

# Union Budget 2022-23: Comprehensive analysis

What this budget  
means for business



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“ This year’s budget focuses on long-term growth and building a strong economy with a strong emphasis on domestic manufacturing, digitisation, rural upliftment and planned urbanisation. The Hon’ble Finance Minister has highlighted fiscal deficit consolidation in the near future, based on strong economic recovery, robust forex reserves, and growth in exports and revenue collections.

Overall policy framework gives importance to addressing both supply and demand side constraints and adopting an agile policy response to the unprecedented challenges posed by the ongoing pandemic for sustainable development and job creation.

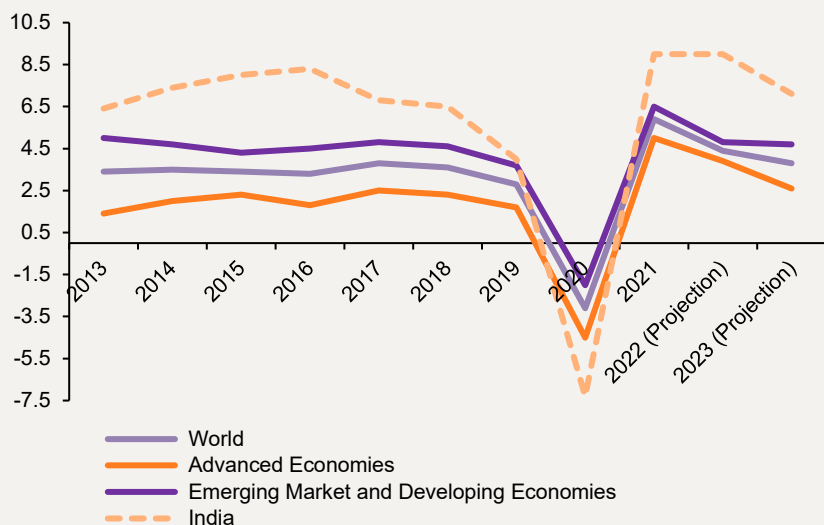
Status quo has been maintained on the tax rates for most taxpayers. The introduction of tax on virtual digital assets is expected to shape a new taxation regime around cryptocurrencies and similar investments. Largely, the tax proposals are based on principles of consistency, with measures to reduce protracted litigation and rationalisation of customs regime.

”

# Economic overview



## World economic growth



- Despite resurgence of the pandemic, recovery of global economy is continuing.
- As per the IMF, growth projection for the global economy is 5.9%, 4.4% and 3.8% in 2021, 2022 and 2023, respectively.
- Supply disruptions, rising inflation driven by fuel and energy prices, slower-than-expected consumption growth and changing pandemic dynamics are going to be the major challenges.

Source: World Economic Outlook, January 2022, IMF

## Country wise GDP estimates (USD trillion)

	2020	2021
USA	20.89	22.06
China	14.72	19.92
Japan	5.06	5.14
Germany	3.85	3.95
India	2.78	3.27
UK	2.76	2.96
France	2.63	2.80

- India is expected to play an increasingly important role as one of the major growth engines.
- India's GDP doubled in a period of only seven years, growing to USD 2 trillion in 2014 from USD 1 trillion in 2007.
- According to first advance estimate of GDP in 2021, India's GDP is valued at USD 3.27 trillion (converted on the basis of 2019 IMF estimates).

Source based on 2019 IMF estimates

# Economic overview



## Economic growth in India

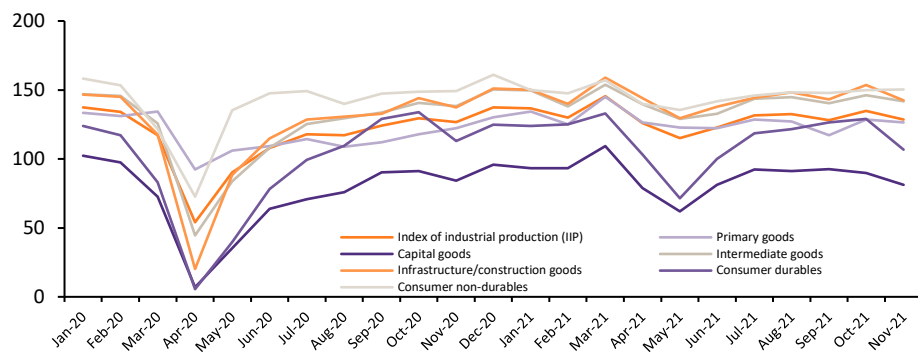
### Quarterly GDP (y-o-y growth rate)



