

Budget Highlights 2019-20

INTERIM BUDGET 2019-20

What is an interim budget?

- An interim budget is a budget that is presented by a government if there are elections scheduled in that particular year.
- Though, it contains proposals for the full year, there are usually no major changes/taxes introduced in an interim budget.
- The new government that is elected, then presents the full budget (usually happens in the first Parliamentary session after the elections).
- The budget for 2019-20 presented in the Parliament on February 1, 2019 is an interim budget.

Budgetary Proposals

Agriculture and Animal Husbandry

- ❖ **Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)** - a programme for income support to small and marginal farmers
 - Farmer families with cultivable land up to 2 hectares are eligible for income support of Rs.6,000/year.
 - Transferred directly into bank accounts of three installments of Rs. 2000 each.
 - The programme would be effective from December 1, 2018 with around 12 crore small and marginal farmer families expected to benefit.
 - It will entail an annual expenditure of Rs. 75,000 crore which will be provided for in the budget 2019-20. An additional 20,000 crore is being added to the revised estimates of FY 2018-19.
- ❖ **Rashtriya Kamdhenu Aayog**
 - Upscale sustainable genetic upgradation of cow resources
 - Enhance production and productivity of cows
 - Effective implementation of laws and welfare schemes for cows.
- ❖ **Department of Fisheries** - to be created as a separate department
 - For sustained and focused attention for the development of the fisheries sector.
- ❖ **Interest Subvention**
 - 2% interest subvention to the farmers pursuing the activities of animal husbandry and fisheries, who avail loan through Kisan Credit Card.
 - Additional 3% interest subvention for timely repayment of loan.

- 2% interest subvention for all farmers affected by severe natural calamities, where assistance is provided by the NDRF. A 3% prompt payment incentive for the entire duration of reschedulement of loans.

Labour and Workers Dignity

- ❖ **Pradhan Mantri Shram-Yogi Maandhan - pension yojana**
 - Scheme for unorganised sector workers with income up to Rs. 15,000
 - Assured monthly pension of Rs. 3,000 from age of 60 years
 - The Government will deposit equal matching share in the pension account of the worker every month.
- ❖ **De-notified, Nomadic and Semi- Nomadic communities**
 - A committee under the NITI Aayog to be setup to identify such communities not yet formally classified.
 - Welfare Development Board under the Ministry of Social Justice and Empowerment specifically for the purpose of implementing welfare and development programmes.

Healthcare

- ❖ **AIIMS**
 - 22nd AIIMS to be set up in Haryana

Empowering Youth

- ❖ **National Programme on Artificial Intelligence**
 - Establishment of the National Centre on Artificial Intelligence as a hub along with Centres of Excellence.
 - Nine priority areas have been identified.
 - A National Artificial Intelligence portal will also be developed

Empowering MSMEs and Traders

- ❖ **Department for Promotion of Industries and Internal Trade**
 - DIPP has been renamed as DPIIT as above.

Digital India Revolution

- ❖ **Digital Villages**
 - Government will transform 1 lakh villages into digital villages by extending the services of the Common Service Centres (CSCs)

Entertainment Industry

- ❖ **Single window clearance**
 - Earlier available only to foreigners, now will be extended to Indian filmmakers.
- ❖ **Amendments to Indian Cinematograph Act**
 - Anti-camcording provisions to be added to control piracy

VISION FOR THE NEXT DECADE

The Finance Minister presented a Vision for the next decade that included ten dimensions as mentioned below:

<p>Build social and physical infrastructure and provide ease of living</p>	<ul style="list-style-type: none"> • Next generation infrastructure of roads, railways, seaports, airports, urban transport, gas and electric transmission and inland waterways • Roof over the head of every family with a clean, healthy and wholesome environment. • Quality, science oriented educational system with Institutes of Excellence providing leadership at the top.
<p>Digital India reaching every sector</p>	<ul style="list-style-type: none"> • Digital infrastructure and digital economy to be built on transformations of recent years in government processes and private transactions. • Start-ups under the digital ecosystem creating millions of jobs.
<p>Pollution Free India</p>	<ul style="list-style-type: none"> • Electric vehicles and renewable energy • Reducing import dependence • Ensuring energy security
<p>Expanding rural industrialisation using digital technologies</p>	<ul style="list-style-type: none"> • Develop grassroots level clusters using Make in India. • Mechanisms to encompass start-ups and MSMEs • Generate massive employment
<p>Clean Rivers</p>	<ul style="list-style-type: none"> • Safe drinking water to all Indians • Efficient use of water in irrigation using micro-irrigation technologies.
<p>Coastline and Ocean Waters powering India's development (Blue Economy)</p>	<ul style="list-style-type: none"> • Scaling up of Sagarmala • Development of Inland waterways • Exploitation of Blue Economy
<p>Outer skies (Space)</p>	<ul style="list-style-type: none"> • Gaganyaan • India to become launchpad for satellites for the world • Indian astronaut in space by 2022

