

# DPNC GLOBAL

## Analysis on INTERIM BUDGET 2024-2025



## FOREWORD

Hon'ble Finance Minister Smt. Nirmala Sitharaman delivered her Budget speech, presenting the Interim Budget 2024-25 at Parliament on Thursday, February 1, 2024.

Guided by the principle 'reform, perform, and transform', the Government's initiative to take up next-generation reforms, and build consensus with the states and stakeholders for effective implementation has been on the list.

Besides delivering on high growth in terms of Gross Domestic Product, the Government is equally focused on a more comprehensive 'GDP', i.e., 'Governance, Development and Performance'.

While there are no major changes relating to direct and indirect taxation, however, to continue to promote the start-up eco-system the Finance Ministry proposed to extend the sunset date for incorporation of eligible startup from 31<sup>st</sup> March, 2024 to 31<sup>st</sup> March, 2025.

The move to withdraw the old outstanding disputed tax demands of upto Rs.25000 is a welcome step. Around 1 Cr taxpayers are expected to benefit from it.

"Viksit Bharat Budget benefits every section of society, lays foundation of developed India"-says PM Modi.

Under the governance of Prime Minister Narendra Modi, the nation is buzzing with positive energy of our youth and entrepreneurship, enabling the nation to march forward, with an aim of sustained economic growth that will enable India to achieve developed economy status by 2047. Large interest free outlay and Rs 1 lakh crore corpus will push India to be on the forefront of innovation and skill enhancement.

For this, the government aims to focus on 4 major castes- Poor, Women, Yuva and Farmer, as the country progress when they progress.

## FOREWORD

As per the budget speech the total receipts in FY 2024-25 other than borrowings and the total expenditure are estimated at Rs. 30.80 lakh crore and Rs. 47.66 lakh crore respectively. The tax receipts are estimated at Rs. 26.02 lakh crore.

Hope you find the compilation by our team comprehensive and informative.

Thank You,

Regards

**Team DPNC Global LLP**

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# The Indian Economy - A Review

*In last 10 years, we have seen India becoming one of the top five economies from 'Fragile 5'. Earlier, the country's rate of inflation was in double digits which is now within 4%*

*~ Hon'ble President Droupadi Murmu*



# Key Highlights of Indian Economy Review 2024

## Economic Indicators:

- The overall public sector capital investment rose from Rs 5.6 lakh crore in FY15 to Rs. 18.6 lakh crore in FY24.
- The GST system has shown improved buoyancy over the pre-GST regime with consistently rising average monthly gross collections from Rs. 0.9 lakh crore in FY18 to Rs. 1.5 lakh crore in FY23.
- Non-food credit growth, excluding personal loans, is growing at double-digit rates.

## Economic Outlook:

- India's growth estimate for FY24 stands at 7.3%.
- The headline inflation is expected to gradually decline to the target.
- India's current account deficit lowered to 1% of GDP in the first half of FY24.

## Education and Enrolment:

- The Gross Enrolment Ratio (GER) for girls in higher education increased from 12.7% in FY10 to 27.9% in 2020.
- Total enrolment in higher education increased from 3.4 crore students in 2014 to 4.1 crore students in 2023.
- The number of universities increased from 723 in 2014 to 1,113 in 2023.
- The GER of girls in schools at the secondary level increased from 75.5% in FY15 to 79.4% in FY22.

## Financial Inclusion:

- The 1.14 lakh startups (as of October 2023) recognised by the government under the Startup India initiative have reported the creation of more than 12 lakh jobs. The Open Network for Digital Commerce has recorded more than 6.3 million transactions in November 2023.

- Fifty-one crore bank accounts under Jan Dhan Yojana now have total deposits of over Rs 2.1 lakh crore, with over 55% of them being women.
- The expenditure on social services has increased at a CAGR of 5.9 per cent between FY12 and FY23, while the capital expenditure on social services has grown by 8.1 per cent CAGR over the same period, indicating the creation of societal assets.
- The Sukanya Samriddhi Yojana, a flagship small deposits scheme for financial planning for the girl child, has more than 3.1 crore accounts to its credit.
- The latest data from the Insolvency and Bankruptcy Board of India (IBBI) shows that the IBC has rescued 808 corporate debtors through resolution plans, with realisations of 168.5 per cent against the liquidation value and 32 per cent as against the admitted claims of the creditors.

### **Government Objectives:**

- The Indian government aims for India to become the third-largest economy in the world and a 'developed country' by 2047.
- Diverse reforms aim at a business-friendly environment, higher living standards, and governance fortification, reflecting a commitment to sustained growth and stability.

### **Public Health Achievements:**

- 221 crore vaccination doses were administered to the population aged 18 years and above as part of one of the world's largest vaccination programs.

### **Space Exploration:**

- India had launched 431 foreign satellites, out of which 396 had been launched since June 2014.

