

**Press Information Bureau  
Government of India  
Ministry of Finance**

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**KEY HIGHLIGHTS OF UNION BUDGET 2020-21**

Presenting the first Union Budget of the third decade of 21<sup>st</sup> century, Finance Minister Smt. Nirmala Sitharaman, today unveiled a series of far-reaching reforms, aimed at energizing the Indian economy through a combination of short-term, medium-term, and long-term measures.

The Key Highlights of Union Budget 2020-21 are as follows:

**Three prominent themes of the Budget**

- **Aspirational India** - better standards of living with access to health, education and better jobs for all sections of the society
- **Economic Development for all** - “Sabka Saath , Sabka Vikas , Sabka Vishwas”.
- **Caring Society** - both humane and compassionate; Antyodaya as an article of faith.
- Three broad themes are held together by:
  - Corruption free, policy-driven *Good Governance*.
  - Clean and sound *financial sector*.
- **Ease of Living** underlined by the three themes of Union Budget 2020-21.

**Three components of Aspirational India**

- Agriculture, Irrigation, and Rural Development
- Wellness, Water, and Sanitation
- Education and Skills

**Sixteen Action Points for Agriculture, Irrigation and Rural Development**

- Rs. 2.83 lakh crore to be allocated for the following 16 Action Points:
  - Rs. 1.60 lakh crore for Agriculture, Irrigation & allied activities.
  - Rs. 1.23 lakh crore for Rural development & Panchayati Raj.
- Agriculture credit:
  - Rs. 15 lakh crore target set for the year 2020-21.
  - PM-KISAN beneficiaries to be covered under the KCC scheme.
  - NABARD Re-finance Scheme to be further expanded.
- Comprehensive measures for 100 water-stressed districts proposed.
- **Blue Economy**:
  - Rs. 1 lakh crore fisheries’ exports to be achieved by 2024-25.

- 200 lakh tonnes fish production targeted by 2022-23.
- 3477 *Sagar Mitras* and 500 Fish Farmer Producer Organisations to involve youth in fisheries extension.
- Growing of algae, sea-weed and cage culture to be promoted.
- Framework for development, management and conservation of marine fishery resources.
- **Kisan Rail** to be setup by Indian Railways through PPP:
  - To build a seamless national cold supply chain for perishables (milk, meat, fish, etc.
  - Express and Freight trains to have refrigerated coaches.
- **Krishi Udaan** to be launched by the Ministry of Civil Aviation:
  - Both international and national routes to be covered.
  - North-East and tribal districts to realize Improved value of agri-products.
- **One-Product One-District** for better marketing and export in the Horticulture sector.
- Balanced use of all kinds of fertilizers - traditional organic and innovative fertilizers.
- Measures for organic, natural, and integrated farming:
  - **Jaivik Kheti** Portal – online national organic products market to be strengthened.
  - **Zero-Budget Natural Farming** (mentioned in July 2019 Budget) to be included.
    - *Integrated Farming Systems* in rain-fed areas to be expanded.
    - Multi-tier cropping, bee-keeping, solar pumps, solar energy production in non-cropping season to be added.
- **PM-KUSUM** to be expanded:
  - 20 lakh farmers to be provided for setting up stand-alone solar pumps.
  - Another 15 lakh farmers to be helped to solarise their grid-connected pump sets.
  - Scheme to enable farmers to set up solar power generation capacity on their fallow/barren lands and to sell it to the grid.
- **Village Storage Scheme:**
  - To be run by the SHGs to provide farmers a good holding capacity and reduce their logistics cost.
  - Women, SHGs to regain their position as **Dhaanya Lakshmi**.
- NABARD to map and geo-tag agri-warehouses, cold storages, reefer van facilities, etc.
- Warehousing in line with Warehouse Development and Regulatory Authority (WDRA) norms:
  - Viability Gap Funding for setting up such efficient warehouses at the block/taluk level.
  - Food Corporation of India (FCI) and Central Warehousing Corporation (CWC) to undertake such warehouse building.
- Financing on Negotiable Warehousing Receipts (e-NWR) to be integrated with e-NAM.
- State governments who undertake implementation of model laws (issued by the Central government) to be encouraged.
- Livestock:
  - Doubling of milk processing capacity to 108 million MT from 53.5 million MT by 2025.
  - Artificial insemination to be increased to 70% from the present 30%.

- MNREGS to be dovetailed to develop fodder farms.
- Foot and Mouth Disease, Brucellosis in cattle and Peste Des Petits ruminants (PPR) in sheep and goat to be eliminated by 2025.
- **Deen Dayal Antyodaya Yojana** – 0.5 crore households mobilized with 58 lakh SHGs for poverty alleviation.