Food security, self-sufficiency and export	<ul style="list-style-type: none">● India to be self-sufficient● Export food to the world● Food production in most organic way● Integrated approach towards agro and food processing● Preservation, packaging and maintenance of cold chain
Healthy India	<ul style="list-style-type: none">● Distress free healthcare● Functional and Comprehensive wellness system● Participation of women with equal rights● Concern for women safety and empowerment.
Team India	<ul style="list-style-type: none">● Proactive, friendly and responsible bureaucracy● Minimum government, maximum governance

Highlights of Achievements of the Government in the last five years

Economic and Financial Performance	<ul style="list-style-type: none"> ● Fiscal deficit at 3.4% of the GDP in 2018-19 ● Current Account Deficit at 2.5% of the GDP in 2018-19. ● Average inflation down to 4.6% ● \$239 billion in FDI in the last five years. ● Direct tax collections increased to almost 12 lakh crore this year. ● Tax base has increased to 6.85 crore from 3.79 crore people. ● Defence budget to cross Rs. 3,00,000 crore for the first time in FY 2019-20
Banking Sector	<ul style="list-style-type: none"> ● Recovery of Rs. 3 lakh crore in favour of banks and creditors ● The 4R approach has been adopted - Recognition, resolution, recapitalisation and reform. ● Recapitalisation of Rs 2.6 lakh crore. ● End to 'phone banking' i.e. the practice of people in power using their influence to get loans sanctioned in favour of people they want. ● Amalgamation of banks to reap economies of scale, improved access to capital and cover larger geographical area.
Anti-corruption	<ul style="list-style-type: none"> ● Real Estate (Regulation and Development) Act, 2016 in the real estate sector ● Benami Transaction (Prohibition) Act, 1988 amendment ● Fugitive Economic Offenders Act, 2018 ● Transparent auction of natural resources ● Demonetisation
Cleanliness	<ul style="list-style-type: none"> ● India has achieved 98% rural sanitation coverage and as many as 5.45 lakh villages have been declared Open Defecation Free
Poor and Backward Classes	<ul style="list-style-type: none"> ● 10% reservation for the Economically Weaker sections has been introduced. ● Rs 60,000 crore allocation in FY 2019-20 for MGNREGA ● Construction of rural roads has tripled under PM Gram Sadak Yojana. 1.43 lakh habitations out of 1.58 lakh have been connected by pucca roads. ● 1.53 crore houses have been built under PM Awas Yojana in 2014-18 ● All households to get electricity by March 2019 under Saubhagya Yojana.

	<ul style="list-style-type: none"> • 143 crore LED bulbs have been distributed leading to nearly Rs 50,000 crore savings in electricity bills of poor and middle class families. • World's largest healthcare programme , Ayushman Bharat has been launched to cover nearly 50 crore people. • 14 AIIMS have been opened since 2014 bringing the total up to 21. • Transformation of Aspirational Districts Programme for development of 115 of the most backward districts has been launched.
Farmer's welfare	<ul style="list-style-type: none"> • MSP fixed at minimum 50% more than the cost for all 22 crops. • Crop loans to farmers have increased to Rs. 11.68 lakh crore • KCC scheme extended to animal husbandry and fisheries in the last budget.
Labour and Worker Dignity	<ul style="list-style-type: none"> • EPFO subscriptions increased by nearly 2 crores in 2 years showing formalisation of the economy and job creation. • Contribution of Government in New Pension Scheme increased from 4% to 14%
Women	<ul style="list-style-type: none"> • More than 6 crore free connections have been given under PM Ujjwala Yojana • More than 70% of beneficiaries under PM MUDRA scheme are women.
MSMEs and Traders	<ul style="list-style-type: none"> • Scheme of sanctioning loans up to Rs 1 crore in 59 minutes was launched • Requirement of sourcing from SMEs by Government enterprises has been increased to 25% from which at least 3% should be from women owned SMEs • GeM is being extended to all CPSEs
Defence and National Security	<ul style="list-style-type: none"> • Implementation of One Rank, One Pension scheme • Substantial hike in Military Service Pay
Infrastructure Development	<ul style="list-style-type: none"> • 100th airport at Pakyong in Sikkim • India is the fastest highway developer at 27 kms/day • Eastern Peripheral Expressway and Bogibeel bridge were completed that had been delayed for many years. • Container freight movement has begun on National Waterway 1. • Unmanned level crossings on broad gauge network have been eliminated. • First indigenously developed and manufactured train Vande

	<p>Bharat was launched.</p> <ul style="list-style-type: none">● First treaty based intergovernmental international organization - International Solar Alliance to be headquartered in India.● Arunachal Pradesh came on the air map for the first time. Similarly, Meghalaya, Tripura and Mizoram came on the railway map.
Digital India	<ul style="list-style-type: none">● Monthly consumption of mobile data has increased by over 50 times in the last five years.● Nearly 3 lakh Common Service Centres are providing digital services to citizens.● Nearly 34 crore Jan Dhan accounts have been opened in the last five years.
Taxation	<ul style="list-style-type: none">● Reduction in tax burden on lower and middle income groups by lowering tax rate.● Introduction of GST● Within the next two years Income tax department will be able to process everything electronically online.
Customs	<ul style="list-style-type: none">● Abolition of duties on 36 capital goods.● Revised system of importing duty- free capital goods and inputs for manufacture and export has been introduced,● Introduction of single point of approval under section 65 of the Customs Act

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