Source: NSO, MOSPI

- GDP growth rebounded sharply in 2021 and is poised to grow at 9.2% in 2021 according to the first advance estimate of the government, which is 1.26% higher than pre-pandemic level (2019).
- Y-o-y GDP in the first and second quarter of 2021 continued to grow at a healthy pace due to easing of supply restrictions and rapid immunisation in the country.
- Starting from a very low base in 2020, GDP growth in the first and second quarter of 2021 reached 20.1% and 8.4%, respectively.

## Economic growth in India: Recovery

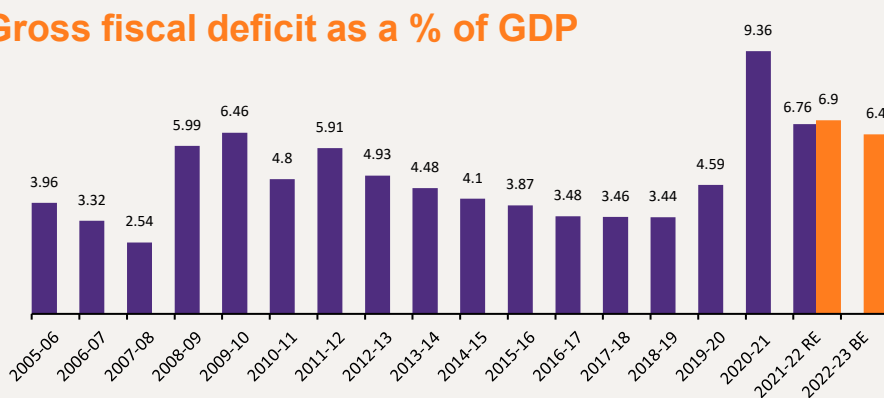


Source: NSO, MOSPI

- Industrial Production Index recovered sharply after the first and second wave, showing resilience of the industrial sector to shocks and the potential of quick recovery.
- The third wave of the pandemic has interrupted the recovery process, though it does not seem to be as severe as compared to the earlier waves.

## Fiscal deficit

### Gross fiscal deficit as a % of GDP



Source: Handbook of statistics on Indian economy, RBI and Budget documents

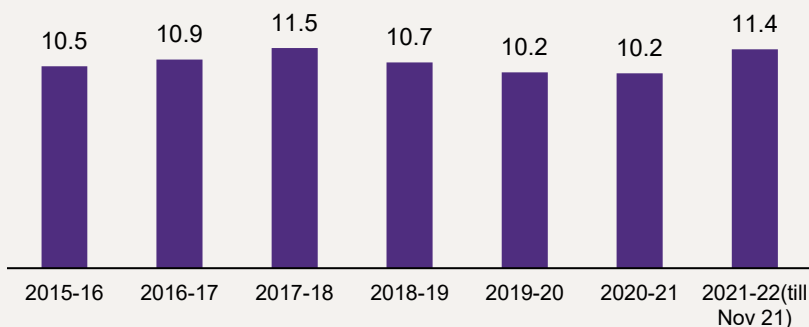
- The revised estimate of fiscal deficit for FY 2021-22 is 6.9% of the GDP as against 6.8% budgeted estimate.
- The fiscal deficit for FY 2022-23 has been budgeted at 6.4% of the GDP.

# Economic overview



## Tax GDP ratio

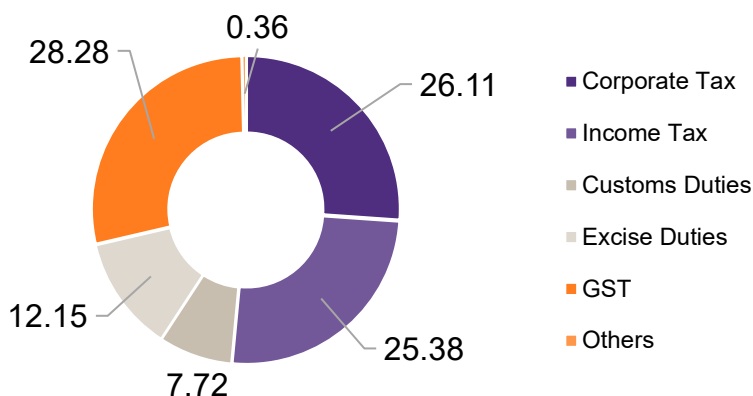
### Tax receipts as a percentage of GDP



Source: Economic Outlook database, CMIE; Controller General of Accounts

- Tax receipts as a percentage of GDP, which was declining since 2017-18, has increased to 11.4% due to high revenue collection in the current year.