## Wellness, Water and Sanitation

- Rs. 69,000 crore allocated for overall Healthcare sector.
- Rs. 6400 crore (out of Rs. 69,000 crore) for **PM Jan Arogya Yojana** (PMJAY):
  - More than 20,000 hospitals already empanelled under PM Jan Arogya Yojana (PMJAY).
  - Viability Gap Funding window proposed for setting up hospitals in the PPP mode.
  - Aspirational Districts with no Ayushman empanelled hospitals to be covered in the first phase.
  - Targeting diseases with an appropriately designed preventive regime using Machine Learning and AI.
- **Jan Aushadhi Kendra Scheme** to offer 2000 medicines and 300 surgicals in all districts by 2024.
- **TB Harega Desh Jeetega** campaign launched - commitment to end Tuberculosis by 2025.
- Rs. 3.60 lakh crore approved for **Jal Jeevan Mission**:
  - Rs. 11,500 crore for the year 2020-21.
  - Augmenting local water sources, recharging existing sources, and promoting water harvesting and de-salination.
  - Cities with million-plus population to be encouraged to achieve the objective during the current year itself.
- Rs.12, 300 crore allocation for **Swachh Bharat Mission** in 2020-21:
  - Commitment to **ODF-Plus** in order to sustain ODF behaviour.
  - Emphasis on liquid and grey water management.
    - Focus also on Solid-waste collection, source segregation, and processing.

## Education and Skills

- Rs. 99,300 crore for education sector and Rs. 3000 crore for skill development in 2020-21.
- New Education Policy to be announced soon.
- **National Police University** and **National Forensic Science University** proposed for policing science, forensic science, and cyber-forensics.
- Degree level full-fledged online education program by Top-100 institutions in the National Institutional Ranking Framework.
- Up to 1-year internship to fresh engineers to be provided by Urban Local Bodies.
- Budget proposes to attach a medical college to an existing district hospital in PPP mode.
- Special bridge courses to be designed by the Ministries of Health, and Skill Development:
  - To fulfill the demand for teachers, nurses, para-medical staff and care-givers abroad.
  - To bring in equivalence in the skill sets of the workforce and employers' standards.
- 150 higher educational institutions to start apprenticeship embedded degree/diploma courses by March 2021.

- External Commercial Borrowings and FDI to be enabled for education sector.
- Ind-SAT proposed for Asian and African countries as a part of **Study in India** program.

## Economic Development

### Industry, Commerce and Investment

- Rs. 27,300 crore allocated for 2020-21 for development and promotion of Industry and Commerce.
- **Investment Clearance Cell** proposed to be set up:
  - o To provide “end to end” facilitation and support.
  - o To work through a portal.
- Five new smart cities proposed to be developed.
- Scheme to encourage manufacture of mobile phones, electronic equipment and semi-conductor packaging proposed.
- **National Technical Textiles Mission** to be set up:
  - o With four-year implementation period from 2020-21 to 2023-24.
  - o At an estimated outlay of Rs 1480 crore.
  - o To position India as a global leader in Technical Textiles.
- New scheme **NIRVIK** to be launched to achieve higher export credit disbursement, which provides for:
  - o Higher insurance coverage
  - o Reduction in premium for small exporters
  - o Simplified procedure for claim settlements.
- Turnover of Government e-Marketplace (GeM) proposed to be taken to Rs 3 lakh crore.
- Scheme for Revision of duties and taxes on exported products to be launched.
  - o Exporters to be digitally refunded duties and taxes levied at the Central, State and local levels, which are otherwise not exempted or refunded.
- All Ministries to issue quality standard orders as per PM’s vision of “**Zero Defect-Zero Effect**” manufacturing.

