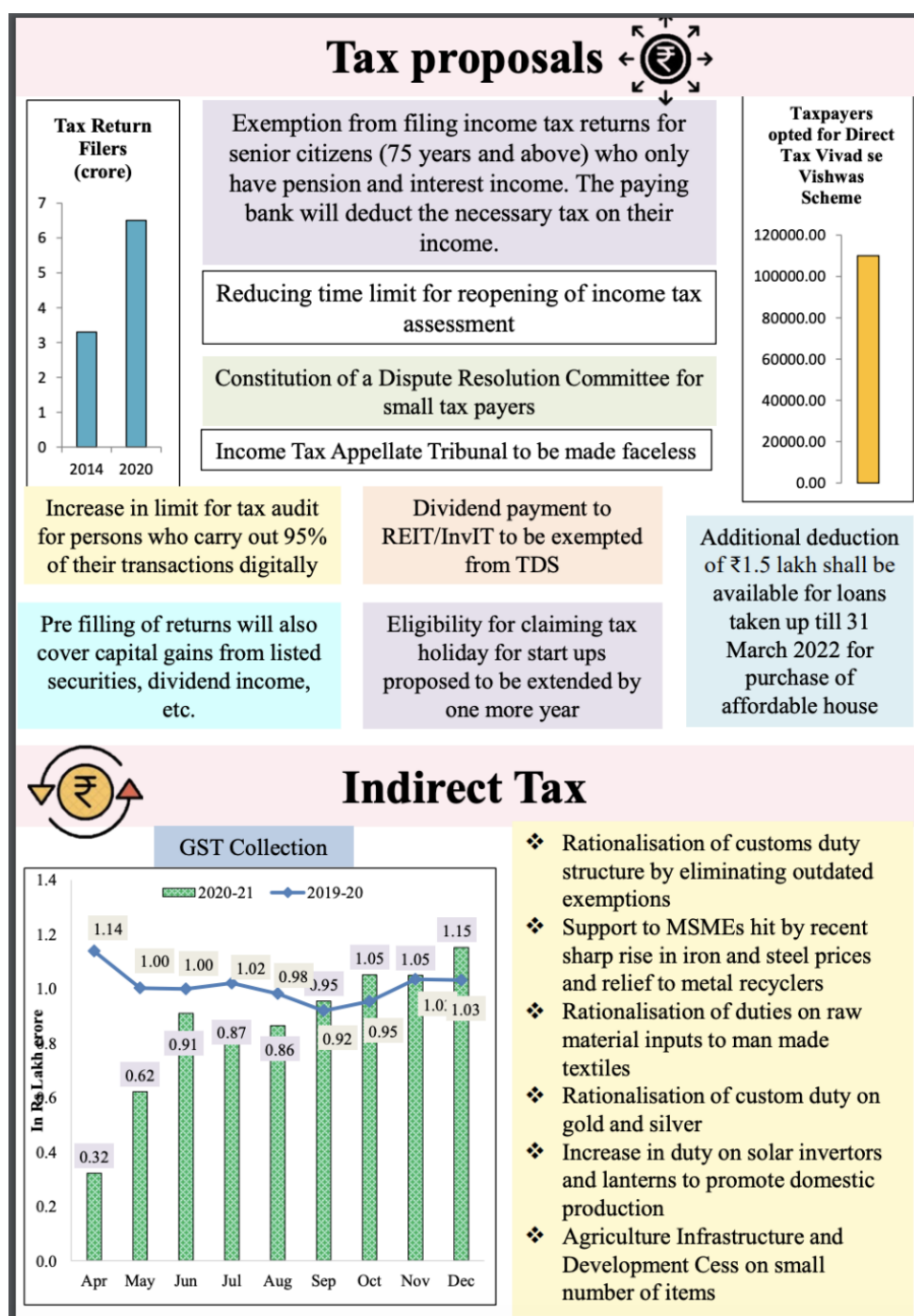
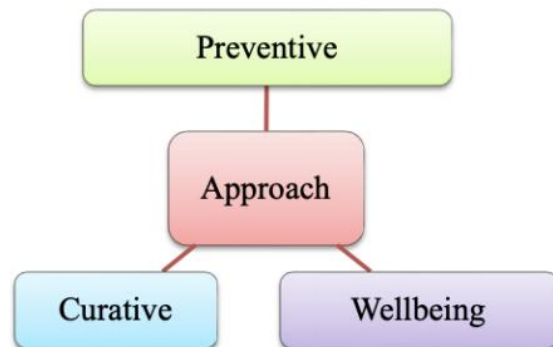


## Finance Minister Nirmala Sitharaman's Budget 2021

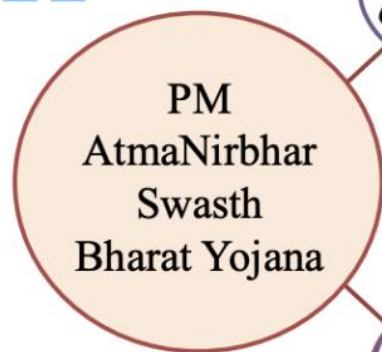
1. Here are the highlights of the BudgetFocus on healthcare, vaccine, relief for senior citizen: Key highlights of Budget 2021
2. The FM said the proposals rest on six pillars, including health and well-being; physical and financial capital
3. Senior citizens above 75 yrs of age with only pension income exempted from filing tax returns
4. Govt announced Aatmanirbhar packages totalling Rs 27.1 lakh crore to deal with Covid pandemic



# Holistic Approach to Health



Supplementary Nutrition Programme and Poshan Abhiyan to be merged and launched as Mission Poshan 2.0



- ❖ Outlay ₹64180 crore over 6 years
- ❖ Support for Health and Wellness centres

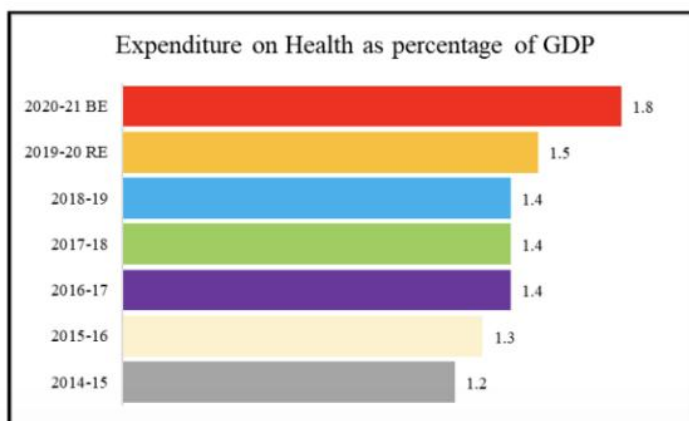


- ❖ Setting up of Integrated Public Health Labs
- ❖ Establishing critical care hospital blocks