# Budget Allocation and Fiscal Summary

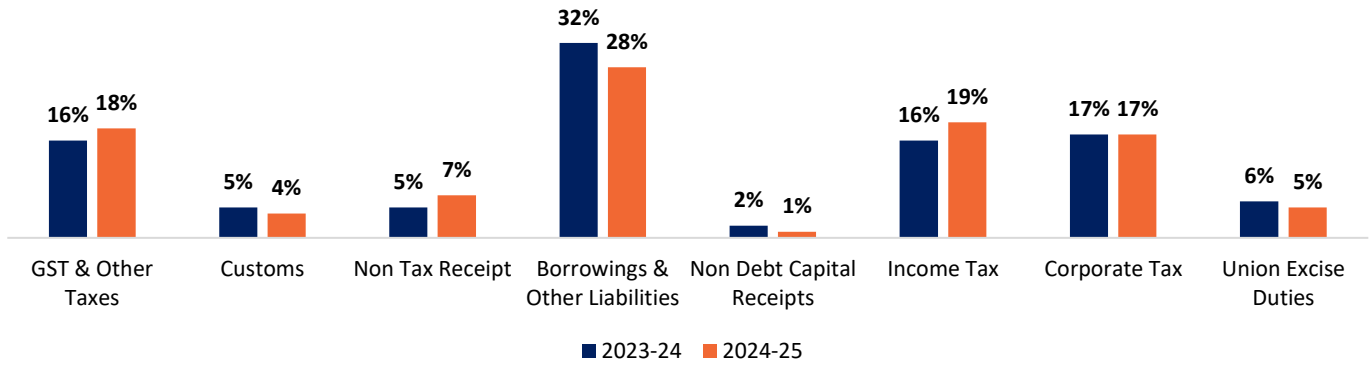
*No populist measures were announced as has traditionally been expected in pre-election budgets. A welcome, and I hope, permanent approach! The fiscal deficit target was better than envisaged. Prudence scored a decisive victory!*

*Businesses place a high value on stability and predictability and that was evident in this budget. The really good news was the higher Tax to GDP ratio which has long been hoped for and which cements a strong foundation for fiscal flexibility and aggressive expenditure when it is needed*