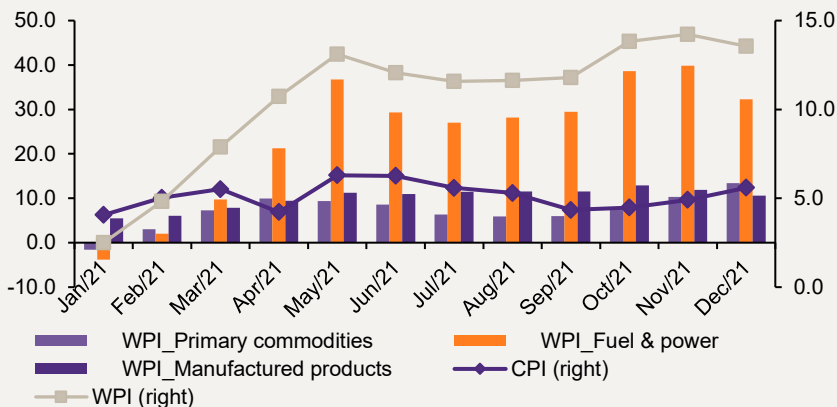
## Projected tax revenues (in %)



Source: Budget documents

- It is estimated that in FY 2022-23, GST would account for 28.28% of total major tax revenues.
- Collection from corporate taxes is projected at 26.11% of the gross tax revenue.
- Income tax is estimated to contribute about 25.38% of the total gross tax revenue.

## Inflation



Source: Economic Outlook database, CMIE

- The increasing trend of CPI inflation in recent months, driven by sharply increasing prices of fuel and power and primary commodities along with slower growth in private consumption may be a cause of concern.
- Despite these challenges, India is looking to remain one of the fastest growing economies in the world.

# Tax proposals



# Key direct tax proposals



## Key changes in individual taxation

### No change in individual slab rates

#### Exemption of amount received on account of COVID-19

##### Sum received for medical treatment

- Any sum received from employer or any other person towards medical treatment of self or family member will not be considered as a taxable perquisite or income from other sources.

##### Sum received by family of deceased person where death was due to COVID-19 or related illness

- Entire ex-gratia received from employer is tax exempt.
- Amount up to INR 10 lakh received from any person other than employer would be tax exempt.

Tax exemption is subject to receiving amount within 12 months of death and fulfillment of other conditions as may be notified.

**The amendment codifies the press release of June 2021, which announced COVID-19 relief for individual taxpayers in respect of payments made after 1 April 2020.**

#### Relief to taxpayers for maintenance of dependent with disability

- Currently, deduction is allowed to the taxpayer (parent/guardian) for an amount paid as premium towards a scheme for maintenance of disabled dependent where such dependent is eligible to receive lumpsum or annuity upon the taxpayer's death.
- It is proposed to extend the deduction even if disabled dependent receives lumpsum or annuity during taxpayer's lifetime on their attaining the age of 60 years and deposit to such scheme has been discontinued.

#### Enhanced deduction for employer's contribution to NPS for state government employees

- Deduction of employer's contribution to NPS for state government employees was restricted to 10%. This limit has been increased to 14% with effect from 1 April 2019 to bring parity with central government employees.
- Exemption limit for employer's contribution to NPS for private sector employees remains at 10%.

# Key direct tax proposals



## Key changes in corporate taxation

### Deduction on conversion of interest payable into financial instruments

Conversion of interest payable to financial institutions/NBFCs/scheduled bank or a co-operative bank, into debenture or any other financial instruments by which liability to pay is deferred shall not be regarded as actual payment and hence no deduction shall be allowed on such conversion.

### Expenses not allowable as tax deduction

No deduction shall be allowed on business expenditure incurred for:

- Any purpose which is an offence, or which is prohibited by any law both within or outside India.
- Providing benefit to any person, if acceptance of such benefit violates any law/rule/regulation/guidelines governing the conduct of such person.
- Compounding of offence both within and outside India.