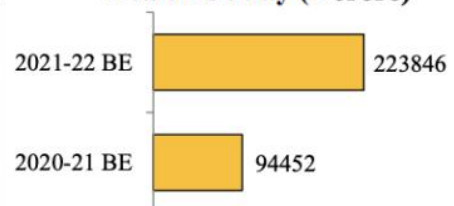


- ❖ Strengthening NCDC
- ❖ Expanding integrated health information portal

- Pnuemococcal vaccine to be rolled across the country
- ₹35000 crore for Covid-19 Vaccine in 2021-22



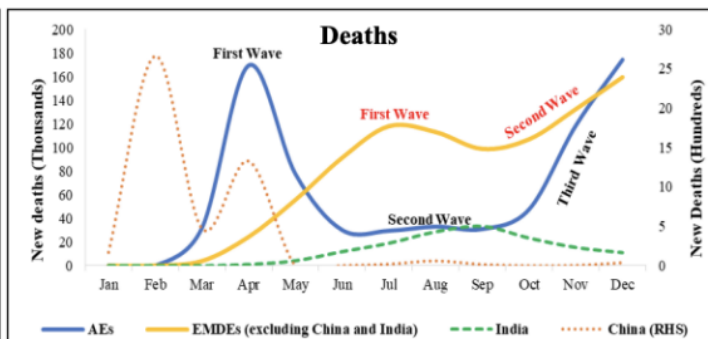
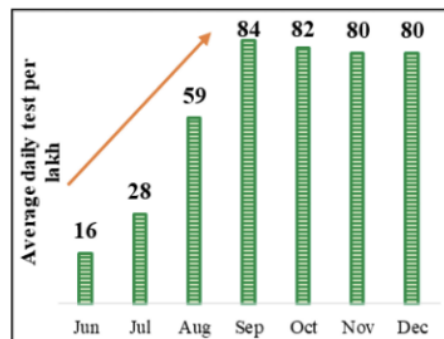
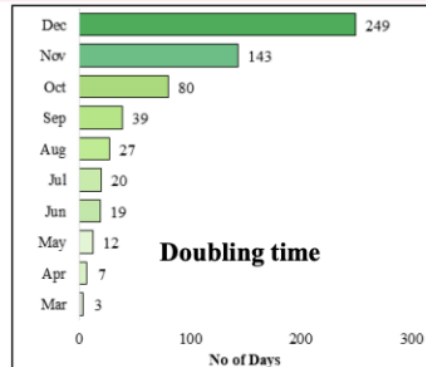
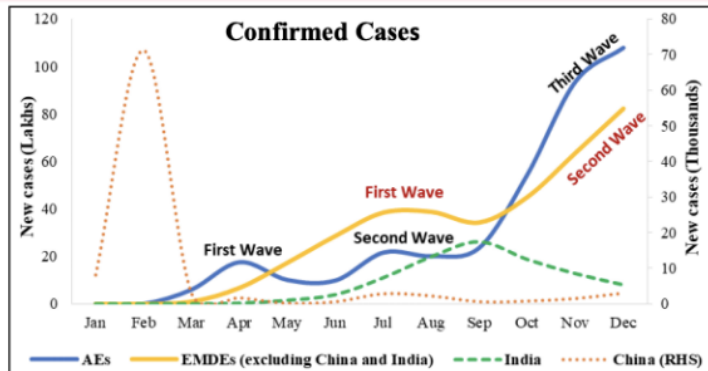
## Health Outlay (₹ crore)



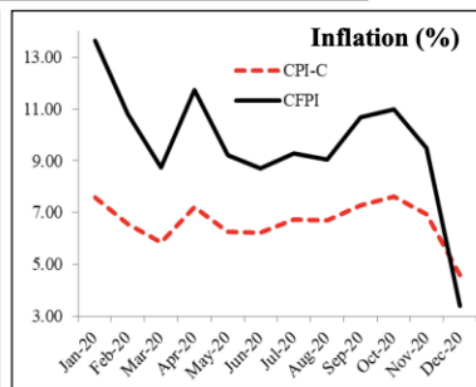
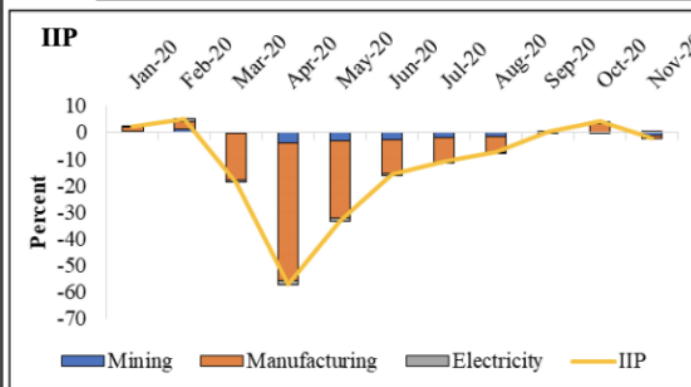
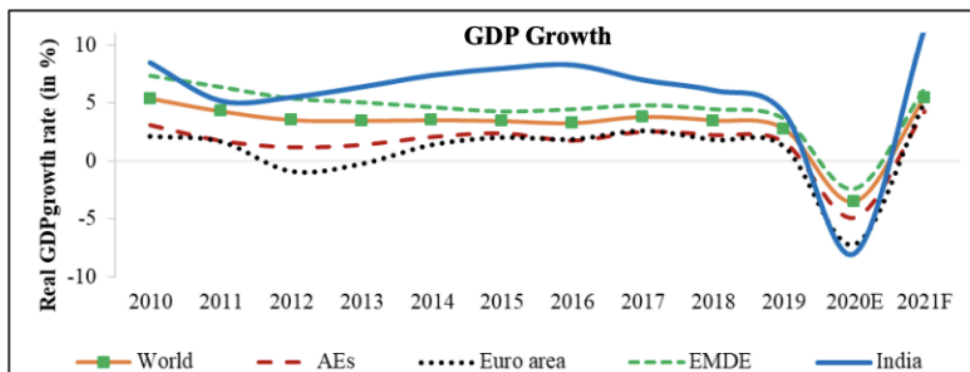
Introduction of National Commission for Allied Healthcare Professionals Bill