*~ Anand Mahindra, Chairman, Mahindra Group*

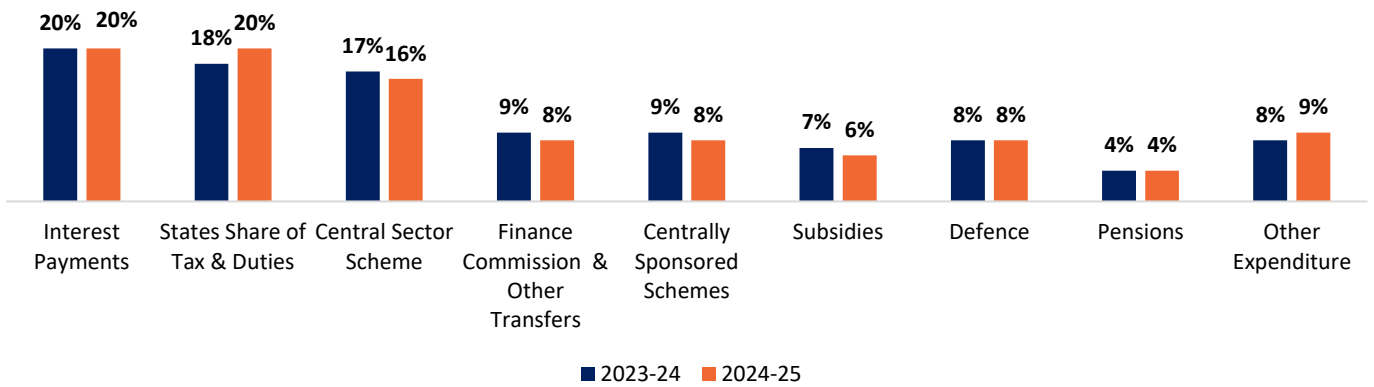


### Rupee Comes from



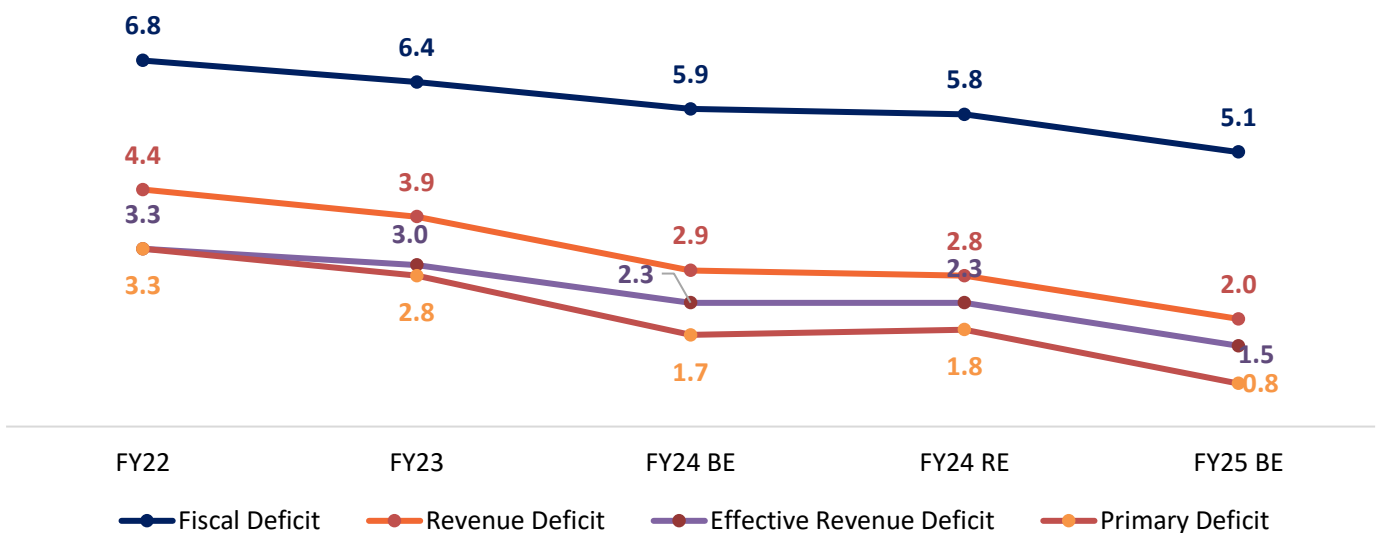
As a % of total rupees that comes in

### Rupee Goes To



As a % of total rupees that goes out

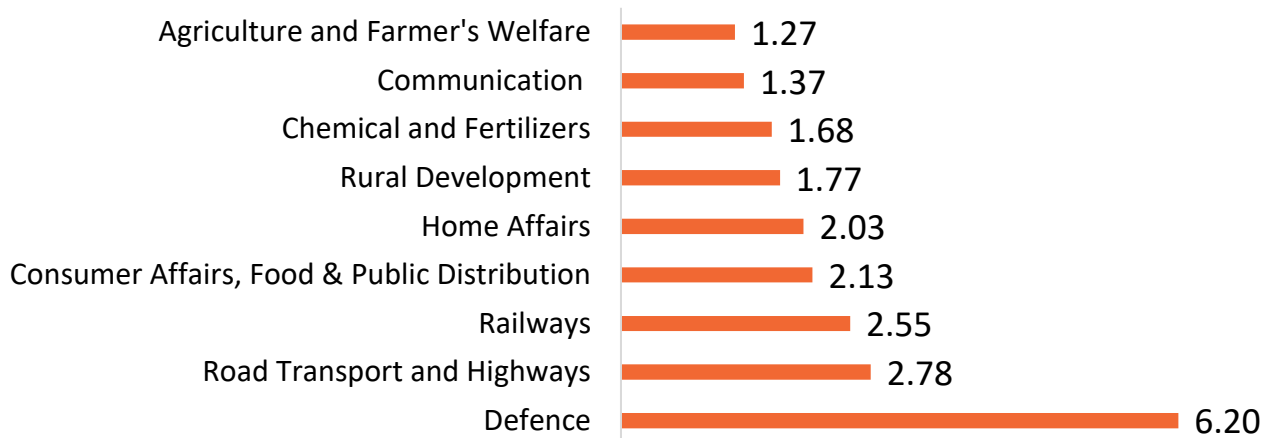
### Deficit Trends (% of GDP)