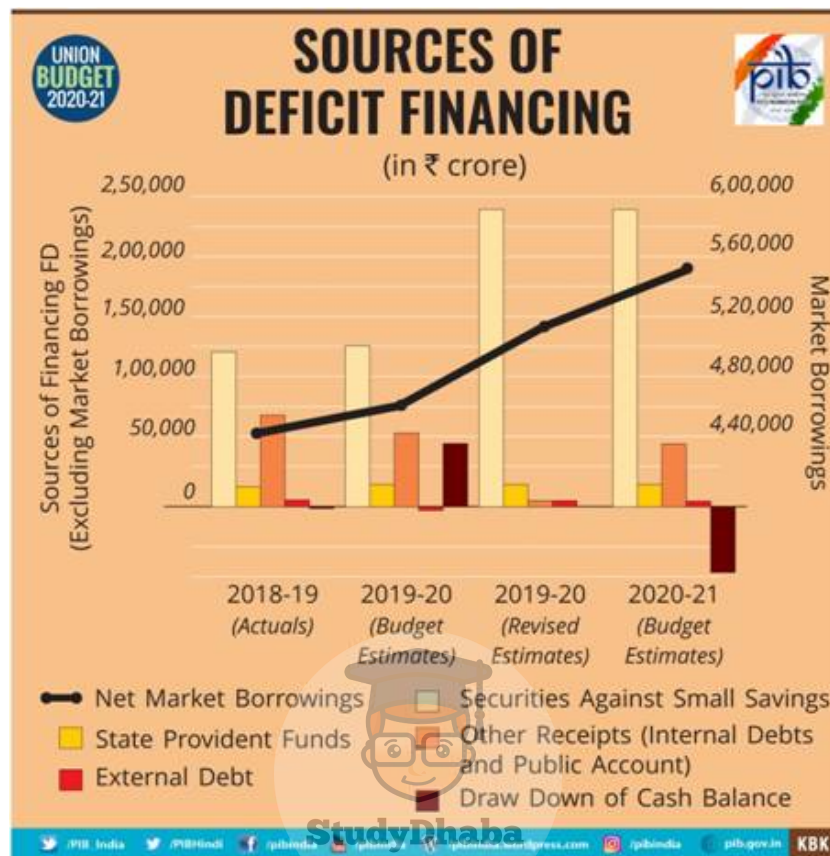


## Infrastructure

- Rs.100 lakh crore to be invested on infrastructure over the next 5 years.
- National Infrastructure Pipeline:
  - o Rs. 103 lakh crore worth projects; launched on 31st December 2019.
  - o More than 6500 projects across sectors, to be classified as per their size and stage of development.
- A National Logistics Policy to be released soon:
  - o To clarify roles of the Union Government, State Governments and key regulators.
  - o A single window e-logistics market to be created
  - o Focus to be on generation of employment, skills and making MSMEs competitive.
- National Skill Development Agency to give special thrust to infrastructure-focused skill development opportunities.
- Project preparation facility for infrastructure projects proposed.

o To actively involve young engineers, management graduates and economists from Universities.

- Infrastructure agencies of the government to involve youth-power in start-ups.
- Rs.1.7 lakh crore proposed for transport infrastructure in 2020-21.



### Highways:

- Accelerated development of highways to be undertaken, including:
  - o 2500 Km access control highways.
  - o 9000 Km of economic corridors.
  - o 2000 Km of coastal and land port roads.
  - o 2000 Km of strategic highways.
- Delhi-Mumbai Expressway and two other packages to be completed by 2023.
- Chennai-Bengaluru Expressway to be started.
- Proposed to monetise at least 12 lots of highway bundles of over 6000 Km before 2024.

### Indian Railways:

- Five measures:



- o Large solar power capacity to be set up alongside rail tracks, on land owned by railways.
  - o Four station re-development projects and operation of 150 passenger trains through PPP.
  - o More Tejas type trains to connect iconic tourist destinations.
  - o High speed train between Mumbai and Ahmedabad to be actively pursued.
  - o 148 km long Bengaluru Suburban transport project at a cost of Rs 18600 crore, to have fares on metro model. Central Government to provide 20% of equity and facilitate external assistance up to 60% of the project cost.
- Indian Railways' achievements:
    - o 550 Wi-fi facilities commissioned in as many stations.
    - o Zero unmanned crossings.
    - o 27000 Km of tracks to be electrified.

#### Ports & Water-ways:

- Corporatizing at least one major port and its listing on stock exchanges to be considered.
- Governance framework keeping with global benchmarks needed for more efficient sea-ports.
- Economic activity along river banks to be energised as per Prime Minister's *Arth Ganga* concept.



#### Airports:

- 100 more airports to be developed by 2024 to support Udaan scheme.
- Air fleet number expected to go up from present 600 to 1200 during this time.

#### Electricity:

- "Smart" metering to be promoted.
- More measures to reform DISCOMs to be taken.

#### Power:

- Rs.22, 000 crore proposed for power and renewable energy sector in 2020-21.
- Expansion of national gas grid from the present 16200 km to 27000 km proposed.
- Further reforms to facilitate transparent price discovery and ease of transactions.

#### New Economy

- To take advantage of new technologies:

- o Policy to enable private sector to build Data Centre parks throughout the country to be brought out soon.
- o Fibre to the Home (FTTH) connections through Bharatnet to link 100,000 gram panchayats this year.
- o Rs.6000 crore proposed for Bharatnet programme in 2020-21.
- Measures proposed to benefit Start-ups:
  - o A digital platform to be promoted to facilitate seamless application and capture of IPRs.
  - o Knowledge Translation Clusters to be set up across different technology sectors including new and emerging areas.
  - o For designing, fabrication and validation of proof of concept, and further scaling up Technology Clusters, harbouring test beds and small scale manufacturing facilities to be established.
  - o Mapping of India's genetic landscape- Two new national level Science Schemes to be initiated to create a comprehensive database.
  - o Early life funding proposed, including a seed fund to support ideation and development of early stage Start-ups.
- Rs.8000 crore proposed over five years for National Mission on Quantum Technologies and Applications.



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### Caring Society

- Focus on:
  - o Women & child,
  - o Social Welfare;
  - o Culture and Tourism
- Allocation of Rs. 35,600 crore for nutrition-related programmes proposed for the FY2020-21.
- Rs.28, 600 crore proposed for women specific programs.
- Issue about age of a girl entering motherhood - proposed to appoint a task force to present its recommendations in six months' time.
- Financial support for wider acceptance of technologies, identified by Ministry of Housing and Urban Affairs to ensure no manual cleaning of sewer systems or septic tanks, to be provided.
- Rs. 85, 000 crore proposed for 2020-21 for welfare of Scheduled Castes and Other Backward Classes.
- Rs. 53, 700 crore provided to further development and welfare of Scheduled Tribes.
- Enhanced allocation of Rs. 9,500 crore provided for 2020-21 for senior citizens and Divyang.