\*Image source yahoo finance

# Resilience in face of Once in a Century Crisis



## V Shaped Recovery



\*Image source yahoo finance

# Atma Nirbhar Bharat Abhiyan

Stimulus provided under ANB out of total stimulus

9%

Stimulus by Govt and RBI combined

15%

## GOVERNMENT REFORMS

- Increase in borrowing limits of state governments
- Privatisation of Public Sector Enterprise



## ENERGY

- Liquidity support for discoms
- Elimination of Regulatory Assets
- Commercial coal mining
- Reduction in cross-subsidy

## MSMEs AND INDUSTRY

- Collateral free loans for businesses
- Fund of funds will be set up for MSMEs
  - PM Garib Kalyan Yojana
  - Subordinate debt for MSMEs
- Disallowing global tenders of up to Rs 200 crore
- Change in definition of MSMEs



## SOCIAL SECTOR

- ❖ National Digital Health Blueprint
- ❖ Additional Allocation for MGNREGS
- ❖ Technology driven education: PM eVidya, National Foundational Literacy and Numeracy Mission

## MIGRANT WORKERS

- ✓ One Nation One Card
- ✓ Free food grain Supply to migrants



## AGRICULTURE AND ALLIED SECTORS



- Concessional Credit Boost to farmers
  - Agri Infrastructure Fund
- Emergency working capital for farmers
- Animal Husbandry infrastructure development
- Amendments to the Essential Commodities Act
  - Agriculture marketing reforms



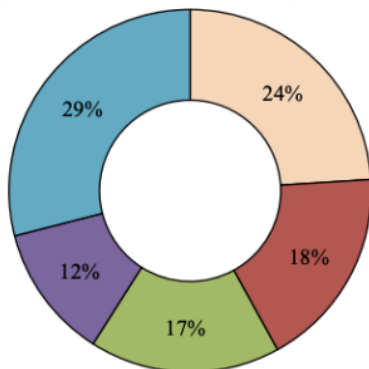
## Industry

**PLI** launched to create manufacturing global champions across 13 sectors with amount committed nearly ₹1.97 lakh crore in next 5 years starting FY2021-22



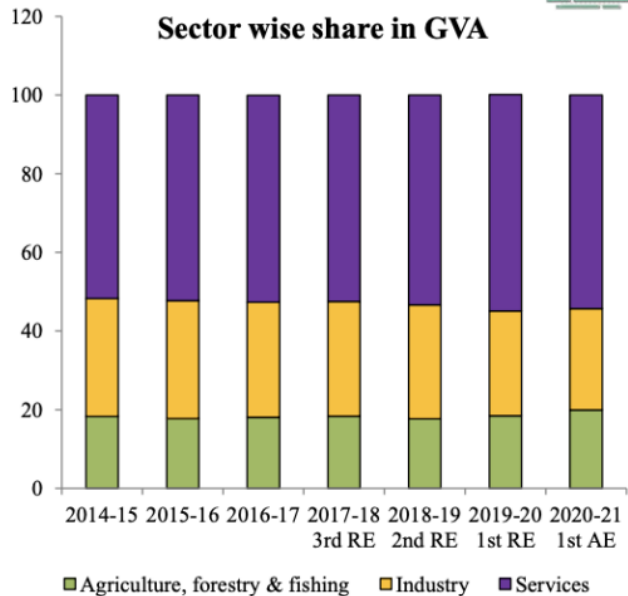
### NIP projects by sector

Energy Road Urban Railways Others



NIP Project pipeline expanded to 7400 projects

### Sector wise share in GVA



MITRA Scheme to create world class infrastructure for global champions in textile sector leading to creation of 7 textile parks over 3 years.