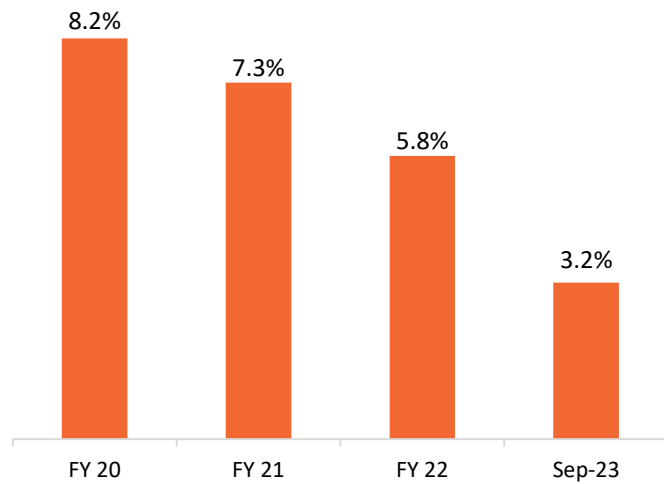
Source: Budget at a glance

### Allocation for Ministries

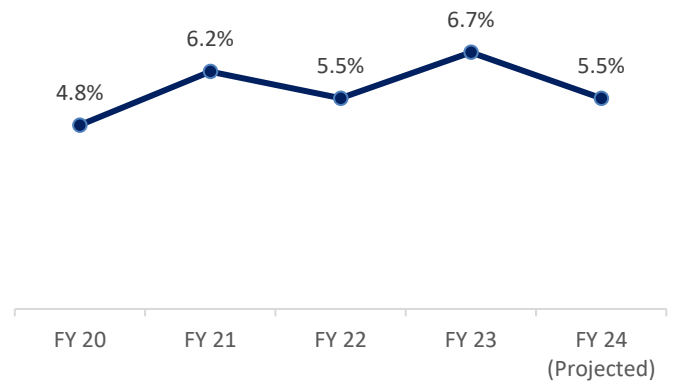
(Rs Lakh Cr)



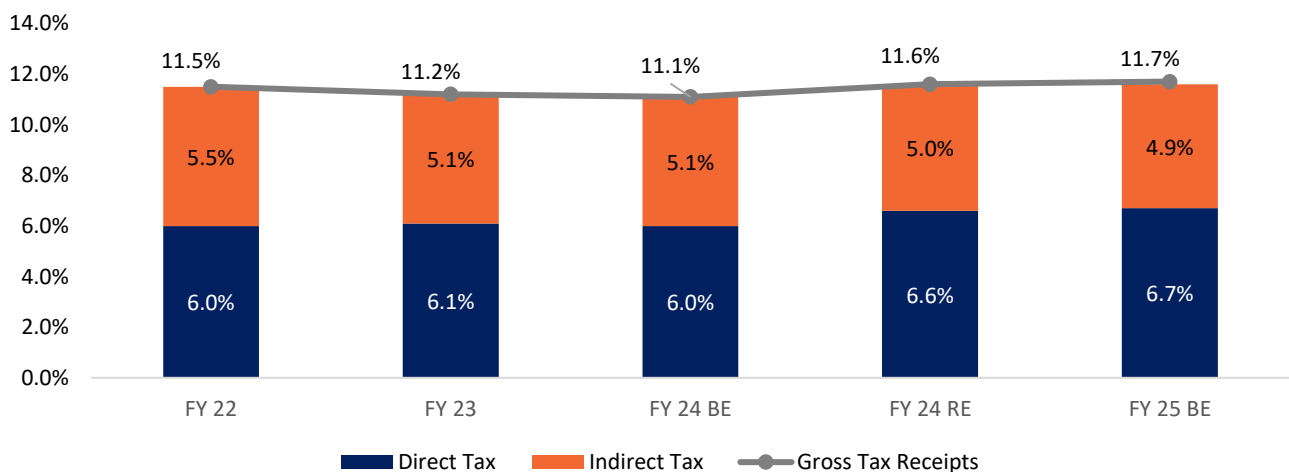
### Declining GNPA's as % of Gross Advances



### Headline Inflation



### Trend in Tax Receipts



As a % of GDP

Source: Budget at a glance

# Budget Theme

*Her emphasis on research & innovation, biomanufacturing, robust infrastructure development, and technology - driven digital transformation augur well for India to deliver on aspirational yet people-centric, inclusive development*

*~ Kiran Mazumdar Shaw,  
Chairperson, Biocon Ltd*



## Budget Theme

*Our vision for Viksit Bharat is that of a “prosperous Bharat in harmony with nature, with modern infra while providing opportunities for all citizens and all regions to reach their potential”.*

*Earning 'Sabka Vishwas', the next 5 years will be of unprecedented development and of building a Developed India by 2047. The trinity of democracy, demography, and diversity backed by 'Sabka Prayas' has the potential to fulfill aspirations of every Indian. –*

*~Nirmala Sitharaman, Finance Minister of India*

### A. Guiding principles for progress and growth

- **Sabka Saath, Sabka Vikas**
- **Sabka Sath, Sabka Vikas, Sabka Vishwas**

With the ‘whole of nation’ approach of ‘*Sabka Prayas*’, the country overcame the challenge of a once-in-a-century pandemic, took long strides towards ‘*Atmanirbhar Bharat*’, committed to ‘*Panch Pran*’, and laid solid foundations for the ‘*Amrit Kaal*’. As a result, our young country has high aspirations, pride in its present, and hope and confidence for a bright future.

### B. Exemplary Track Record of Governance, Development and Performance (GDP)

Besides delivering on high growth in terms of Gross Domestic Product, the Government is equally focused on a more comprehensive ‘GDP’, i.e., ‘Governance, Development and Performance’.