### **Culture & Tourism**



- Allocation of Rs. 2500 crore for 2020-21 for tourism promotion.
- Rs.3150 crore proposed for Ministry of Culture for 2020-21.
- An Indian Institute of Heritage and Conservation under Ministry of Culture proposed; with the status of a deemed University.
- 5 archaeological sites to be developed as iconic sites with on-site Museums:
  - Rakhigarhi (Haryana)
  - Hastinapur (Uttar Pradesh)
  - Shivsagar (Assam)
  - Dholavira (Gujarat)
  - Adichanallur (Tamil Nadu)
- Re-curation of the Indian Museum in Kolkata, announced by Prime Minister in January 2020.
- Museum on Numismatics and Trade to be located in the historic Old Mint building in Kolkata.
- 4 more museums from across the country to be taken up for renovation and re-curation.
- Support for setting up of a Tribal Museum in Ranchi (Jharkhand).
- Maritime museum to be set up at Lothal- the Harappan age maritime site near Ahmedabad, by Ministry of Shipping.
- State governments expected to develop a roadmap for certain identified destinations and formulate financial plans during 2021 against which specified grants to be made available to the States in 2020-21.

## Environment & Climate Change

- Allocation for this purpose to be Rs.4400 crore for 2020-21.
- Proposed to advise the utilities to close the running old thermal power plants with carbon emission above the pre-set norms.
- States that are formulating and implementing plans for ensuring cleaner air in cities above one million to be encouraged.
- PM launched Coalition for Disaster Resilient Infrastructure (CDRI) with Secretariat in Delhi. Second such international initiative after International Solar Alliance.

## Governance

- Clean, corruption-free, policy driven, good in intent and most importantly trusting in faith.
- **Taxpayer Charter** to be enshrined in the Statute will bring fairness and efficiency in tax administration.
- Companies Act to be amended to build into statutes, criminal liability for certain acts that are civil in nature.
  - Other laws with such provisions are to be corrected after examination.
- Major reforms in recruitment to Non-Gazetted posts in Government and Public sector banks:

- An independent, professional and specialist **National Recruitment Agency (NRA)** for conducting a computer-based online Common Eligibility Test for recruitment.
- A test-centre in every district, particularly in the Aspirational Districts.
- A robust mechanism to be evolved for appointment including direct recruitment to various Tribunals and specialised bodies to attract best talents and professional experts.
- Contract Act to be strengthened.
- New **National Policy on Official Statistics** to:
  - Promote use of latest technologies including AI.
  - Lay down a road-map towards modernised data collection, integrated information portal and timely dissemination of information.
- A sum of Rs. 100 crore allocated to begin the preparations for G20 presidency to be hosted in India in the year 2022.
- Development of North East region:
  - Improved flow of funds using online portal by the Government.
  - Greater access to financial assistance of Multilateral and Bilateral funding agencies.
- Development of Union Territories of J&K and Ladakh:
  - An amount of Rs. 30,757 crore provided for the financial year 2020-21.
  - The Union Territory of Ladakh has been provided with Rs. 5,958.



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## Financial Sector

- Reforms accomplished in PSBs :
  - 10 banks consolidated into 4.
  - Rs. 3,50,000 crore capital infused.
- Governance reforms to be carried out to bring in transparency and greater professionalism in PSBs.
- Few PSBs to be encouraged to approach the capital market to raise additional capital
- Deposit Insurance and Credit Guarantee Corporation (DICGC) permitted to increase Deposit Insurance Coverage to Rs. 5 lakh from Rs.1 lakh per depositor.
- Scheduled Commercial Bank's health under monitoring through a robust mechanism, keeping depositors' money safe.
- Cooperative Banks to be strengthen by amending Banking Regulation Act for:
  - Increasing professionalism.
  - Enabling access to capital.
  - Improving governance and oversight for sound banking through the RBI.
- NBFCs eligibility limit for debt recovery reduced from:
  - Rs. 500 crore to Rs 100 crore asset size.
  - Rs 1 crore to Rs 50 lakh loan size.
- Private capital in Banking system:
  - Government to sell its balance holding in IDBI Bank to private, retail and institutional investors through the stock exchange.