### Tax deductibility of surcharge or cess

- It has been clarified that no deduction shall be allowed for surcharge or cess while computing business income.
- This is a clarificatory amendment which is applicable retrospectively from AY 2005-06.

### Deductibility of expenditure incurred in connection with earning exempt income

- Currently, taxpayers are considering the expenditure incurred for earning exempt income as non-deductible only if such exempt income has accrued, arisen or received during the year.
- The amendment proposes to consider such expenditure as non-deductible even if the related exempt income has not accrued or arisen or received during the year.

**These clarifications are designed to nullify existing favourable judicial precedents on the matter.**





# Key direct tax proposals



## Key changes in corporate taxation

### Date extensions for claiming certain tax reliefs

- **15% corporate tax rate for new domestic manufacturing companies:** The last date for commencement of manufacturing or production of article or thing is proposed to be extended by one year to 31 March 2024.
- **Tax holiday to 'eligible start-ups':** The last date of incorporation of an 'eligible start-up' has been extended by one year to 31 March 2023.

### Deduction for donations made for specified research

- To correct an inadvertent drafting error in FA 2020, a retrospective amendment has been proposed to allow deduction for donations made to research associations, universities, colleges or other institutions, only if such institutions file a statement of donations with the Income tax authorities and furnish a certificate to the donor.
- The above proposed amendment will take effect retrospectively from 1 April 2021.

### Withdrawal of concessional dividend tax rate

- Foreign dividends will be taxed at normal tax rates and the concessional rate of 15% has been withdrawn.

### Transfer pricing

#### Deferment of faceless assessment/appeal

- Period for notifying scheme for faceless assessments before TPO and for disposal of objections before DRP is extended to 31 March 2024.
- Similar extension is also proposed for appeal filing and proceedings before the ITAT.

#### Revisionary powers enhanced to cover TP matters

- Scope of revisionary powers in respect of orders prejudicial to revenue proposed to be extended to orders passed by the TPO.
- Revisionary powers include power to modify or cancel the order.



# Key direct tax proposals



## Taxation of virtual digital assets

- Income from transfer of virtual digital assets taxable at the rate of 30%.
- Only cost of acquisition to be allowed as deduction. No deduction in respect of any other expenditure/loss allowed for computing such income.
- Loss on transfer of virtual digital assets can neither be carried forward nor be set off against any other income.
- Receipt of virtual digital asset for a value less than the deemed fair market value taxable in the hands of the receiver.
- TDS on payment made for transfer of virtual digital asset at the rate of 1% effective from 1 July 2022.
- TDS not applicable in the following cases:
  - Payee is a non-resident; or
  - Consideration is less than INR 50,000 in a FY and the payer is:
    - Individual/HUF, having income other than business or professional income; or
    - Individual/HUF whose total sales/ gross receipts or turnover does not exceed INR 1 crore (in case of business) or INR 50 lakh (in case of profession) during the FY immediately preceding the FY in which such virtual digital asset is transferred.
  - Consideration is less than INR 10,000 in other cases.

**Clarity provided on taxation of all virtual digital assets**



# Key direct tax proposals



## Assessment/Reassessment proceedings

### Faceless Assessment Scheme

Existing procedure of the Faceless Assessment Scheme has been amended to streamline the process and resolve various issues. Key changes are:

- This scheme will be applicable to reassessment proceedings.
- 15 days time limit to file a reply to initial notice changed to date specified in the notice.
- Power to initiate special audit granted.
- Prior approval not required for personal hearing through video conferencing/video telephony.

### Reassessment proceedings

It is proposed to rationalise the reassessment provisions further:

- To issue a notice under reassessment, AO is not required to take prior approval of specified authority.
- Reassessment orders to be passed with the approval of higher tax authorities only in the cases of survey, search and similar action.
- Time limit for completion of assessment, re-assessment and recomputation now also covers transfer pricing orders.
- Exclusion of period from the initiation of search till the date when search material is handed over to the jurisdictional AO. This amendment is retrospectively applicable from 1 April 2021.
- Scope of income escaping assessment now also includes:
  - Expenditure in respect of a transaction or an event or occasion.
  - Entries in the books of accounts.
- Notice is supposed to be issued for each year where income has escaped assessment.
- Notices issued for AYs prior to AY 2021-22 to be invalid.