People are living better and earning better, with even greater aspirations for the future. Average real income of the people has increased by fifty per cent. Inflation is moderate. People are getting empowered, equipped and enabled to pursue their aspirations. There is effective and timely delivery of programmes and of large projects.

## C. FOCUS AREA

### WELFARE FOR THE POOR, WELFARE FOR THE NATION

- DBT has led to savings of Rs 2.7 Lakh Crore
- 25 Crore people Moved out of Multi-Dimensional Poverty
- Credit Assistance to 78 lakh street vendors under PM-SVANidhi

### EMPOWERING YOUTH

- 1.4 crore youth, upskilled and reskilled 54 lakh youth under skill India Mission
- A large number of new institutions of higher learning, namely 7 IITs, 16 IIITs, 7 IIMs, 15 AIIMS and 390 universities have been set up.
- PM Mudra Yojana has sanctioned 43 crore loans aggregating to 22.5 lakh crore for entrepreneurial aspirations of our youth.

### WELFARE OF FARMERS

- Direct financial assistance is provided to 11.8 crore farmers under PM-KISAN SAMMAN Yojana.
- Crop insurance is given to 4 crore farmers under PM Fasal Bima Yojana.
- Integrated 1361 mandis , and is providing services to 1.8 crore farmers with trading volume of 3 lakh crore.

### WOMEN EMPOWERMENT

- 30 crore Mudra Yojana loans have been given to women entrepreneurs.
- Female enrolment in higher education has gone up by 28% in 10 years.
- In STEM courses, girls and women constitute 43% of enrolment - one of the highest in the world.
- 83 lakh SHGs with 9 Crore women are transforming rural socio-economic landscape with empowerment and self-reliance

## D. STRATEGY OF AMRIT KAAL

### Research and Innovation for catalyzing growth, employment and development

- For our tech savvy youth, this will be a golden era. A corpus of rupees 1 lakh crore will be established with 50 year interest free loan.
- A new scheme will be launched for strengthening deep tech technologies for defence purposes and expediting 'atmanirbharta'.

### Infrastructure Development and Investment

- Building on the massive tripling of the capital expenditure outlay in the past 4 years resulting in huge multiplier impact on economic growth and employment creation.
- The outlay for the next year is being increased by 11.1 per cent to eleven lakh, eleven thousand, one hundred and eleven crore rupees (11,11,111 crore). This would be 3.4 per cent of the GDP.
- Promotion of foreign investment via bilateral investment treaties to be negotiated in the spirit of 'First Develop India'.
- 40,000 normal rail bogies will be converted to the Vande Bharat standards to enhance safety, convenience and comfort of passengers.
- Expansion of existing airports and development of new airports will continue expeditiously.
- Promotion of urban transformation via Metro rail and NaMo Bharat.

### Commitment to meet 'Net Zero' by 2070

- Viability gap funding for wind energy.
- Setting up of coal gasification and liquefaction capacity of 100 MT will be set up by 2030.

- Phased mandatory blending of CNG, PNG and compressed biogas.
- Financial assistance for procurement of biomass aggregation machinery.

### **Rooftop Solarization**

- 1 crore households will be enabled to obtain up to 300 units of free electricity per month.
- Embracing electronic buses for the public transportation network
- Enhancing the e-vehicle ecosystem through assistance in manufacturing and charging infrastructure.

### **Health**

- Encourage Cervical Cancer Vaccination for girls (9-14 years)
- Saksham Anganwadi and Poshan 2.0 to be expedited for improved nutrition delivery, early childhood care and development.
- U-WIN platform for immunisation efforts of Mission Indradhanush to be rolled out.
- Health cover under Ayushman Bharat scheme to be extended to all ASHA, Angawadi workers and helpers.

### **Housing**

- Pradhan Mantri Awas Yojana (Grameen) close to achieving target of 3 crore houses, additional 2 crore targeted for next 5 years.
- Housing for Middle Class scheme to be launched to promote middle class to buy/built their own houses.

## Agriculture and Food Processing

- Government will promote private and public investment in post-harvest activities.
- Application of Nano-DAP to be expanded in all agro-climatic zones.
- Atmanirbhar Oilseeds Abhiyaan-Strategy to be formulated to achieve atmanirbharta for oilseeds.
- Comprehensive programme for dairy development to be Formulated.
- Implementation of Pradhan Mantri Matsya Sampada Yojana to be stepped up to enhance aquaculture productivity, double exports and generate more employment opportunities.
- 5 Integrated Aquaparks to be set up.





# Direct Taxation

*Write off of old demand (pre2010) up to Rs 25,000 is a major step to clean the books. There are many such cases where such demand is not supported by papers. This is expected to help a large number of taxpayers*

*~ Kamlesh Varshney,  
Former IRS & Joint Secretary, Finance Ministry*



# DIRECT TAXATION

## A. Tax Rate

There is no change in tax rate, surcharge and education cess for any assessee being Individual, HUF, AOP, BOI, Company, Firms, Artificial Judicial Persons etc. For tax rates of the assessee please refer Annexure A.