- Easier mobility in jobs:
  - Auto-enrolment in Universal Pension coverage.
  - Inter-operability mechanism to safeguard the accumulated corpus.
- Pension Fund Regulatory Development Authority of India Act to be amended to:
  - Strengthen regulating role of PFRDAI.
  - Facilitate separation of NPS trust for government employees from PFRDAI.
  - Enable establishment of a Pension Trust by the employees other than Government.
- Factor Regulation Act 2011 to be amended to:
  - Enable NBFCs to extend invoice financing to the MSMEs through TReDS
- New scheme to provide subordinate debt for entrepreneurs of MSMEs by the banks
  - Would be counted as quasi-equity.
  - Would be fully guaranteed through the Credit Guarantee Trust for Medium and Small Entrepreneurs (CGTMSE).
  - The corpus of the CGTMSE would accordingly be augmented by the government.
- Window for MSME's debt restructuring by RBI to be extended by one year till March 31, 2021.
  - More than five lakh MSMEs have already been benefitted.
- An app-based invoice financing loans product for MSMEs to be launched.
  - To prevent the problem of delayed payments and consequential cash flows mismatches.
- Export promotion of MSMEs:
  - For selected sector such as pharmaceuticals, auto components and others.
  - An Rs 1000 crore scheme anchored by EXIM Bank together with SIDBI.
    - Hand holding support for technology upgradations, R&D, business strategy etc.

## Financial Market

- Deepening Bond Market.
  - Certain specified categories of Government securities to be opened fully for non -resident investors also.
  - FPI limit in corporate bonds increased to 15% from 9% of its outstanding stock.
- New legislation to be formulated for laying down a mechanism for netting of financial contracts.
  - Scope of credit default swaps to expand.
- Debt Based Exchange Traded Fund expanded by a new Debt-ETF consisting primarily of Government Securities.
  - To give attractive access to retail investors, pension funds and long-term investors.
- A Partial Credit Guarantee scheme for the NBFCs formulated post the Union budget 2019-20 to address their liquidity constraints.
  - New mechanism to be devised to further this.
    - Government support to securities so floated.

## Infrastructure Financing

- Rs.103 lakh crore National Infrastructure Pipeline projects earlier announced.
- Rs 22,000 crore to cater to the equity support to Infrastructure Finance Companies such as IIFCL and a subsidiary of NIIF.
- IFSC, GIFT city: full of potential to become a centre of international finance as well as a centre for high end data processing:
  - An International Bullion exchange(s) to be set up as an additional option for trade by global market participants with the approval of regulator.

## Disinvestment

- Government to sell a part of its holding in LIC by way of Initial Public Offer (IPO).

## Fiscal Management

- XV Finance Commission (FC):
  - XV Finance Commission has given its first report for FY2020-21
  - Recommendations accepted in substantial measure
  - Its final report for five years beginning 2021-22 to be submitted during the latter part of the year.
- GST Compensation Fund:
  - Balances due out of collection of the years 2016-17 and 2017-18 to be transferred to the Fund, in two instalments.
  - Hereinafter, transfers to the fund to be limited only to collection by way of GST compensation cess.
- Overhaul of Centrally Sponsored Schemes and Central Sector Schemes necessary:
  - To align them with emerging social and economic needs of tomorrow
  - **To ensure that scarce public resources are spent optimally**
- On the recent debate over transparency and credibility of projected fiscal numbers, it is assured that procedure adopted is compliant with the FRBM Act.
- For the FY 2019-20:
  - Revised Estimates of Expenditure: at Rs.26.99 lakh crore
  - Revised Estimates of Receipts: estimated at Rs.19.32 lakh crore.
- For year 2020-21:



## Direct Tax

**Direct Tax Proposals** - To stimulate growth, simplify tax structure, bring ease of compliance, and reduce litigations.

- **Personal Income Tax:**

- *Significant relief to middle class taxpayers.*
- New and simplified personal income tax regime proposed:

Taxable Income Slab (Rs.)	Existing tax rates	New tax rates
0-2.5 Lakh	Exempt	Exempt
2.5-5 Lakh	5%	5%
5-7.5 Lakh	20%	10%
7.5-10 Lakh	20%	15%
10-12.5 Lakh	30%	20%
12.5-15 Lakh	30%	25%
Above 15 Lakh	30%	30%

- **Around 70 of the existing exemptions and deductions (more than 100) to be removed** in the new simplified regime.
- Remaining exemptions and deductions to be reviewed and rationalised in coming years.
- New tax regime to be optional - an individual may continue to pay tax as per the old regime and avail deductions and exemptions.