# Key direct tax proposals



## Announcements to promote IFSC

- To encourage OBUs setup in IFSC, tax exemption is proposed on income earned by non-residents on transfer of offshore derivative instruments or over-the-counter derivatives entered into with an OBU.
- In furtherance of the government's intention to attract fund management activities from IFSC, it is proposed that tax exemption be accorded to income earned by non-residents from investments in overseas securities/financial products/funds, managed by the portfolio manager in IFSC.
- Tax exemption is proposed for royalty/interest income earned by non-residents from leasing of ships to units in IFSC.
- Similarly, income arising from transfer of an asset, being a ship, which was leased by a unit in IFSC to any person shall be eligible for a tax holiday for a period of 10 years.

### Issue of shares at premium

- Current exemption from applicability of anti-abuse provisions in respect of closely held companies on issue of shares at premium to Category I and II AIFs regulated by SEBI is now proposed to be extended to AIFs which are regulated by IFSCA.

## Tax deduction at source

### TDS on benefit or perquisite arising in course of business or profession

- It is proposed that benefits or perquisites arising from business or profession provided to resident shall be subject to TDS at the rate of 10%.
- No deduction shall, however, be required where the value does not exceed INR 20,000.
- This is effective from 1 July 2022.

### Rationalisation of TDS provisions applicable to non-filers of tax return

- Currently, taxpayers who have not filed tax returns for preceding two years are subject to a higher rate of TDS/TCS. This criteria is now proposed to be reduced to one year.

### Rationalisation of TDS mechanism on sale of immovable property

- Currently, a buyer of an immovable property is required to withhold tax at the rate of 1% on the consideration paid (provided the consideration is INR 50 lakh or more).
- It is now proposed that tax shall be required to be deducted on the higher of:
  - Consideration received; or
  - Stamp duty value of the property.
- Further, tax shall not be required to be deducted where the consideration and stamp duty value of property is less than INR 50 lakh.

# Key direct tax proposals



## Trusts and cooperative societies

### Rationalisation of provisions of charitable trust and institutions

In order to rationalise the provisions relating to trusts and institutions by ensuring effective monitoring and implementation, bringing consistency and providing clarity on taxation, certain amendments have been proposed.

- Mandatory requirement to maintain the books of accounts in the prescribed format and manner.
- Penal provisions to discourage the misuse of funds of the trust and institution.
- Uniform applicability of the conditions relating to accumulated income and taxability in case of non-application.
- Taxability in the hands of trusts and institutions in case any income or property of the trust or institution has been applied unreasonably for the benefit of specified trustee or persons.
- Uniformity of provisions in case of dissolution/ voluntary wind up/merger of a charitable trust and institution.
- Mandatory filing of return in order to claim deductions.
- Allowability of expenses in case exemptions are denied due to prescribed violations.

- Clarity on application of income.
- Continuity of exemption in case of specified defaults.
- Taxability of income not covered under exemption (specified income).
- Treatment of voluntary contribution for renovation/ repair of notified places.
- Clarification on the process of approval or cancellation of trust and institution where the PCIT/CIT may, after affording a reasonable opportunity of being heard, cancel the registration of the trust/ institution if it has committed any of the specified violation. Such order can be passed in writing within six months from the end of the quarter in which first notice has been issued.

### Cooperative societies

- It is proposed to reduce the rate of AMT applicable on cooperative societies from 18.5% to 15%.
- Surcharge applicable to cooperative societies having income of INR 1 crore to INR 10 crore is proposed to be reduced to 7% from existing 12%. The reduced rate will also apply for computing TDS on payments made to non-resident cooperative societies.

### Rate of surcharge restricted to 15% in the following cases:

- Long-term capital gains arising from transfer of any capital asset
- Association of persons where all the members are companies

# Key direct tax proposals



## Other key proposals

- **Option to file updated tax return:** The budget proposes to allow a taxpayer to file an updated tax return within two years from the end of the relevant AY where any income has been under reported on payment of additional tax at:
  - 25% of aggregate tax and interest if the updated return is filed within 12 months.
  - 50% of aggregate tax and interest, if updated return is filed beyond 12 months.

