KEY FEATURES OF BUDGET 2019-20

- Vision for $5 trillion economy driven by investment
- Transforming rural lives
- New Jal Shakti Mantralaya to ensure Har Ghar Jal
- Enhancing ease of direct and indirect taxation
- Strengthening connectivity infrastructure
- Gandhipedia to sensitize society
- India’s soft power
- Harnessing India’s space abilities

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Pradhan Mantri Karam Yogi Maandhan

Pension benefits to retail traders and small shopkeepers

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Enhanced interest deduction for affordable housing loan

Tax benefits for corporate tax payers

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Pradhan Mantri Matsya Sampada Yojana (PMMSY)

Establish robust fisheries management framework

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Scheme of faceless electronic tax assessment

Aadhaar and PAN to be interchangeable

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Vision to become $5 trillion economy driven by ‘virtuous cycle’ of investment

India becomes sixth largest economy

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Reform, Perform, Transform agenda: GST, IBC, RERA etc.

Changing common man’s life: MUDRA, UJJWALA, SAUBHAGYA etc.
Bharatmala phase 2 to be launched. State road networks will be developed.

World's third largest domestic aviation market.

UDAAN: Number of Operational Airports crossed 100.

Jal Marg Vikas project and Sagarmala initiatives: improving logistics, reducing transportation cost and increasing competitiveness.

PPP in railways infra development.

657 km Metro rail network already operational. National Common Mobility Card launched.

Operating Ratio improving:

<table>
<thead>
<tr>
<th>Year</th>
<th>RE</th>
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<tr>
<td>2017-18</td>
<td>98.4</td>
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<td>2018-19</td>
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<td>2019-20</td>
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Houses under PMAY-U:
Sanctioned: 81 lakh
Construction started: 47 lakh
Completed: 26 lakh
Delivered: 24 lakh

Promotion of rental housing: Model tenancy law to be finalised.

Measures for boosting infrastructure financing
- Credit Guarantee Enhancement Corporation to be set up in 2019-20
- Action plan to deepen long term bonds market
- To permit transfer of FII/FPI investment in debt securities issued by IDF-NBFCs to domestic investors
PUSH TO INVESTMENT: INDUSTRIAL DEVELOPMENT

Empowering MSMEs and social enterprises:
- Interest subvention scheme for MSMEs: 350 crore allocated for 2019-20
- Payment platform for bill filing for MSMEs to be created: to address delays
- Social stock exchange for listing social enterprises and voluntary organisations

Make in India:
- Changes in customs duties to promote Make in India

Startups promotion:
- Exclusive TV channel for startups
- E-verification for establishing investor identity and source of funds to resolve tax issues relating to fund raising

Push to E-vehicles:
- FAME Scheme Phase-2 commenced
- Customs duty exemption on certain e-vehicle parts
- Income tax deduction of interest on loans for e-vehicle purchase
GROWTH & MACRO-ECONOMIC STABILITY: VISION FOR $5 TRILLION ECONOMY

**GDP**
- Fastest growing major economy in the world
- 11th largest economy in 2013-14
- 6th largest economy in 2019-20

**CAD**
- 5.6% of GDP in 2013-14
- 2.1% of GDP in 2018-19

**FDI & FPI**
- India attracted $64.4 bn worth of FDI in 2018-19
- 100% FDI to be permitted for Insurance intermediaries
- Statutory limit for FPI investment in a company increased to sectoral limit
- Local sourcing norms to be eased for FDI in single brand retail

**GDP Growth rate (%)**
- 6.75 to 8.25

**CAD as % of GDP**
ON THE PATH OF FISCAL CONSOLIDATION AND INFLATION MANAGEMENT

Fiscal Deficit (% of GDP)

CPI Inflation (in %)

Disinvestment Receipts (in ₹ crore)

Central Govt. Debt (% of GDP)

Also, India’s sovereign external debt to GDP ratio amongst the lowest globally at less than 5%.
BUDGET AT A GLANCE

Revenue Receipts (in ` crore)

- 2018-19 (BE): 17,25,738
- 2018-19 (RE): 17,29,682

Capital Receipts (in ` crore)

- 2017-18 (Actuals): 7,06,740
- 2018-19 (BE): 7,16,475
- 2018-19 (RE): 7,27,553
- 2019-20 (BE): 8,23,588

Revenue Expenditure (in ` crore)

- 2017-18 (Actuals): 18,78,833
- 2018-19 (BE): 21,41,772
- 2018-19 (RE): 21,40,612
- 2019-20 (BE): 24,47,780

Capital Expenditure (in ` crore)

- 2017-18 (Actuals): 2,63,140
- 2018-19 (BE): 3,00,441
BUDGET AT A GLANCE

RUPEE COMES FROM

- 20% Borrowings and Other Liabilities
- 9% Non Tax Revenue
- 21% Corporate Tax
- 8%-Union Excise Duties
- 16% Income Tax
- 3% Non debt Capital Receipts
- 4% Customs

RUPEE GOES TO

- 9% Centrally Sponsored Schemes
- 23% States’ Share of taxes & Duties
- 8% Subsidies
- 9% Defence
- 13% Central Sector Schemes
- 18% Interest Payments
- 7% Finance Comm. & Transfers
- 8% Other Expenditure
- 5% Pensions

RUPEE COMES FROM

8% Union Excise Duties
16% Income Tax
3% Non debt Capital Receipts
4% Customs
9% Non Tax Revenue
21% Corporate Tax
20% Borrowings and Other Liabilities
Threshold for applicability of lower corporate tax rate of 25% increased from ₹250 crore to ₹400 crore.