## Infrastructure



### Road Construction Per Day in km

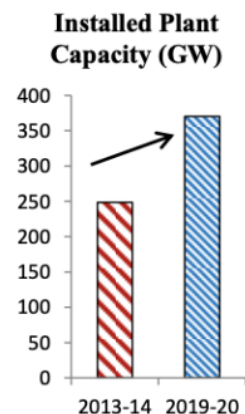


### National Rail Plan

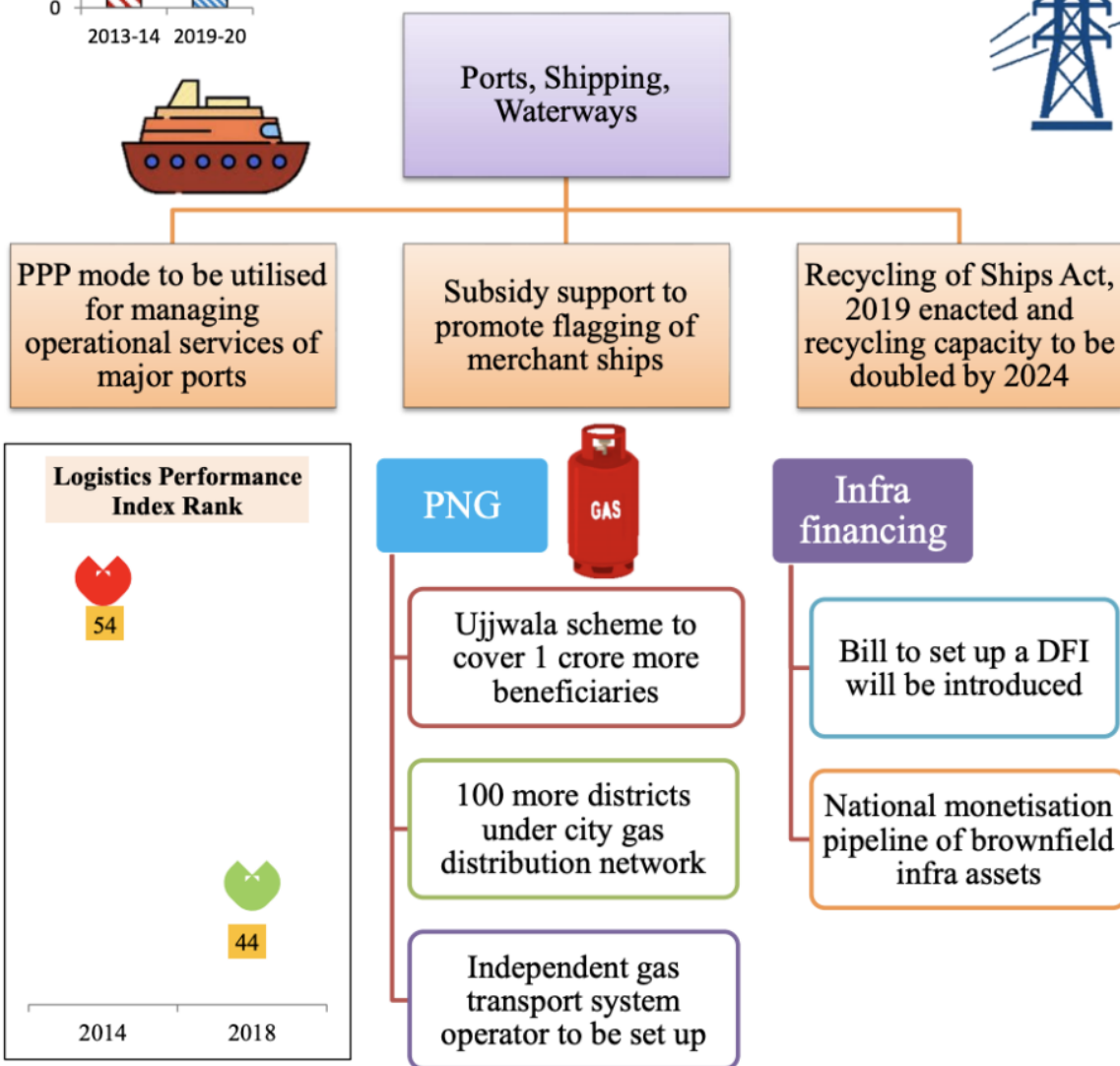
- Aims at developing adequate rail infrastructure by 2030 to cater to the projected traffic requirements up to 2050.
- The objective is to increase the modal share of rail in freight from the current level of 27 per cent to 45 per cent.



- 100% electrification of Broad Gauge Routes by 2023
- Indigenously developed automatic train protection system to be launched



- ✓ 139 GW of installed capacity was added during 6 years connecting additional 2.8 crore households with addition of 1.41 lakh circuit km of transmission lines
- ✓ Revamped reforms-based result-linked power distribution sector scheme will be launched with an outlay of ₹3,05,984 crore over 5 years
- ✓ Hydrogen energy mission will be launched



## Urban Development

Jal Jeevan Mission (Urban) for universal water supply in all ULBs



Urban Swachh Bharat Mission with outlay ₹1,41,678 crore over 5 years

₹2,217 crore for 42 urban centres to tackle air pollution



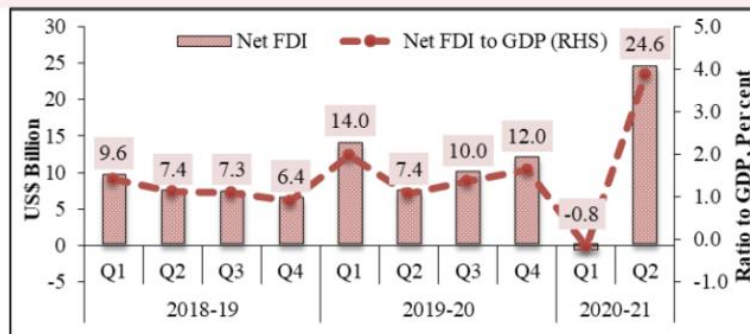
Voluntary Vehicle Scrapping policy

Innovative PPP models to augment public bus transport



MetroLite and MetroNeo for tier 2 and peripherals of tier 1 cities

## Financial Reforms



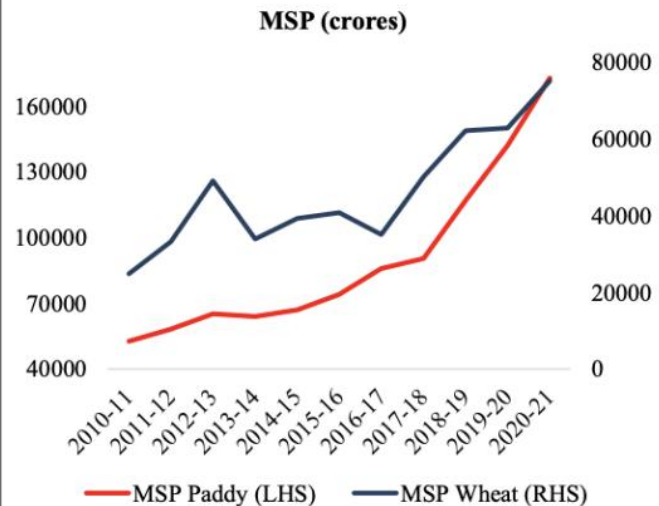
- ❖ Rationalised single Securities Markets Code by 2022
  - ❖ World class fintech hub at GIFT IFSC
- ❖ Permanent institutional framework for Corporate bond market
- ❖ SEBI as regulator and greater role for WDRA for development of commodity market ecosystem
  - ❖ Investor charter as a right across all financial products
- ❖ Amending the Insurance Act, 1938 to increase the FDI limit with safeguards
- ❖ Asset Reconstruction Company Limited and Asset Management Company to resolve stressed assets problem of PSBs.

