at Rs.21,710 crore in BE 12-13 represents an increase of 17.6 %.

Food Security

National Food Security Bill, 2011 is before Parliamentary Standing Committee.

A national information utility for computerisation of PDS is being created. To become operational by December, 2012.

Multi-sectoral Nutrition Augmentation Programme

A multi-sectoral programme to address maternal and child malnutrition in selected 200 high burden districts is being rolled out during 2012-13.

Allocation of Rs. 15,850 crore made for Integrated Child Development Service (ICDS) scheme, representing an increase of 58 % over BE 2011-12.

Rs. 11,937 crore allocated for National Programme of Mid Day Meals in schools.

An allocation of Rs. 750 crore proposed for Rajiv Gandhi Scheme for Empowerment of Adolescent Girls, SABLA.

Rural Development and Panchayati Raj

Budgetary allocation for rural drinking water and sanitation increased from Rs. 11,000 crore to Rs. 14,000 crore representing an increase of over 27 %.

Allocation for PMGSY increased by 20 % to Rs.24,000 crore to improve connectivity.

Major initiative proposed to strengthen Panchayats through Rajiv Gandhi Panchayat

Sashaktikaran Abhiyan.

Backward Regions Grant Fund scheme to continue in twelfth plan with enhanced allocation of Rs. 12,040 crore in 2012-13, representing an increase of 22 per cent over the BE 2011-12.

Rural Infrastructure Development Fund (RIDF)

Allocation under RIDF enhanced to Rs. 20,000 crore. Rs. 5,000 crore earmarked exclusively for creating warehousing facilities.

EDUCATION

For 2012-13, Rs. 25,555 crore provided for RTE-SSA representing an increase of 21.7 % over 2011-12.

6,000 schools proposed to be set up at block level as model schools in Twelfth Plan.

Rs. 3,124 crore provided for Rashtriya Madhyamik Shiksha Abhiyan (RMSA) representing an increase of 29 % over BE 2011-12.

To ensure better flow of credit to students, a Credit Guarantee Fund proposed to be set up.

HEALTH

No new case of polio reported in last one year.

Existing vaccine units to be modernised & new integrated vaccine unit to be set up in Chennai.

Scope of 'Accredited Social Health Activist' – 'ASHA' is being enlarged. This will also enhance their remuneration.

Allocation for NRHM proposed to be increased from Rs. 18,115 crore in 2011-12 to Rs. 20,822 crore in 2012-13.

National Urban Health Mission is being launched.

Pradhan Mantri Swasthya Suraksha Yojana being expanded to cover upgradation of 7 more Government medical colleges.

EMPLOYMENT AND SKILL DEVELOPMENT

MGNREGS has had a positive impact on livelihood security.

Need to bring about greater synergy between MGNREGA and agriculture and allied rural livelihoods.

Allocation of Rs. 3915 crore made for National Rural Livelihood Mission representing an increase of 34 %.

To ease access to bank credit, corpus for 'Women's SHG's Development Fund'.

Proposal to establish Bharat Livelihoods Foundation of India through Aajeevika scheme.

Allocation for Prime Minister's Employment Generation Programme increased by 23 per cent to Rs. 1,276 crore in 2012-13.

Skill Development

Projects approved by National Skill Development Corporation expected to train 6.2 crore persons at the end of 10 years.

Rs. 1,000 crore allocated for National Skill Development Fund in 2012-13.

To improve the flow of institutional credit for skill development, a separate Credit Guarantee Fund to be set up.

"Himayat" scheme introduced in J&K to provide skill training to 1 lakh youth in next 5 years. Entire cost to be borne by Centre.

SOCIAL SECURITY AND THE NEEDS OF WEAKER SECTIONS

Allocation under NSAP raised by 37 per cent to Rs. 8,447 crore in 2012-13.

In the ongoing Indira Gandhi National Widow Pension Scheme and Indira Gandhi National Disability Pension Scheme for BPL beneficiaries, pension amount to be raised from Rs. 200 to Rs. 300 per month.

Lump sum grant on the death of primary breadwinner of a BPL family, in the age group 18-64 years, doubled to Rs. 20,000.

To enhance access under SWAVALAMBAN scheme, LIC appointed as an Aggregator and all Public Sector Banks appointed as Points of Presence (PoP) and Aggregators.

Special grant provided to various universities and academic institutions.

Security

A provision of Rs. 1,93,407 crore made for Defense services including Rs. 79,579 crore for capital expenditure. Any further requirement to be met.

Rs. 1,185 crore proposed to be allocated for construction of nearly 4,000 residential quarters for Central Armed Police Forces.

Rs. 3,280 crore proposed to be allocated for construction of office building of Central Armed Police Forces.

Scheme to create National Population Register likely to be completed within next 2 years.

GOVERNANCE

UID-Aadhaar

Enrolment of 20 crore persons completed under UID mission. Adequate funds to be allocated to complete enrolment of another 40 crore persons.

Black Money

Proposal to lay a White Paper on Black Money in current session of Parliament.

Public Procurement Legislation

Bill regarding Public Procurement Legislation to be introduced in the Budget Session of the Parliament.

Legislative measures for strengthening anti-corruption framework are at various stages of enactment.

BUDGET ESTIMATES 2012-13

Gross Tax Receipts estimated at Rs. 10,77,612 crore.

Net Tax to Centre estimated at Rs. 7,71,071 crore.

Non-tax Revenue Receipts estimated at Rs. 1,64,614 crore.

Non-debt Capital Receipts estimated at Rs. 41,650 crore.

Temporary arrangement to use disinvestment proceeds for capital expenditure in social sector schemes extended for one more year.

Total expenditure for 2012-13 budgeted at Rs. 14,90,925 crore.

Plan expenditure for 2012-13 at Rs. 5,21,025 crore is 18 per cent higher than BE 2011-12. This is higher than 15 per cent projected in Approach to the Twelfth Plan.

99 per cent of the total plan outlay met in the Eleventh Plan.

Non-plan expenditure estimated at Rs. 9,69,900 crore.

Rs. 3,65,216 crore estimated to be transferred to States including direct transfers to States and district level implementing agencies.

Entire amount of subsidy is given in cash and not as bonds in lieu of subsidies.

Net market borrowing required to finance the deficit to be Rs. 4.79 lakh crore in 2012-13.

Central Government debt at 45.5 per cent of GDP in 2012-13 as compared to Thirteenth Finance Commission target of 50.5 per cent.

Effective Revenue Deficit to be 1.8 per cent of GDP in 2012-13. 11

Additional resource mobilisation

Proposals to increase excise duty on 'demerit' goods such as certain cigarettes, hand-rolled bidis, pan masala, gutkha, chewing tobacco, unmanufactured tobacco and zarda scented tobacco.

Cess on crude petroleum oil produced in India revised to Rs. 4,500 per metric tonne.

Basic customs duty proposed to be enhanced for certain categories of completely built units of large cars/MUVs/SUVs.

Rationalization measures

Excise duty rationalised for packaged cement, whether manufactured by minicement plants or others.

Chassis for building of commercial vehicle bodies to be charged excise duty at an *ad valorem rate* instead of mixed rate.

Import of foreign-going vessels to be exempted from CVD of 5 per cent retrospectively.

Proposals relating to Customs and Central excise to result in net revenue gain of Rs. 27,280 crore.

Indirect taxes estimated to result in net revenue gain of Rs. 45,940 crore.

Net gain of Rs. 41,440 crore in the Budget due to various taxation proposals.