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# union Budget

2019-20



# Key highlights of Union Budget 2019-20



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

**8% annual GDP growth** aimed until 2024-25 for US\$5\* trn economy, to become world's 3rd largest

In 2019-20, Indian is expected to record **growth of 7%;** Indian Economy grew by **6.8% in 2018-19**

Focus on **Virtuous Cycle** of savings, investment and exports for sustainable growth in economy

**78% increase in tax** collection over 2013-14 to 2018-19 to US\$166.5\* bn; expansion of tax base

Note: US\$1= ₹68.66\*

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Proposed further recapitalisation of public sector banks (PSBs) with infusion of over **US\$10.2\* bn**

GDP growth in the last five fiscals topped **7.5%**; In 2018-19, India reported an **8% rise** in exports

Recovery of **US\$58.4\* bn** in last four years due to Insolvency and Bankruptcy Code, among others

Provision of **water** for all household by 2024; holistic **infrastructure** development in connectivity

Focus on empowering India's space programmes; India has undertaken **+110 space missions**

# Policies for inclusive economic growth



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Pradhan Mantri  
Karam Yogi  
Maandhan -  
Pension benefits  
for retail  
traders, small  
shopkeepers

Scheme of  
faceless  
electronic tax  
assessment -  
Aadhaar and  
PAN to become  
interchangeable

Reform,  
Perform,  
Transform  
agenda: GST,  
IBC, RERA,  
among other  
policies  
transforming  
lives

Plan to  
strengthen  
MSMEs through  
fiscal incentives,  
liberated labor  
laws and skill  
development

# Strong infrastructure for strong economy



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## Bharatmala

**Pariyojana** Phase 2 to be launched; State road networks will be developed

World's **3rd largest** domestic aviation market; 14.1% rise in passenger traffic in 5 years

**Jal Marg Vikas** Project and **Sagarmala** initiative improving logistics with well-connected waterways

Increasing PPP in railways infrastructure development; **657 km** metro rail now operational

PMAY-U: Houses sanctioned: **8.1 mn**; Construction started: **4.7 mn**; Completed: **2.6 mn**

Credit Guarantee Enhancement Corp to be set up in 2019-20 to boost infra financing

# Keen emphasis on HRD development



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

Study in India to bring foreign students to higher educational institutions

Measures to prepare youth in **AI, IoT, Big Data, 3D Printing, Virtual Reality**

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**+US\$58.4\* m**  
provided for 'World Class Institutions' for FY 2019-20

National Sports Education Board to be developed under **Khelo India**

Focus on R&D for sustainable **urban infrastructure, energy, water usage**

# Push to raise investment in industries



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Changes in customs duties to promote investment under **Make in India**

Interest subvention scheme for MSMEs: **US\$51.1\* m** allocated for 2019-20

Social stock exchange for listing social enterprises, voluntary organisations

**E-verification** to resolve tax issues relating to fundraising from investors

**FAME Phase-2** commenced; Customs duty relief on some e-vehicle parts

Income tax deduction of interest on loans for **e-vehicle purchase**

# FDI regulations eased to drive investment



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## 100% foreign direct investment (FDI)

allowed for  
Insurance  
intermediaries

Local sourcing  
regulation to be  
eased for FDI in  
**single brand  
retail outlets**

## Statutory limit

for FPI investment  
in a company  
increased to  
sectoral limit

India attracted  
**US\$64.4\* bn**  
worth of  
cumulative FDI  
during fiscal 2018-  
19



# Tax proposals to maximise growth



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Threshold for applicability of lower corporate tax of 25% raised from **US\$36.5\* m** to **US\$58.4\* m**

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DS of 2% on cash withdrawal crossing **US\$146,000\***/year from bank to boost less cash economy

**No charges/MDR on set digital payments.** These modes must be provided by large businesses

Effective tax rate for individuals having taxable income above **US\$292,000\*** has been increased

**Sabka Vishwas** Legacy Dispute Resolution Scheme for quick closure of service tax, excise cases

# Policies to support rural development



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Boost to agro-rural industries through cluster based **SFURTI scheme**

Special focus on development of **bamboo, honey and khadi clusters**

100 new clusters to be set up to enable **50,000** artisans during 2019-20

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100 Business Incubators to enable **75,000** entrepreneurs under ASPIRE

Pradhan Mantri Matsya Sampada Yojana to strengthen **fisheries sector**

**1,592** critical and over exploited blocks identified under Jal Shakti Abhiyan

# Focus for the coming decade



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Physical and social infrastructure  
Digital India  
Pollution free India  
Make in India  
Water management and clean rivers  
Blue economy  
Space programmes  
Self-sufficiency and export of food grains  
Healthy society  
Team India with Jan Bhagidari



# Thank You



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