# Inclusive Development

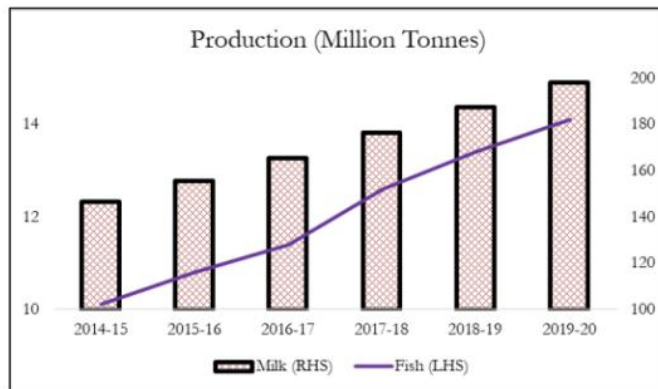


## AGRICULTURE

- ❑ Extending coverage of SWAMITVA Scheme to all states/UTs
- ❑ Expansion of Operation Green scheme to include 22 perishable products
- ❑ 1000 more mandis to be integrated with e-NAM



## FISHERIES

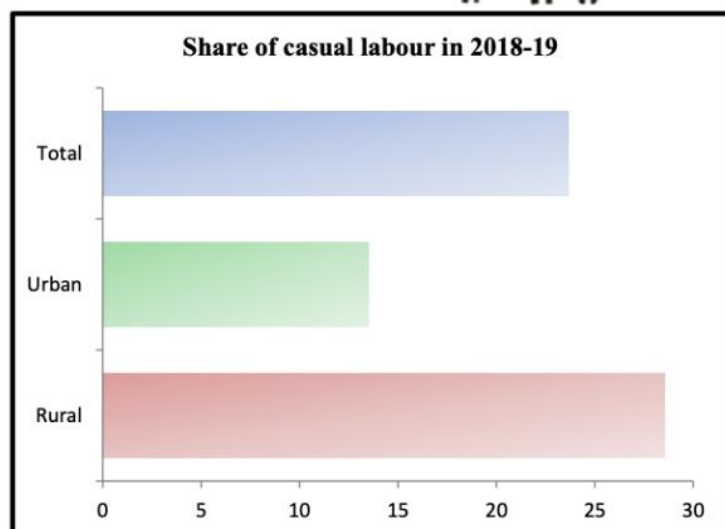


- Development of modern fishing harbours and fish landing centres
- Multipurpose Seaweed Park to be set up in Tamil Nadu

## MIGRANT WORKERS AND LABOURERS



- One nation one ration card scheme under implementation in 32 states and UTs.
- A portal to be launched for gig, building and construction workers
- Social security benefits will be extended to gig and platform workers



\*Image source yahoo finance



# Human Capital

## EDUCATION

- Revamped Post Matric Scholarship Scheme for welfare of SCs
- 100 new Sainik schools
- 750 Eklavya schools in tribal areas

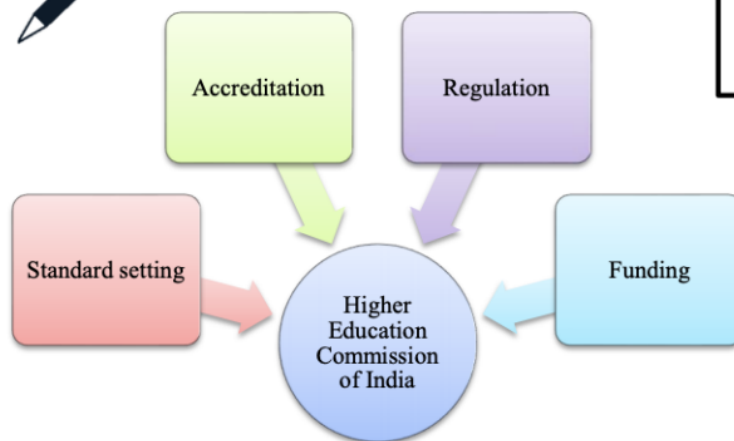
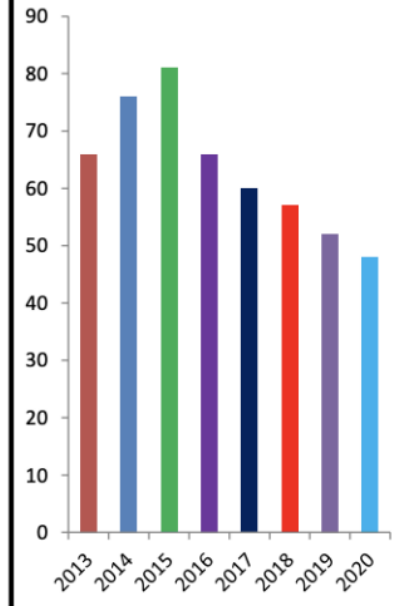


## SKILLS

- ❖ Realigning National Apprenticeship Training scheme for graduates and diploma holders in Engineering
- ❖ Partnership with UAE and Japan in area of skill development and recognition



## GII Rank

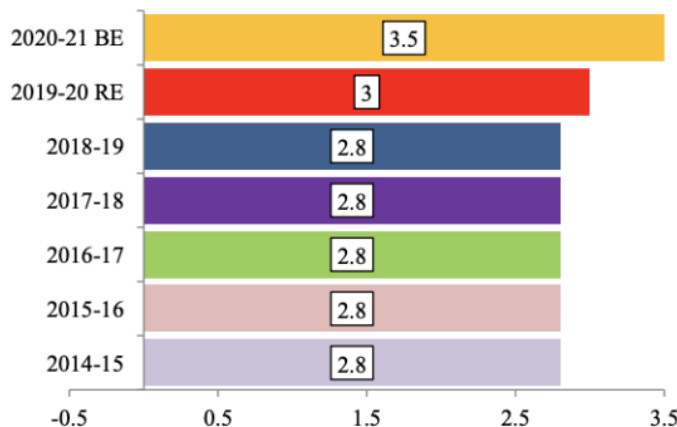


## R&D

- ✓ National Research Foundation with outlay of ₹50,000 crore over 5 years
- ✓ National Language Translation Mission to boost internet access
- ✓ Deep Ocean Mission for ocean exploration and biodiversity conservation

