BUDGET 2018-19

1) MSME - Medium, Small and Micro Enterprises (MSMEs)

a. A sum of Rs. 3794 crore has been provided for giving credit support, capital and interest subsidy and for innovations.
b. MUDRA Yojana launched in April, 2015 has led to sanction of Rs.4.6 lakh crore in credit from 10.38 crore MUDRA loans.
c. 76% of loan accounts are of women and more than 50% belong to SCs, STs and OBCs
d. The Government will also bring out an industry friendly Defence Production Policy 2018 to promote domestic production by public sector, private sector and MSMEs
e. Announced the reduction of corporate tax rate to 25% for companies whose turnover was less than Rs. 50 crores in financial year 2015-16

2) INFRASTRUCTURE

a. Infrastructure is the growth driver of economy, and the Finance Minister estimated that investment in excess of Rs.50 lakh crore is needed to increase growth of GDP and connect the nation with a network of roads, airports, railways, ports and inland waterways
b. Announced increase of budgetary allocation on infrastructure for 2018-19 to Rs.5.97 lakh crore against estimated expenditure of Rs.4.94 lakh crore in 2017-18
c. The Prime Minister personally reviews the targets and achievements in infrastructure sectors on a regular basis. Using online monitoring system of PRAGATI alone, projects worth 9.46 lakh crore have been facilitated and fast tracked
d. In the Urban Infrastructure Sector, the Government proposes to develop ten prominent tourist sites as Iconic Tourism destinations through holistic infrastructure and skill development.
e. In addition, tourist amenities will be upgraded at 100 Adarsh monuments of the Archaeological Survey of India (ASI). The Finance Minister, Shri Arun Jaitley lauded the work being done under the government‟s inter linked programs – Smart Cities Mission and the AMRUT.
f. He informed that 99 cities have been selected with an outlay of Rs. 2.04 lakh crore under the Smart Cities Mission. Projects worth Rs. 2350 crore have been completed and works of Rs. 20,852 crore are under progress.
g. The National Heritage City Development and Augmentation Yojana (HRIDAY) has been taken-up to revitalize heritage cities.
h. In the Road sector, the recently approved Bharatmala Pariyojana aims to develop about 35,000 km of highways at a cost of Rs. 5,35,000 cr in Phase I.
i. The National Highways Authority of India (NHI) will consider organizing its road assets into Special Purpose Vehicles and use innovative monetizing structures like Toll, Operate and Transfer (TOT) and Infrastructure Investment Funds (InvITs) for raising funds.
j. In order to enhance connectivity in border areas, the Government will take up construction of tunnel under Sela Pass
k. For promoting tourism and emergency medical care, the Government will make the necessary frame work for encouraging investment in sea plane activities.
l. In the Civil Aviation Sector, the Budget 2018-19 announced a new initiative NABH Nirman to expand airport capacity by more than five times to handle a billion trips in a year.
m. The expansion will be funded by leveraging the balance sheet of Airports Authority of India.

n. Domestic air passenger traffic has grown at 18% per annum and the regional connectivity Scheme UDAN, will connect 56 unserved airports and 31 unserved helipads across the country.Opertions have already started at 16 airports.
o. Adequate funds will be available under Rashtriya Rail Sanraksha Kosh. Over 3600 kms of track renewal is targeted during 2018-19. There will be increasing use of technology like "Fog Safe" and "Train Protection and Warning System"
p. 4267 unmanned level crossings in the broad gauge network will be eliminated in the next two years
q. Department of Science & Technology will launch a Mission on Cyber Physical Systems to support establishment of centres of excellence for research, training and skilling in robotics, artificial intelligence, digital manufacturing, big data analysis, quantum communication and internet of things.
r. The Budget doubled the allocation on Digital India programme to Rs 3073 crore in 2018-19

3) DEFENCE SECTOR

a. To secure India's defences, government plans to develop infrastructure and connectivity in border areas.
b. Rohtang tunnel has been completed to provide all weather connectivity to the Ladakh region
c. Government proposes to take up Construction of Zozila Pass tunnel and tunnel under construction of Sela Pass.

4) DISINVESTMENT

a. The Finance Minister announced that 2017-18 disinvestment target of Rs.72,500 crore has been exceeded and expected receipts of Rs.1,00,000 crore. He set disinvestment target of Rs.80,000 crore for 2018-19

5) SOCIAL SECURITY

a. It is also proposed to extend the Pradhan Mantri Vaya Vandana Yojana up to March, 2020. The current investment limit is also proposed to be increased to Rs. 15 lakh from the existing limit of Rs. 7.5 lakh per senior citizen.

6) TAX PROPOSALS

a. Due to attractiveness on return on investment on equity, even without tax exemption, there is a strong case for bringing Long Term Capital Gains from listed equities in the tax net, the Finance Minister said. He has however only proposed a modest change in the present regime, recognizing that a vibrant equity market is essential for economic growth. Shri Jaitley has proposed to tax such Long Term Capital Gains exceeding Rs. 1 lakh at the rate of 10%, without allowing any indexation benefit. However, all gains up to 31st January, 2018 will be grandfathered
b. In order to take care of the education and health care needs of Below Poverty Line (BPL) and rural families, The Budget proposes to increase the cess on personal income tax and corporation tax to 4 percent from the present 3 percent. The new cess will be called the "Health and Education Cess" and is expected to lead to a collection of an estimated additional amount of Rs. 11,000 crore.

7) DOING BUSINESS

a. The Government is transforming method of disposal of its business by introduction of e-office and other e-governance initiatives in central Ministries and Departments. A web-based Government Integrated Financial Management Information System (GIFMIS), is being administered by Controller General of Accounts, for budgeting, accounting, expenditure and cash management of the Government

b. Department of Commerce will be developing a National Logistics Portal as a single window online market place to link all stakeholders

c. The Government E-Marketplace (GeM) facilitates procurement at the right price, in right quality and quantity in a transparent and efficient manner. The platform has seventy eight thousand buyers, fifty thousand sellers, three lakh seventy five thousand products and twelve services. Besides facilitating transaction of the value of Rs.3000 crore in about two lakh transactions, it could achieve savings of more than 25% over the base price.

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