Updated return cannot be filed in following cases:

- If updated return already filed for the same AY.
  - If assessment/reassessment/revision/re-computation is pending or has been completed for the same AY.
  - Where search has been initiated or survey has been conducted for the relevant AY or two years preceding the relevant AY.
  - Information available with the AO under specified laws or on account of India's tax treaty agreements and the same has been communicated to the taxpayer prior to filing the updated return.
  - Prosecution proceedings have been initiated prior to filing of updated return.
  - Such person as may be notified.
- **Goodwill:** Reduction of goodwill from block of assets to be considered as transfer, applicable retrospectively from 1 April 2021.

- **Litigation management:** Filing of departmental appeal in a particular case shall be deferred if an appeal is pending on an identical question of law before jurisdictional High Court or the Supreme Court.
  - Decision to defer will be subject to taxpayer's acceptance.
  - Procedure to be adopted in such cases shall be announced in due course.
- **Widening ambit of bonus/dividend stripping:** Currently, anti-avoidance provision relating to bonus/dividend stripping is applicable to units of mutual fund/UTI. The applicability of said provision is proposed to be widened to bring within its ambit stocks, shares, units of InvITs, REITs and AIFs.

### Rationalisation measure and phasing out of exemptions

#### Status of ongoing proceedings in case of business reorganisation

- Proceedings on the predecessor entity shall be deemed to have been made on the successor in the event of a business reorganisation.
- Modified returns can be filed within six months by such successor entity to give effect to the final order of the competent authority. Such return can be filed for the period between the date of effective date of order to the date of issuance of final order.

#### No set-off of loss allowed against undisclosed income

Brought forward loss or unabsorbed depreciation cannot be set-off against undisclosed income detected during search or survey proceedings.

# Key indirect tax proposals



## Goods and Services Tax

### Key proposals (effective from a date to be notified)

#### Extension of period for ITC availment

- Time limit for availment of ITC pertaining to a FY extended to 30 November of the following FY.
- ITC availment to be restricted to actual credit reflecting in auto generated statement extracted by recipient from GST portal.

#### Procedural changes in the manner of furnishing GST return

- Two-way communication process in GST return filing done away with.
- Time limit for rectification of errors in GST returns extended till 30 November of the following FY.

#### Extension of time-limit for the issuance of credit notes

- Time limit for the issuance of a credit note for any supply made during a FY has been extended to 30 November of the following FY.

#### Facility to transfer balance of electronic cash ledger across GSTIN within same PAN

- Taxpayer's electronic cash ledger balance of CGST/IGST allowed to be used in another CGST/IGST registration within the same PAN of such taxpayer.

#### Changes in refund provisions

- Time limit for refund of taxes paid on procurements by specified persons extended from six months to two years from end of relevant quarter.
- Scope of withholding of or recovery from refunds extended to all types of refunds.
- Clarity provided regarding relevant date for filing refund claim for SEZ supplies to be the due date of filing statement of outward supplies.

#### Retrospective amendment for levy of interest (effective 1 July 2017)

- Interest on ITC wrongly claimed and utilised to be levied at the rate of 18%.

#### Late fee for delayed filing of returns by ECO

- Late fee to be levied for delayed filing of returns by ECO in line with other GST returns.

#### Extension of time limit for amendment in TCS return filed by ECO

- Time limit for amendment of TCS return pertaining to any FY extended to 30 November of the following FY.

#### Amendment in filing of monthly return for non-resident taxable person

- Time limit for filing of monthly return by non-resident taxable person to be reduced to 13 days (from existing 20 days) from the end of relevant month.

**GST proposals introduced with an aim to facilitate ease of doing business and checking tax evasion.**

# Key indirect tax proposals



## Customs

### Key proposals (effective from the enactment of the Finance Bill 2022)

#### Widening of scope of 'proper officer' under Customs laws

- Definition of term 'proper officer' under the customs law proposed to be widened, retrospectively, to include DRI and other officials appointed by the CBIC.
- Such officers can be assigned powers/responsibilities basis various criteria (specific to industry, goods or class of persons).
- Two or more officers of Customs can concurrently exercise same powers and functions.

#### Undervaluation of imported goods

- Central Government empowered to make rules to detect undervaluation of the imported goods, inter alia, to:
  - Cast additional obligations on importer.
  - Specify criteria and checks for selection of goods.

#### Rationalisation of Advance Ruling provisions

- Necessary amendments to facilitate filing of online application.
- Time-limit for withdrawal of application changed from 30 days to anytime before the pronouncement of ruling.
- Ruling to be valid until there is change in laws/facts or for a period of three years, whichever is earlier.