- Measures to pre-fill the income tax return initiated so that an individual who opts for the new regime gets pre-filled income tax returns and would need no assistance from an expert to pay income tax.
- New regime to entail estimated revenue forgone of Rs. 40,000 crore per year.
- **Corporate Tax:**
  - Tax rate of 15% extended to new electricity generation companies.
  - Indian corporate tax rates now amongst the lowest in the world.
- **Dividend Distribution Tax (DDT):**
  - **DDT removed making India a more attractive investment destination.**
  - Deduction to be allowed for dividend received by holding company from its subsidiary.
  - Rs. 25,000 crore estimated annual revenue forgone.
- **Start-ups:**
  - Start-ups with turnover up to Rs. 100 crore to enjoy 100% deduction for 3 consecutive assessment years out of 10 years.
  - Tax payment on ESOPs deferred.
- **MSMEs to boost less-cash economy:**
  - Turnover threshold for audit increased to Rs. 5 crore from Rs. 1 crore for businesses carrying out less than 5% business transactions in cash.
- **Cooperatives:**
  - Parity brought between cooperatives and corporate sector.
  - Option to cooperative societies to be taxed at 22% + 10% surcharge and 4% cess with no exemption/deductions.
  - Cooperative societies exempted from Alternate Minimum Tax (AMT) just like Companies are exempted from the Minimum Alternate Tax (MAT).
- **Tax concession for foreign investments:**
  - 100% tax exemption to the interest, dividend and capital gains income on investment made in infrastructure and priority sectors before 31<sup>st</sup> March, 2024 with a minimum lock-in period of 3 years by the Sovereign Wealth Fund of foreign governments.
- **Affordable housing:**
  - Additional deduction up to Rs. 1.5 lakhs for interest paid on loans taken for an affordable house extended till 31<sup>st</sup> March, 2021.
  - Date of approval of affordable housing projects for availing tax holiday on profits earned by developers extended till 31<sup>st</sup> March, 2021.



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## Tax Facilitation Measures

- **Instant PAN** to be allotted online through Aadhaar.
- **‘Vivad Se Vishwas’** scheme, with a deadline of 30<sup>th</sup> June, 2020, to reduce litigations in direct taxes:
  - Waiver of interest and penalty - only disputed taxes to be paid for payments till 31<sup>st</sup> March, 2020.

- Additional amount to be paid if availed after 31<sup>st</sup> March, 2020.
- Benefits to taxpayers in whose cases appeals are pending at any level.
- **Faceless appeals** to be enabled by amending the Income Tax Act.
- **For charity institutions:**
  - Pre-filing in return through information of donations furnished by the donee.
  - Process of registration to be made completely electronic.
  - Unique registration number (URN) to be issued to all new and existing charity institutions.
  - Provisional registration to be allowed for new charity institutions for three years.
  - CBDT to adopt a Taxpayers' Charter.
- **Losses of merged banks:**
  - Amendments proposed to the Income-tax Act to ensure that entities benefit from unabsorbed losses and depreciation of the amalgamating entities.
  -

## Indirect Tax

- **GST:**
  - Cash reward system envisaged to incentivise customers to seek invoice.
  - **Simplified return with features like SMS based filing for nil return and improved input tax credit flow to be implemented from 1st April, 2020 as a pilot run.**
  - Dynamic QR-code capturing GST parameters proposed for consumer invoices.
  - Electronic invoice to capture critical information in a centralized system to be implemented in a phased manner.
  - Aadhaar based verification of taxpayers being introduced to weed out dummy or non-existent units.
  - GST rate structure being deliberated to address inverted duty structure.
- **Customs Duties:**
  - Customs duty raised on footwear to 35% from 25% and on furniture goods to 25% from 20%.
  - Basic customs duty on imports of news print and light-weight coated paper reduced from 10% to 5%.
  - Customs duty rates revised on electric vehicles and parts of mobiles.
  - 5% health cess to be imposed on the imports of medical devices, except those exempt from BCD.
  - Lower customs duty on certain inputs and raw materials like fuse, chemicals, and plastics.
  - Higher customs duty on certain goods like auto-parts, chemicals, etc. which are also being made domestically.
- **Trade Policy Measures**
  - Customs Act being amended to enable proper checks of imports under FTAs.
  - Rules of Origin requirements to be reviewed for certain sensitive items.
  - Provisions relating to safeguard duties to be strengthened to enable regulating such surge in imports in a systematic way.
  - Provisions for checking dumping of goods and imports of subsidized goods being strengthened.
  - Suggestions for reviews of exemptions from customs duty to be crowd-sourced.

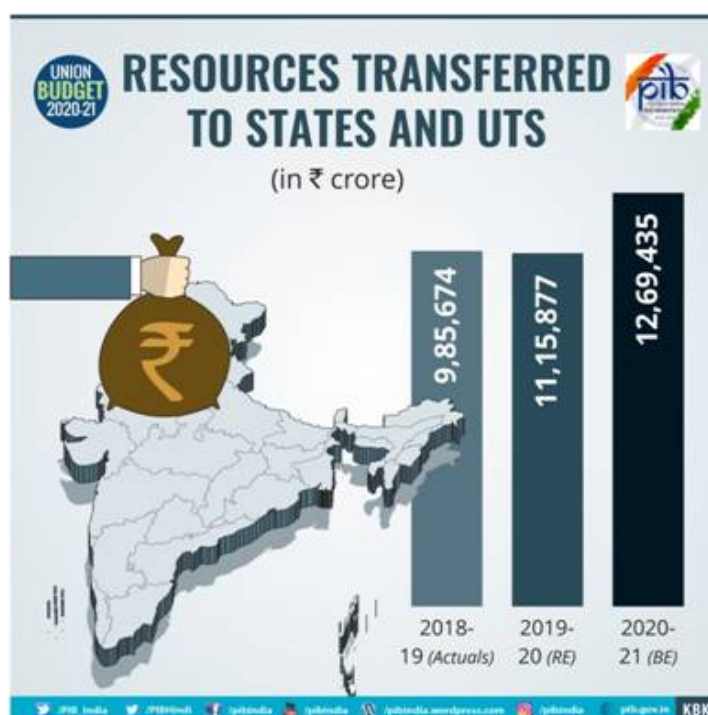
- **Excise duty proposed to be raised on Cigarettes and other tobacco products**, no change made in the duty rates of *bidis*.
- Anti-dumping duty on PTA abolished to benefit the textile sector.