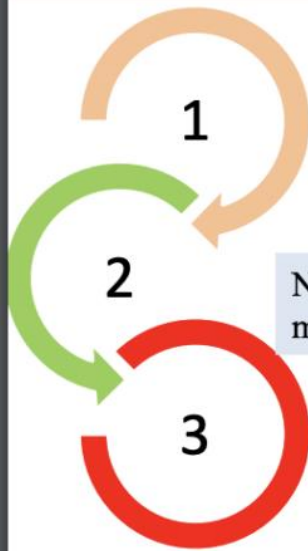


## Expenditure on Education as per cent of GDP



\*Image source yahoo finance

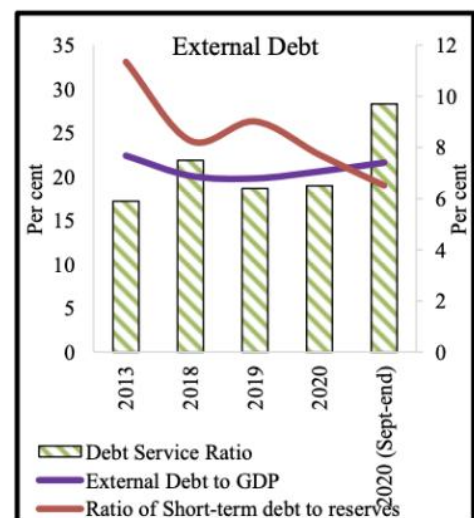
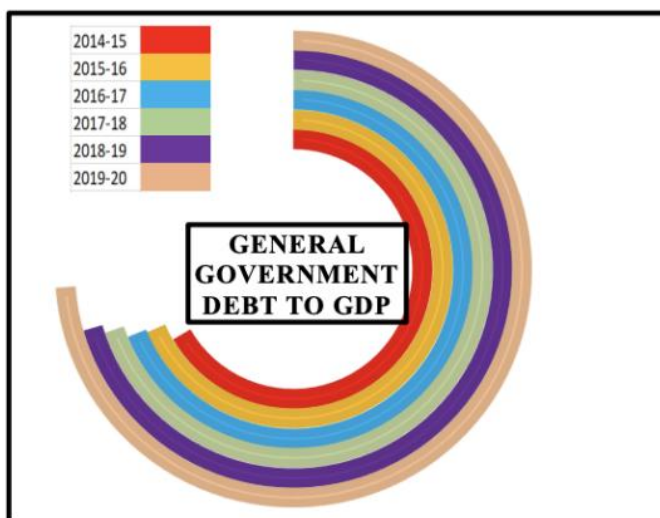
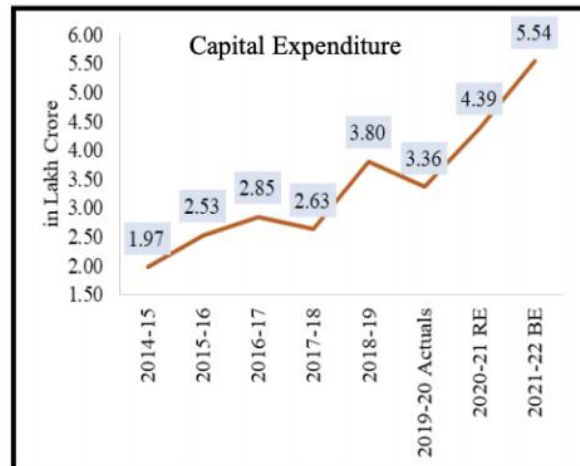
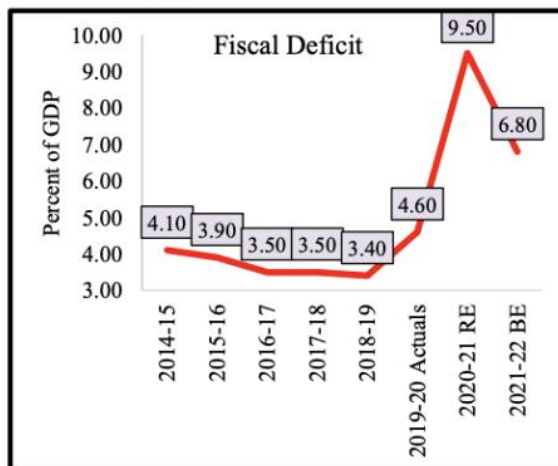
# Fiscal Position



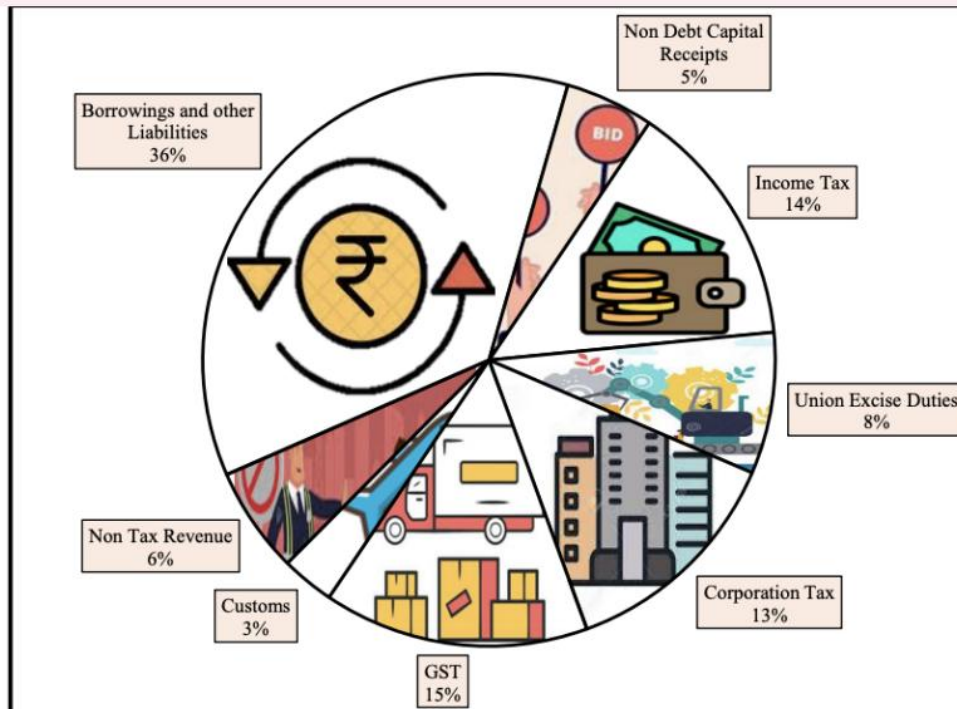
- Allowing a normal ceiling of net borrowing for the states at 4% of GSDP for 2021-22
- Additional Borrowing ceiling of 0.5% of GSDP subject to conditions