#### Change in scope of investigation powers

- Investigating teams required to report their findings to taxpayer's jurisdictional officer to take further action rather than proceed themselves.

#### Protection of critical import/ export information

- Unauthorised disclosure of import/export data to attract penalty up to INR 50,000 and/or imprisonment up to six months.

#### Simplification of procedures

- Procedures for claiming exemption benefits notifications on imported goods to be simplified and digitised (from 1 March 2022).

**Widening the scope of 'Proper officer' by giving similar powers to officers of other departments primarily done to nullify the Supreme Court decision in case of *Cannon India Pvt Ltd. Vs. Commissioner of Customs*. Rationalisation in Advance ruling provisions and simplification in procedures for claiming exemptions are a welcome move towards enhancing ease of doing business.**



# Key indirect tax proposals



## Customs

### Key proposals (effective from 2 February 2022)

#### Rationalisation of Customs duty rates on specific goods

Changes in product-specific customs duty rates to ensure:

- Level playing field to domestic manufacturing industry, MSMEs, etc.
- Reduction of cost of inputs and correction of inverted duty structure.

(Refer Annexure A for key product rate changes)

#### Simplification of customs tariff structure

- Customs tariff structure has been simplified by reducing the listed tariff rates itself and doing away with multiple exemption notifications.

#### Other key rate change proposals

- Graded Customs duty rate structure to be notified to operationalise phased manufacturing plan for wearables, hearables and smart meters. (Refer Annexure B for key product rate changes)
- Anti-dumping Duty permanently revoked on certain steel products.

#### Review of various Customs exemptions

- Around 350 exemption entries are being withdrawn.
- Around 40 exemptions related to capital goods and project imports are proposed to be gradually phased out in due course.

#### Further rationalisation of Customs duty rates and withdrawal of duty exemptions has been carried out with a view to:

- Encourage domestic manufacturing of goods.
- Restrict imports to only critical raw materials not available or are in short supply in India.
- Source inputs/raw materials at reduced rates to make domestically manufactured finished goods competitive.

# Key indirect tax proposals



## Special economic zones

### Introduction of new legislation for SEZ in place of the existing SEZ Act

Revamping of existing SEZ law to be carried out with focus on following key aspects:

- Involvement of state governments as partners in the revamp and development process. However, the extent and manner of their involvement is yet to be clarified.
- Fully IT driven structure in partnership with Customs Administration provisions through ICEGATE portal for enhanced automation and faceless mechanisms.
- Risk-based verification approach instead of the existing comprehensive checking approach.

These reforms are expected to be implemented by 30 September 2022.

**The proposed overhauling of SEZ laws is expected to provide a boost to existing SEZ infrastructure as well as attract fresh participation. Various facilitation measures shall also help existing SEZ developers/units overcome existing operational challenges.**

## Central excise

### Increase in abatement rates on RSP for specific products

- RSP abatement for pan masala containing tobacco and chewing tobacco has been increased from 50% to 55% (effective 2 February 2022).

### Imposition of additional basic Excise duty on petrol and diesel

- Additional basic Excise duty of INR 2 per litre imposed on unblended petrol and diesel sold as-is to retail consumers to be imposed (effective 1 October 2022).



## Key changes in basic customs duty effective 2 February 2022

### Annexure A

Category	Description of goods	Pre-budget (in %)	Post-budget (in %)
Agricultural products and fishery sector	Live black tiger shrimp ( <i>Penaeus monodon</i> )	30	10
	Frozen krill	30	15
	Algal oil for manufacturing of aquatic feed	30	15
	Cocoa beans, whole or broken, raw or roasted	30	15
Fuel, chemicals and plastics	Fuel oil	5	2.5
	Straight run fuel oil	5	2.5
	Low sulphur wax residue	5	2.5
Plastics	Vacuum residue, slurry	5	2.5
	Vacuum gasoil	5	2.5
	Sodium cyanide	7.5	10
Gems and jewellery	Cut and polished diamonds	7.5	5
	Cut and polished natural gemstones	7.5	5
Capital goods and machinery	S. G. ingot castings used in manufacturing of plastic processing machinery	10	7.5
	Ball screw and linear motion guide used in manufacturing of plastic processing machinery	7.5	5
	Bushing (made up of platinum and rhodium alloy, imported in exchange of worn-out bushing exported for refurbishment)	10	7.5
	Coffee roasting, brewing or vending machineries for use in the manufacturing or processing of coffee	10	5
Textile	Pile fabrics, other than long-pile fabrics or looped pile fabrics, of man-made fibres	25% or INR 100 per kg., whichever is higher	20
	Women/ Men overcoats, suits, trousers and jackets	25% or rate as applicable per piece, whichever is higher	20% or rate as applicable per piece, whichever is higher