## B. Extension of sunset dates under various provisions

The Finance Bill 2024 proposes to extend the sunset date for several provisions under the Income-tax Act. The date under the following provisions is proposed to be extended from 2024 to 2025:

### **Exemption to specified fund [Section 10(4D)]**

Section 10(4D) provides an exemption to the specified funds with respect to certain specified income. Such exemption will be granted only with respect to income which is attributable to units held by a non-resident (not being a PE in India) or is attributable to the investment division of an offshore banking unit, as the case may be.

The exemption under Section 10(4D) is also allowed to the Investment division of the offshore banking unit. An investment division of an offshore banking unit shall be treated as a specified fund and eligible for exemption under this provision if it satisfies certain conditions. One of the conditions is that its operations must be commenced on or before 31-03-2024.

This date to commence operations is proposed to be extended from 31-03-2024 to 31-03-2025. Consequently, the specified income of the Investment division of an offshore banking unit will remain exempt if it initiates operations on or before 31-03-2025.

### **Exemption to royalty or interest income received by a non-resident from lease of aircraft or a ship [Section 10(4F)]**

Any income of a non-resident by way of royalty or interest on account of leasing of an aircraft or a ship in a previous year to a unit of an International Financial Services Centre as referred to in Section 80LA(1A) shall be exempt from tax provided such unit has commenced its operations on or before 31-03-2024.

This date of commencement of operations is proposed to be extended from 31-03-2024 to 31-03-2025.

### **Exemption to the wholly owned subsidiary of ADIA or Sovereign wealth fund or pension fund [Section 10(23FE)]**

Income in the nature of dividend, interest or long-term capital gains of a wholly owned subsidiary of the Abu Dhabi Investment Authority, a sovereign wealth fund, or a pension fund shall be exempt from tax. The exemption is allowed on fulfilment of certain conditions.

The exemption under this provision shall be available if the investment is made between 01-04-2020 and 31-03-2024 in the specified entities. The Finance Bill 2024 proposes an extension of the deadline for making investments from 31-03-2024 to 31-03-2025.

### **Extension in the outer date for the incorporation of start-up [Section 80-IAC]**

An eligible start-up (company or LLP) can claim a deduction under Section 80-IAC for the profit and gains arising from eligible business. The deduction can be claimed up to 100% of the profits and gains derived in 3 consecutive years out of the 10 assessment years beginning from the year of incorporation.

One of the conditions to claim deduction under this provision is that an eligible entity is incorporated on or after 01-04-2016 but before 01-04-2024. This outer date for the incorporation of a start-up company or LLP is proposed to be extended from 2024 to 2025.

Consequently, the deduction under Section 80-IAC will remain available to a start-up if incorporated on or before 31-03-2025.

### **Deduction to Off-shore Banking Units and IFSC [Section 80LA]**

A Schedule Bank, a foreign Bank or a unit of IFSC is eligible to claim a deduction under Section 80LA. In the case of a bank, 100% of the income is deductible for 10 consecutive assessment years. In the case of a unit of an IFSC, 100% of income is deductible for 10 consecutive assessment years out of 15 years.

The deduction is allowed for the income arising from the transfer of an asset, being an aircraft or a ship, which was leased by a unit of the IFSC from its business for which it has been approved for setting up at such a center in an SEZ. However, the deduction in respect of this income shall be allowed if the unit has commenced operation on or before 31-03-2024. It has been proposed that this date to commence operations be extended from 31-03-2024 to 31-03-2025. Consequently, the deduction can be claimed even if the unit has commenced operations on or before 31-03-2025.

### **C. Extension in the time limit to issue directions by CBDT for implementing faceless regime**

- The Central Government has undertaken several measures to make the proceedings under the Act electronic by eliminating the personal interface between the taxpayer and the department to the extent technologically feasible and providing for optimal utilization of resources and a team-based assessment with dynamic jurisdiction.
- Apart of this process of making the tax administration transparent and efficient, enabling provisions to notify faceless schemes under Sections 92CA, 144C, 253 and 255 in line with the faceless assessment and faceless appeal schemes, were introduced through the Taxation and Other Laws (Relaxation and Amendment of Certain Provisions) Act, 2020 with effect from 01-11-2020 and the Finance Act 2021 w.e.f. 01-04-2021.

- To implement the faceless regime in the above-mentioned provisions, it was provided that the CBDT will issue directions in the following manner:

Sections	Particulars	Issue of directions by
92CA	Faceless determination of arm's length price	31-03-2024
144C	Faceless Dispute Resolution Panel	31-03-2024
253	Faceless appeal to Appellate Tribunal	31-03-2024
255	Faceless procedure of Appellate Tribunal	31-03-2024

- The Finance Bill 2024 has proposed to amend the above provisions to extend the date for issuing directions for Sections 92CA, 144C, 253 and 255 from 31-03-2024 to 31-03-2025.

