Union Budget 2020-21 Highlights

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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.

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Agriculture:

- A budget allocation of Rs.2.83 lakh crore for the sector comprising **agriculture and allied activities**.
- Doubling farmers incomes by 2022.
- Agri-credit availability set at Rs.15 lakh crore for 2020-21.
- Comprehensive measures for 100 water stressed districts.
- Provide 20 lakh farmers to set up standalone solar pumps. Help another 15 lakh farmers to solarise their power grid.
- Village storage scheme proposed to be run by women SHGs.
- Indian Railways to have refrigerated coaches capability in **'kisan trains'** to carry perishables and milk.
- **Krishi UDAN** on international and national routes.
- Jaivik Kheti Portal – online national organic products market to be strengthened.

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Economy and Finance:

- **Bank deposit insurance cover** had been increased from Rs.1 lakh to Rs.5 lakh per depositor.
- Government plans to amend the Companies Act to decriminalise civil offences.
- Government to sell part of its stake in LIC via public offering.

Health and Sanitation:

- An allocation of Rs.69,000 crore for the **health sector**.
- Rs.12,300 crore for Swachh Bharat this year.
- Proposal to set up hospitals in Tier-II and Tier-III cities with the private sector using PPP.
- Expand Jan Aushadhi scheme to provide for all hospitals under Ayushman Bharat by 2025.

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Education:

- Rs.99,300 crore for **education sector** in 2021 and about Rs.3,000 crore for skill development.
- Urban local bodies to provide internship to young engineers for a year.
- Degree-level full fledged **online education programmes by institutions ranked in top 100 in NIRF rankings**, especially to benefit underprivileged students.
- A **national police university and a national forensic science university** is proposed to be setup.
- **IND SAT** exam for students of Asia and Africa to promote “study in India” programme.

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Infrastructure:

- Budget proposes to provide Rs.1.7 lakh crore for transport infrastructure in 2021
- **National Logistics Policy** to be released soon.
- **Chennai-Bengaluru Expressway** to be started.
- Aim to achieve **electrification of 27,000 km** of lines.
- Plan to have a large **solar power capacity for Indian Railways**.
- The government also proposes a **Bengaluru suburban rail** project at a cost of Rs.18,600 crore.
- Govt to **monetise 12 lots of national highways by 2024**.
- **100 more airports** will be developed by 2024 to support UDAN.
- 5 new smart cities in public-private partnership mode
- Delhi-Mumbai Expressway to be completed by 2023

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Tax slabs

Income	Tax
Between Rs.5 lakh and Rs.7.5 lakh	Reduced to 10% from the current 20%
Between Rs.7.5 lakh to Rs.10 lakh	Reduced to 15% from the current 20%
Between Rs.10 lakh to Rs.12.5 lakh	Reduced to 20% from the current 30%
Between Rs.12.5 lakh to Rs.15 lakh	Reduced to 25% from the current 30%
Above Rs.15 lakh	Continue at 30%, but without exemptions

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Taxation

- Over 70 deductions have been removed.
- Companies will no longer be required to pay **Dividend Distribution Tax (DDT).**
- Aadhaar-based verification for GST compliance to be introduced.
- Aadhaar-based quick issuance of PAN announced.
- Tax on cigarettes and other tobacco products to be increased
- Audit threshold for MSMEs raised to Rs.5 crore from Rs.1 crore

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List of key budgetary allocations

- FY21 agriculture allocation Rs.1.38 lakh crore
- FY21 rural development allocation Rs.1.23 lakh crore
- FY21 agriculture and rural allocation Rs.2.83 lakh crore
- FY21 agriculture credit target Rs.15 lakh crore
- FY21 education allocation at Rs.99,300 crore
- FY21 healthcare allocation at Rs.69,000 crore
- FY21 transport infra allocation at Rs.1.7 lakh crore

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