NSSF loan to FCI for food subsidy to be replaced by making budget provisions

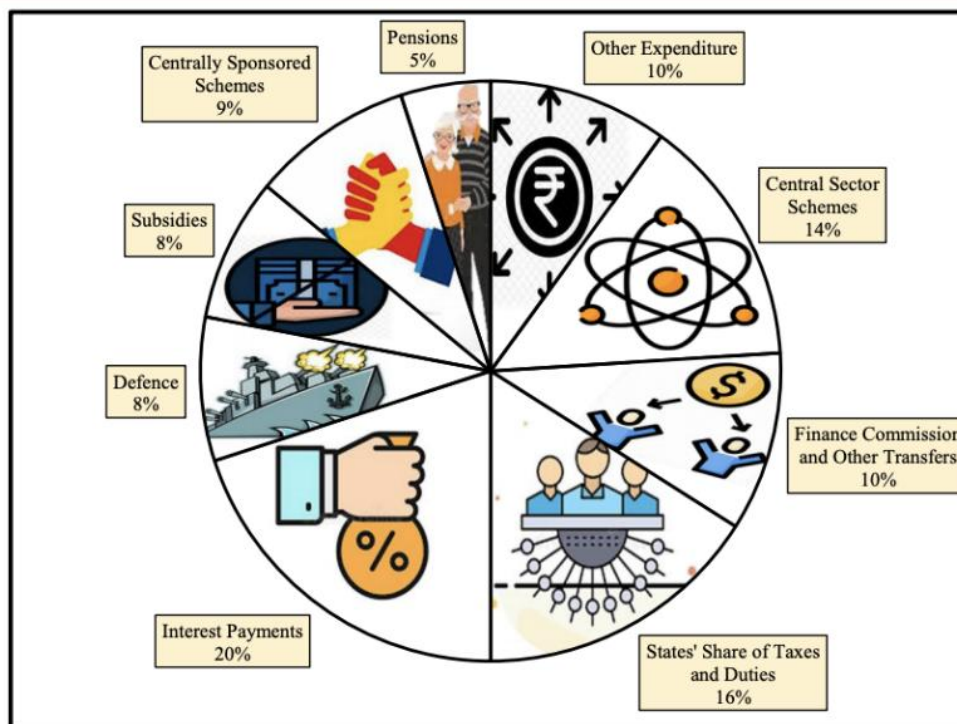
₹1,18,452 crore as Revenue Deficit grant to 17 states in 2021-22



## Rupee comes in

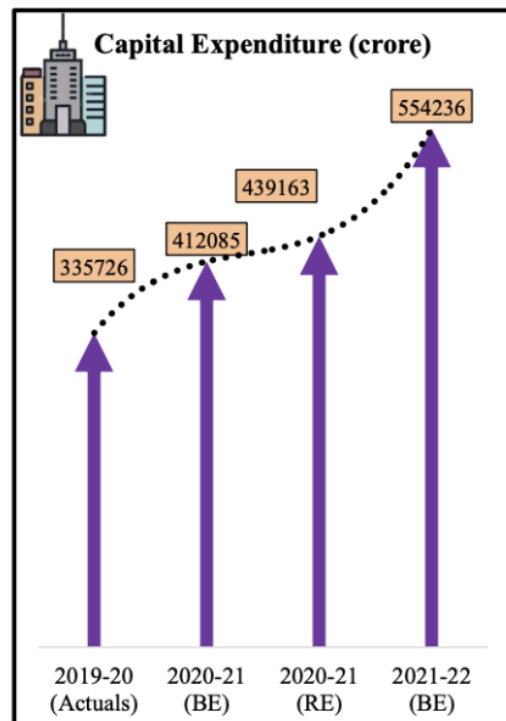
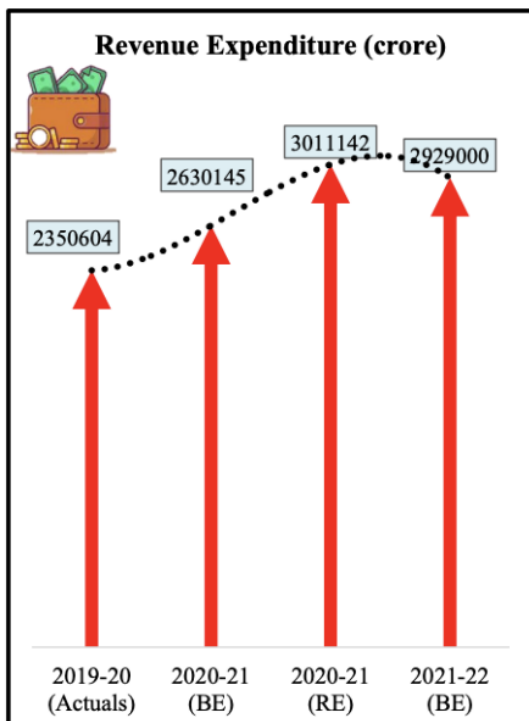
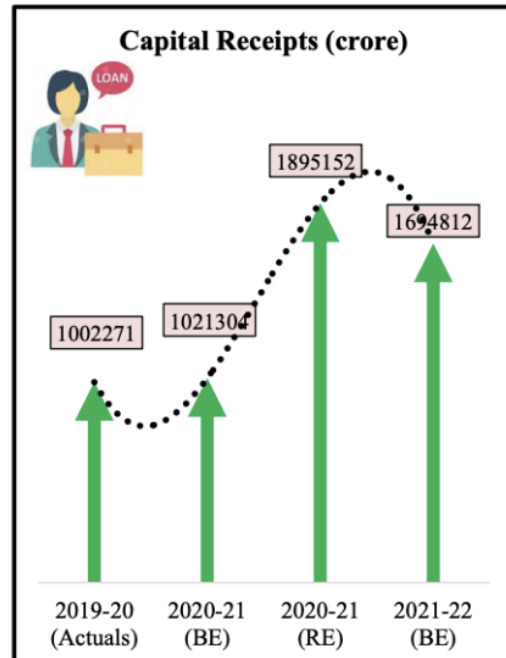
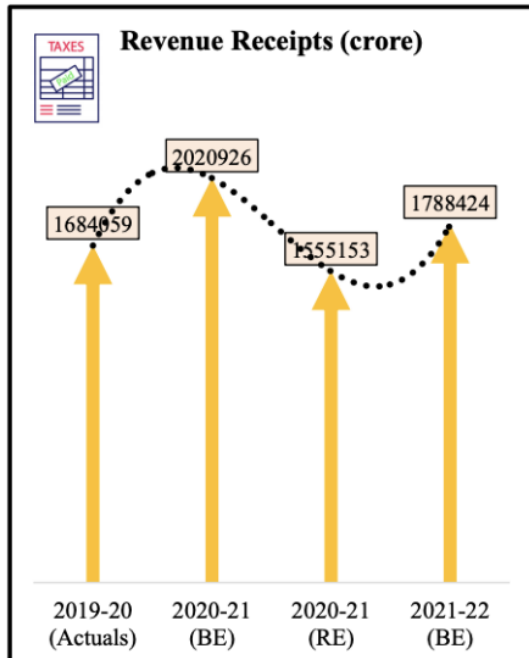