**D. Section 206C(1G) – Amendment proposes to align TCS provisions u/s 206C(1G) , related to TCS on LRS/Overseas Tour Packages, with the CBDT Circular No. 10/2023 dated June 30, 2023 wherein certain relief was provided.**

- Certain amendments have been made in Section 206C(1G) through Finance Act 2023 which were effective from 01.07.2023. However, due to the practical difficulties faced by various banks, financial institutions etc in implementation of the said amendments, Ministry of Finance ('MOF') has come with a press release dated 28.06.2023 delaying the effective dates of amendments from 01.07.2023 to 01.10.2023.
- Subsequently a Circular No. 10/2023 dated June 30, 2023 was issued wherein certain relief was provided regarding TCS provisions. Detail of TCS on LRS/Overseas Tour Packages u/s 206C(1G) as per said circular is as under:

Nature of payment	New Rates w.e.f. 01.10.23 after CBDT Circular No. 10/2023 dated 30.06.2023
LRS for education financed by loan	Nil up to Rs.7 lakh 0.5% above Rs.7 lakh
LRS for Medical treatment/ education (other than financed by loan)	Nil up to Rs.7 lakh 5% above Rs.7 lakh
LRS for other purposes	Nil up to Rs.7 lakh, 20% above Rs.7 Lakhs
Purchase of Overseas tour program package	5% till Rs.7 Lakh, 20% thereafter

- Now, Finance Bill, 2024 proposes amendment in section 206C(1G) just to give effect to the said Circular No. 10/2023 dated June 30, 2023 and no changes has been made in rates of TCS.
- Position of TCS on LRS/Overseas Tour Packages u/s 206C(1G) after amendment in budget 2024 would remain same as shown in the above table.

### E. Withdrawal of small outstanding direct tax demands

The finance minister, in her budget speech, has proposed the withdrawal or waiver of small, unresolved, unverified, or disputed direct tax demands related to financial years up to 2014-15. This initiative aims to address concerns related to demands amounting to Rs. 25,000 for the period up to financial year 2009-10 and Rs. 10,000 for financial years 2010-11 to 2014-15.

# Indirect Taxation

*The Indian economy has witnessed profound positive transformation in the last ten years. The people of India are looking ahead to the future with hope and optimism*

*~Nirmala Sitharaman, Finance Minister of India*



# INDIRECT TAXATION

## A. RCM can also be included under ISD mechanism for credit distribution

- Earlier, there was no such provision that the input service distributor could distribute the credit of tax invoices in respect of services liable to tax under reverse charge basis.
- It is now proposed to allow Input service distributor to distribute the credit of such invoices which are liable to tax under reverse charge basis as well.
- Such amendment is proposed to be effective from the date to be notified separately in this regard.

## B. Insertion of Section 122A of the CGST Act,2017

- Presently, no specific penalty exists for the manufacturers of certain goods (primarily tobacco-based goods) which are subject to specialized machine registration procedures as outlined in Section 148 and who failed to comply with the said procedures.
- It is now proposed that such contravention will attract additional penalty equal to an amount of one lakh rupees for every manufacturing machine not so registered.
- It is further proposed that such machine not so registered shall be liable for seizure and confiscation. Such machine shall not be confiscated where the penalty so imposed is paid, and the registration of such machine is made in accordance with the special procedure within three days of the receipt of communication of the order of penalty.
- Such amendment is proposed to be effective from the date to be notified separately in this regard.



## ANNEXURE - A

## A. Personal Tax

## Tax Slab for Individuals/HUFs :-

Tax Slab as per new tax regime u/s 115BAC	Tax Rate
Upto Rs 3 lakhs	Exempt
Rs 3 lakhs - Rs 6 lakhs	5%
Rs 6 lakhs – Rs 9 lakhs	10%
Rs 9 lakhs – Rs 12 lakhs	15%
Rs 12 lakhs – Rs 15 lakhs	20%
Above Rs 15 lakhs	30%

Tax Slab as per Normal Provision	Tax Rate
Upto Rs 2.5 lakhs	Exempt
Rs 2.5 lakhs - Rs 5 lakhs	5%
Rs 5 lakhs – Rs 10 lakhs	20%
Above Rs 10 lakhs	30%

- Rebate U/s 87A under old regime is Rs 12,500
- Rebate U/s 87A under new regime is Rs 25,000
- As a result of this, No Tax on resident individual having taxable income upto Rs 7,00,000

## Surcharge for Individuals/HUFs

Surcharge for Individual or HUF exercising option for 115BAC	Tax Rate
Income exceeding Rs 50 Lakh but does not exceeding Rs 1 Crore	10%
Income exceeding Rs 1 Crore but does not exceeding Rs 2 Crore	15%
Income exceeding Rs 2 Crore	25%

Surcharge for Individual or HUF (Normal Provision)	Tax Rate
Income exceeding Rs 50 Lakh but does not exceeding Rs 1 Crore	10%
Income exceeding Rs 1 Crore but does not exceeding Rs 2 Crore	15%
Income exceeding Rs 2 Crore but does not exceeding Rs 5 Crore	25%
Income exceeding Rs 5 Crore	37%

Surcharge on Capital Gains taxable u/s 111A ,112 & 112A and on dividend income is capped at 15%.