### Unprecedented Milestones and Achievements of Indian Economy

- India now the fifth largest economy of the world.
- 7.4% average growth clocked during 2014-19 with inflation averaging around 4.5%.
- 271 million people raised out of poverty during 2006-16.
- India's Foreign Direct Investment elevated to US\$ 284 billion during 2014-19 from US\$ 190 billion during 2009-14.
- Central Government debt reduced to 48.7% of GDP (March 2019) from 52.2% (March 2014).
- Two cross-cutting developments:
  - Proliferation of technologies (Analytics, Machine Learning, robotics, Bio-informatics and Artificial Intelligence).
  - Highest ever number of people in the productive age group (15-65 years) in India.
- GST removed many bottlenecks in the system.

### Future Aim for sustaining India's unique global leadership, driven by Digital Revolution

- Seamless delivery of services through *Digital Governance*.
- Improvement in physical quality of life through *National Infrastructure Pipeline*.
- Risk mitigation through *Disaster Resilience*.
- *Social security* through Pension and Insurance penetration.



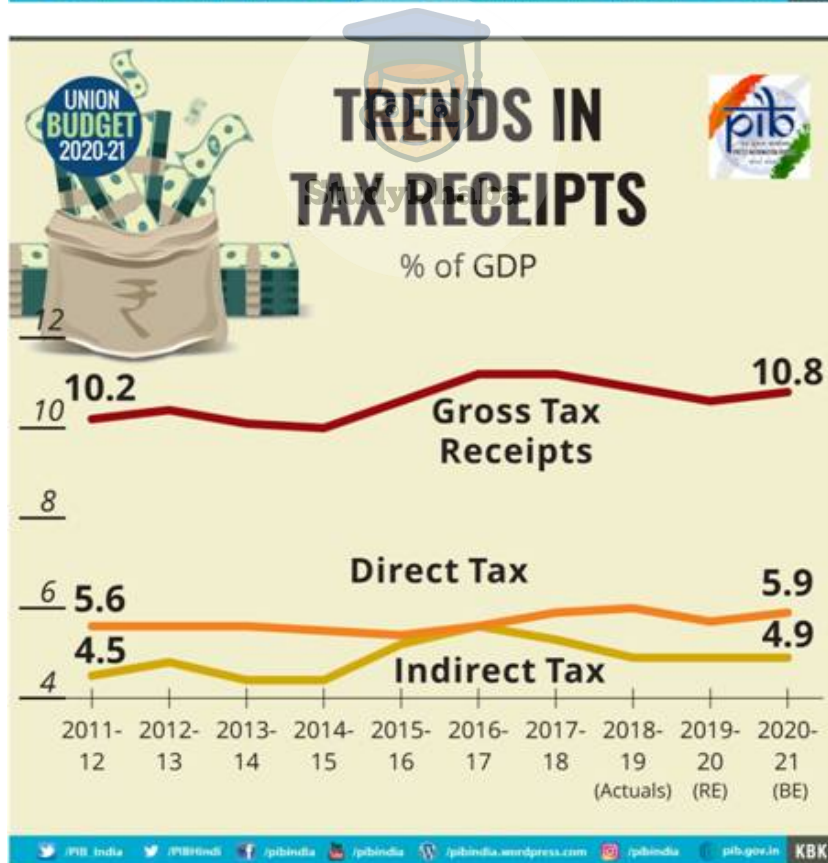


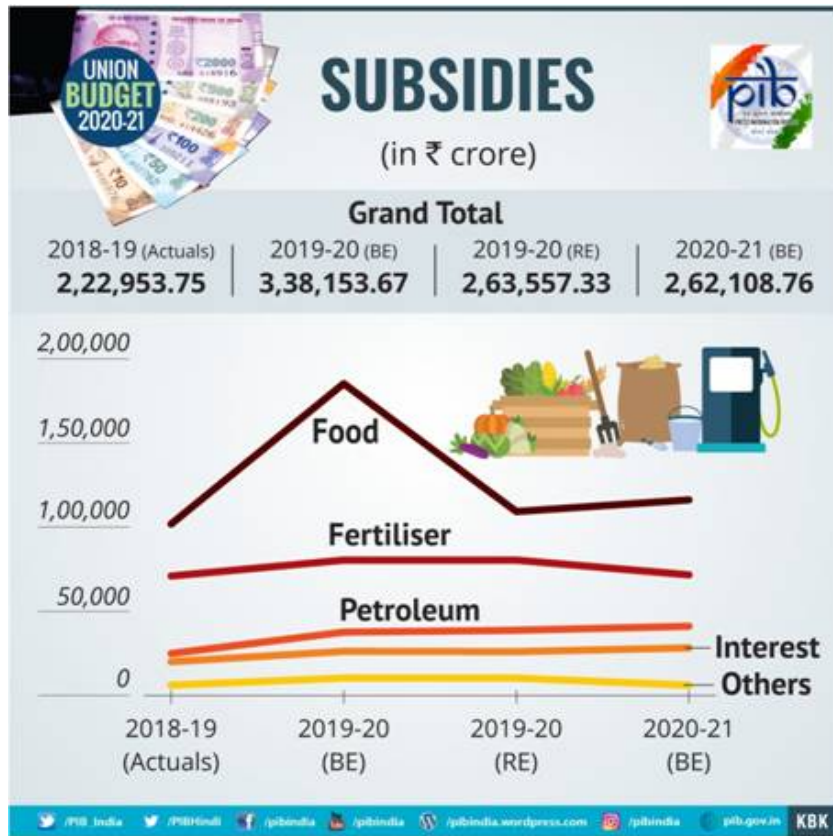
## KEY NUMBERS

(in ₹ crore)

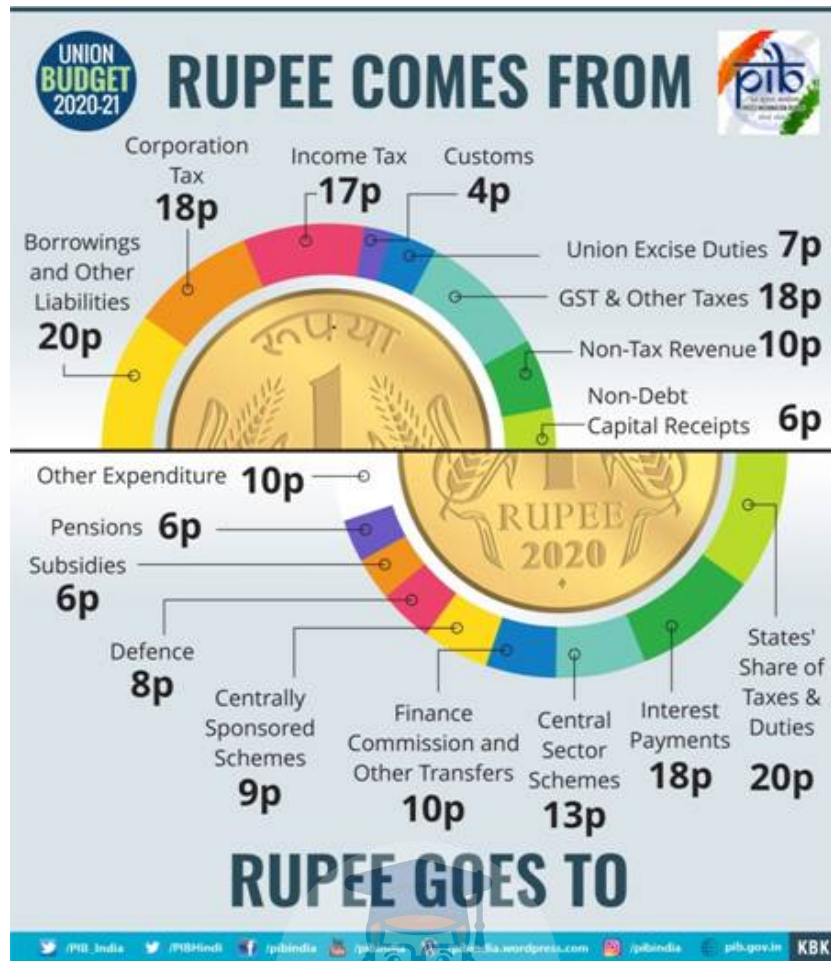
	2018-19 (Actuals)	2019-20 (Budget Estimates)	2019-20 (Revised Estimates)	2020-21 (Budget Estimates)
<b>Revenue Receipts</b>	15,52,916	19,62,761	18,50,101	<b>20,20,926</b>
<b>Capital Receipts</b>	7,62,197	8,23,588	8,48,451	<b>10,21,304</b>
<b>Total Receipts</b>	23,15,113	27,86,349	26,98,552	<b>30,42,230</b>
<b>Total Expenditure</b>	23,15,113	27,86,349	26,98,552	<b>30,42,230</b>
<b>Revenue Deficit</b>	4,54,483	4,85,019	4,99,544	<b>6,09,219</b>
<b>Effective Revenue Deficit</b>	2,62,702	2,77,686	3,07,807	<b>4,02,719</b>
<b>Fiscal Deficit</b>	6,49,418	7,03,760	7,66,846	<b>7,96,337</b>
<b>Primary Deficit</b>	66,770	43,289	1,41,741	<b>88,134</b>

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