



कालीन निर्यात संवर्धन परिषद CARPET EXPORT PROMOTION COUNCIL

(Set up by Ministry of Textiles, Govt of India)

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SANJAY KUMAR

Executive Director-cum-Secretary

Ref: CEPC/HQ/ED-Corres/2020-21

Date: 01-02-2021

To,
All Members CEPC

Subject: Highlights of Union Budget 2021-22

Dear Sir,

As you are aware today Hon'ble Finance Minister as presented union budget 2021. Highlights of budget are as follows:

General

- First digital Budget in the history of India
- Vehicle Scrapping Policy. Vehicle Fitness Test after 20 years in case of Personal vehicle and 15 years in case of commercial vehicles
- 7 Mega Textile Investment parks will be launched in 3 years
- Proposal to amend Insurance Act. Proposal to increase FDI from 49% to 74 %.
- Proposal to revive definition of 'Small Companies' under Companies Act 2013. Capital less than 2 Cr. and Turnover Less than 20 Cr.
- Disinvestment: IPO of LIC, Announced Disinvestment of Companies will be completed in FY 2021-22

Direct and Indirect Tax

- ❖ Senior Citizens: Reduced Compliance burden. 75 years and above. Proposal not to file ITR if only pension income and interest income.
- ❖ Reduction in time for IT Proceedings: Reopening of Assessments period reduced from 6 years to 3 years except in cases of serious tax evasion cases
- ❖ Proposal to constitute 'Dispute Resolution Committee'. (Taxable income 50 lakhs and disputed income 10 lakh).
- ❖ National Faceless Income Tax Appellate Tribunal Centre
- ❖ Tax Audit Limit: Proposal of tax audit increased from 5 Cr. to 10 cr. (Only for 95% digitized payments business)

- ❖ Propose to provide relief on advance tax liability on dividend income.
- ❖ Prefiling of returns (Salary, Tax payments, TDS etc.) Details of Capital gains from listed Securities, dividend income, etc. will be prefilled
- ❖ Small Charitable Trusts. Increased from 1 crore to 5 crores (Compliance limit)
- ❖ Incentive to start up: Tax holiday exemption for one more year
- ❖ Duties reduced on various textile, chemicals and other products
- ❖ Agriculture Products: Custom duty increased on cottons, silks, alcohol etc.

Members may take a note of the above.

Regards,

SANJAY KUMAR
EXECUTIVE DIRECTOR