## Cess

- Health & Education cess in all cases remains unchanged at 4%.

## ANNEXURE - A

**B. Corporate Tax**

Basic tax rates for companies are as under :-

Particulars	Tax rates
For domestic companies whose total turnover or gross receipts in the FY 2021-22 does not exceed Rs 400 Crores	25%
For companies opting for Section 115BA	25%
For companies opting for Section 115BAA	22%
For companies opting for Section 115BAB	15%
For other domestic Companies	30%
Foreign Companies	40%

- MAT is 15% except for companies opting for Section 115BAA/115BAB

**Surcharge for companies**

Particulars	Domestic Company	Foreign Company
Income exceeding Rs 1 crore but not exceeding Rs 10 Crore	7%	2%
Income exceeding Rs 10 crore	12%	5%

- For companies opting for Section 115BAA/115BAB Surcharge of 10% would be levied irrespective of the income

**Cess**

Health & Education Cess in all cases remains unchanged at 4%.

**C. Firms and LLP**

- Basic tax rate remains at 30% and surcharge rate is 12% where income exceeds Rs 1 Crore.
- Health & Education Cess in all cases remains unchanged at 4%.

**D. Co-operative Society**

Particulars	Tax Rate
Income upto Rs 10,000	10%
Income exceeding Rs 10,000 but not exceeding Rs 20,000	20%
Income exceeding Rs 20,000	30%

- Section 115BAD - Resident Co – operative society has the option to pay Tax @ 22%, if the co- operative Society agrees to forego prescribed deductions and exemptions under the Income Tax Act, 1961
- Sec 115BAE applicable for new manufacturing co-operative society set up on or after 01.4.2023 , which commences manufacturing or production on or before 31.03.2024 , has the option to pay tax @ 15% for AY 2024-25 onwards.
- Surcharge: 7% if total income exceeds Rs 1 Crore and 12% if total income exceeds Rs 10 Crores. if opting for 115BAD & 115BAE Surcharge of 10% would be levied.
- Health & Education Cess in all cases remains unchanged at 4%.

**E. AOP/BOI/Artificial Judicial Person (Normal Provisions)**

Particulars	Tax Rate
Income upto Rs 2.5 Lakh	Nil
Income exceeding Rs 2.5 Lakh but not exceeding Rs 5 Lakh	5%
Income exceeding Rs 5 Lakh but not exceeding Rs 10 Lakh	20%
Income exceeding Rs 10 Lakh	30%

**Surcharge for AOP/BOI/Artificial Judicial Person (Normal Provisions)**

Particulars	Tax Rate
Income exceeding Rs 50 Lakh but not exceeding Rs 1 Crore	10%
Income exceeding Rs 1 Crore but not exceeding Rs 2 Crore	15%
Income exceeding Rs 2 Crore but not exceeding Rs 5 Crore	25%
Income exceeding Rs 5 Crore	37%

- Surcharge on Capital Gains taxable u/s 111A ,112 & 112A and on dividend income is capped at 15%.
- Maximum Surcharge on AOP with all members as a company is 15%.

**Cess**

- Health & Education cess in all cases remains unchanged at 4%.

**F. AOP/BOI / Artificial Judicial Person (Section 115BAC)**

Particulars	Tax Rate
Income upto Rs 2.5 Lakh	Nil
Income exceeding Rs 2.5 Lakh but not exceeding Rs 5 Lakh	5%
Income exceeding Rs 5 Lakh but not exceeding Rs 10 Lakh	20%
Income exceeding Rs 10 Lakh	30%

**Surcharge for AOP/BOI/Artificial Judicial Person (Opting for Section 115BAC)**

Surcharge for AOP/BOI/AJP opting for 115BAC	Tax Rate
Income exceeding Rs 50 Lakh but not exceeding Rs 1 Crore	10%
Income exceeding Rs 1 Crore but not exceeding Rs 2 Crore	15%
Income exceeding Rs 2 Crore	25%

- Surcharge on Capital Gains taxable u/s 111A ,112 & 112A and on dividend income is capped at 15%.
- Maximum Surcharge on AOP with all members as a company is 15%.

**Cess**

- Health & Education cess in all cases remains unchanged at 4%.

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