## Key changes in basic customs duty effective 2 February 2022

### Annexure A

Category	Description of goods	Pre-budget (in %)	Post-budget (in %)
Electronics	Camera lens for use in manufacture of camera module for cellular mobile phone	10/ 15	2.5
	Specified parts for use in manufacture of transformers of chargers/adapters	10/ 15	5
	Copper/aluminium-based copper clad laminate for use in manufacture of PCB/MCPCB	5/ 7.5	NIL
Auto	Electrically operated vehicles	10	15/ 25/ 30/40/ 50/ 60/ 100
Miscellaneous	Microbial fats and oils and their fractions	30	10
	Umbrellas	10	20
	Recovered (waste and scrap) paper or paperboard for use in manufacturing of paper, paperboard or newsprint	NIL	2.5
	Project imports	0/ 2.5/ 5/ 10	7.5

## Key changes in basic customs duty for implementation of Phased Manufacturing Plan for wearables, hearables and smart metres

### Annexure B

Sl. No	Description of goods	Pre-budget (in %)	Post-budget (phased wise rates) (in %)			
			2022-23	2023-24	2024-25	2025-26
<b>Wrist wearable devices (smart watches)</b>						
1	PCBA	NIL	NIL	10	15	15
2	Charging cable	10	NIL	5	10	15
3	Battery	15	NIL	5	10	15
4	Display assembly	NIL	NIL	NIL	5	10
<b>Hearable devices</b>						
1	PCBA for hearable device	10	NIL	10	15	15
2	USB cable	10	15	15	15	15
3	Battery	15	NIL	5	10	15
4	Hearable devices	15	20	20	20	20
<b>Smart meters</b>						
1	Assembled/populated PCB for smart meters	7.5	20	20	20	20
2	Communication module	10	NIL	NIL	5	10
3	LCD and backlight for LCD	15	NIL	5	10	10
4	Battery	10	NIL	5	10	10
5	Smart meters	15	25	25	25	25

AIFs	Alternative Investment Funds	InvIT	Infrastructure Investment Trust
ALP	Arm's Length Price	MOSPI	Ministry of Statistics and Programme Implementation
AMT	Alternate Minimum Tax	MSME	Micro, Small and Medium Enterprises
AO	Assessing Officer	NBFCs	Non-banking Financial Companies
AY	Assessment Year	NPS	National Pension Scheme
BE	Budget Estimate	NSO	National Statistical Office
CBIC	Central Board for Indirect Taxes and Customs	OBU	Offshore Banking Unit
CGST	Central Goods and Services Tax	PCIT	Principal Commissioner of Income Tax
CIT	Commissioner of Income Tax	RBI	Reserve Bank of India
CMIE	Centre for Monitoring Indian Economy	RE	Revised Estimate
COVID-19	Coronavirus disease-19	REIT	Real Estate Investment Trusts
CPI	Consumer Price Index	RSP	Retail Sales Price
DRI	Directorate of Revenue Intelligence	SEBI	Securities and Exchange Board of India
DRP	Dispute Resolution Panel	SEZ	Special Economic Zone
ECO	E-commerce Operator	SGST	State Goods and Services Tax
FA	Finance Act	TCS	Tax collection at source
FY	Financial Year	TDS	Tax deduction at source
GDP	Gross Domestic Product	TP	Transfer Pricing
GST	Goods and Services Tax	TPO	Transfer Pricing Officer
IFSC	International Financial Services Centre	USD	US Dollar
IFSCA	International Financial Service Centre Authority	UT	Union Territory
IGST	Integrated Goods and Services Tax	UTGST	Union Territory Goods and Services Tax
IMF	International Monetary Fund	UTI	Unit Trust of India
INR	Indian Rupee	VAT	Value Added Tax
IT Act	Income-tax Act, 1961	WPI	Wholesale Price Index
ITAT	Income Tax Appellate Tribunal	Y-o-Y	Year on year
ITC	Input tax credit		

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