

REVISION IN CGT ON EQUITIES

Wednesday, 12 June, 2024



Annual Budget 2024 - 25

Buying Period	CGT Rate
Shares purchased on July 1, 2024 and onwards	15% for filers 45% for non-filers
Shares purchased between July 1, 2022 to Jun 30, 2024	Following slab would be applicable
Shares purchased between July 1, 2013 to Jun 30, 2022	12.50%
Shares purchased before July 1, 2013	0%

Following slabs are still applicable for the shares purchased from July 1, 2022 to Jun 30, 2024

Holding Period	CGT Rate
Less than 1 year	15.00%
1 - 2 years	12.50%
2 - 3 years	10.00%
3 - 4 years	7.50%
4 - 5 years	5.00%
5 - 6 years	2.50%
More than 6 years	0.00%

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DEFINITION OF TERMS

TP	Target Price	DDM	Dividend Discount Model	FCF	Free Cash Flows
FCFE	Free Cash Flows to Equity	FCFF	Free Cash Flows to Firm	DCF	Discounted Cash Flows
PE	Price to Earnings Ratio	PB	Price to Book Ratio	BVPS	Book Value Per Share
EPS	Earnings Per Share	DPS	Dividend Per Share	ROE	Return of Equity
ROA	Return on Assets	SOTP	Sum of the Parts	JPB	Justified Price to Book

Ratings are updated to account for any development impacting the economy/sector/company, changes in analysts' assumptions or a combination of these factors.

VALUATION METHODOLOGY

To arrive at our Target Price, Abbasi & Company (Private) Limited uses different valuation methods which include:

- I. Discounted Cash Flow Model
- II. Dividend Discount Model
- III. Relative Valuation Model
- IV. Sum of Parts Valuation

RATINGS CRITERIA

Abbasi & Company (Private) Limited employs a three-tier ratings system to rate a stock and sector, as mentioned below, which is based upon the level of expected return for a specific stock and outlook of sector. The rating is based on the following with stated time horizon

Stock Rating	Expected Total Return
BUY	Greater than 15%
HOLD	Between -5% to 15%
SELL	Less than and equal to -5%

Sector Rating	Sector Outlook
Overweight	Positive
Market Weight	Neutral
Underweight	Negative

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