Enhanced interest deduction up to ₹3.5 lakh for purchase of an affordable house.

Deposit taking and systemically important non-deposit taking NBFCs can now pay tax in the year they receive interest for certain bad or doubtful debts.

TDS of 2% on cash withdrawal exceeding ₹1 crore in a year from a bank account to promote less cash economy.

Effective tax rate for individuals having taxable income above ₹2 crore has been increased.

No charges or MDR on specified digital mode of payments. These modes are to be compulsorily provided by large businesses.

Sabka Vishwas Legacy Dispute Resolution Scheme proposed for quick closure of service tax and excise related litigations.
REFORM, PERFORM, TRANSFORM

Banking & IBC

- Record Recovery of ₹4 lakh crore in last 4 years due to IBC and other measures
- Provision coverage ratio of banks highest in 7 years
- Proposed further recapitalisation of PSBs: ₹70,000 crore

Average recovery under various recovery regimes (in %)

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<th>35</th>
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<td>43</td>
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DRT, SARFAESI, Lok Adalats, etc: 2007-17
Realisation by Financial Creditors under IBC: 2017-19

GST

1. Taxpayers having annual turnover of less than ₹5 crore can now file quarterly returns.
2. Fully automated GST refund module shall be implemented.
3. An electronic invoice system is proposed that will eventually eliminate the need for a separate e-way bill.

Further simplification of GST Processes

SWACHH BHARAT

- More than 95% cities and 5.6 lakh villages declared ODF
- More than 45,000 public and community toilets uploaded on Google Maps

To expand Swachh Bharat Mission to undertake sustainable solid waste management in every village.
**PMAY-G**
- 1.5 crore rural homes completed
- 1.95 crore houses proposed for second phase.
- Average days for completion:
  - 314 (2015-16) → 114 (2017-18)

**PMGSY**
- Completion Target advanced to 2019
- 97% of targeted habitations covered
- 30000 km built using green technology

**Rural Electrification**
- 100% Households Electrified
- UJALA leading to annual cost savings of ₹18,341 crore
FARMER WELFARE AND WATER SECURITY

Boost to agro-rural industries through cluster based development under SFURTI scheme with focus on bamboo, honey and khadi clusters
100 new clusters to be set up to enable 50000 artisans during 2019-20

100 Business Incubators to be set up to enable 75000 entrepreneurs under ASPIRE

Constitution of Jal Shakti Mantrayala

1592 critical and over exploited blocks identified under Jal Shakti Abhiyan

Pradhan Mantri Matsya Sampada Yojana launched

The scheme will address critical gaps in strengthening value chain, including infrastructure, modernisation, production, productivity and quality control

To ensure Har Ghar Jal to all rural households by 2024 under Jal Jeevan Mission

Focus on Integrated demand and supply side management at local level, creation of local infrastructure for rainwater harvesting, groundwater recharge and household waste water management
WOMEN’S DEVELOPMENT TO WOMEN LED DEVELOPMENT

- 70% of beneficiaries under MUDRA scheme are Women

Allocation for ICDS (in ₹ crore)

- 2019-20 (BE): ₹27,584

8 Crore free LPG connections to be given under Ujjwala Yojana

More than 7 crore connections already given

- To expand women SHG interest subvention programme to all districts
- ₹1 lakh loan under MUDRA scheme for one woman in every SHG
Pradhan Mantri Laghu Vyapaari Mann-Dhan Yojana (PMLVMY)

Pension benefits to around 3 crore retail traders and small shopkeepers with annual turnover less than ₹1.5 crore.

Pradhan Mantri Shram Yogi Maan Dhan (PM-SYM)

About 30 lakh workers have joined the scheme

Rationalising of labour laws into 4 labour codes proposed.

National Research Foundation to be established to fund, coordinate and promote R&D

₹400 crore provided for ‘World Class Institutions’ for FY 2019-20

Study in India: to bring foreign students to higher educational institutions

National Sports Education Board to be setup under Khelo India.

To prepare youth for new age skills: Artificial Intelligence, IoT, Big Data, 3D Printing, Virtual Reality etc
VISION FOR THE NEXT DECADE

1. Physical and social infrastructure
2. Digital India
3. Pollution free India
4. Make in India
5. Water management and clean rivers
6. Blue economy
7. Space programmes
8. Self-sufficiency and export of food grains
9. Healthy society
10. Team India with Jan Bhagidari