## Rupee goes out



*\*Image source yahoo finance*

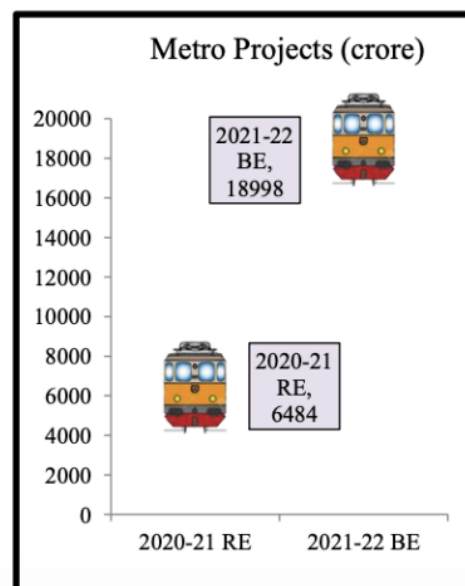
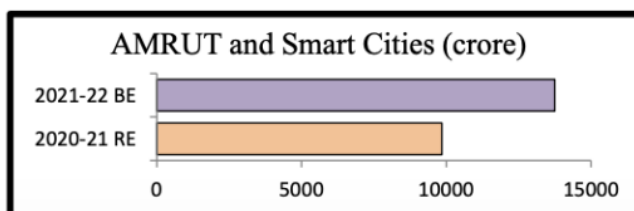
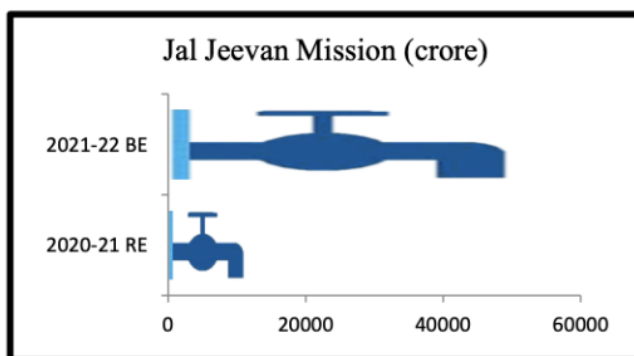
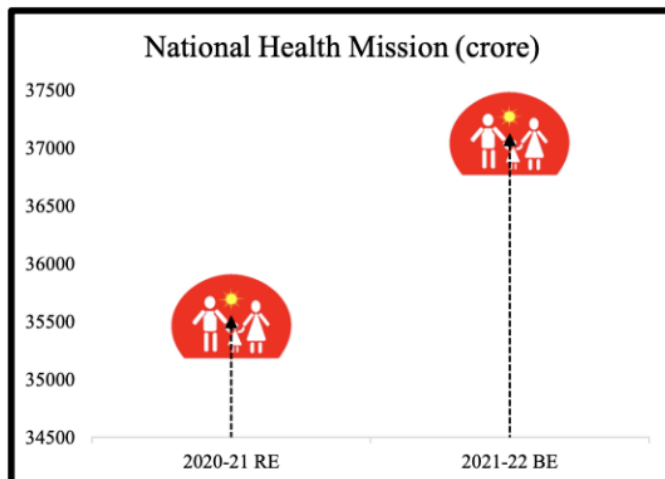
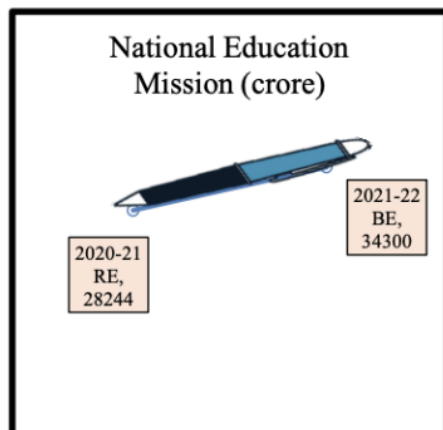
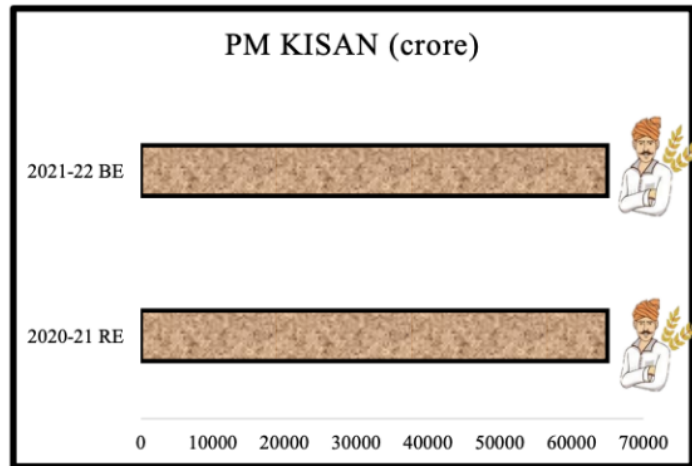
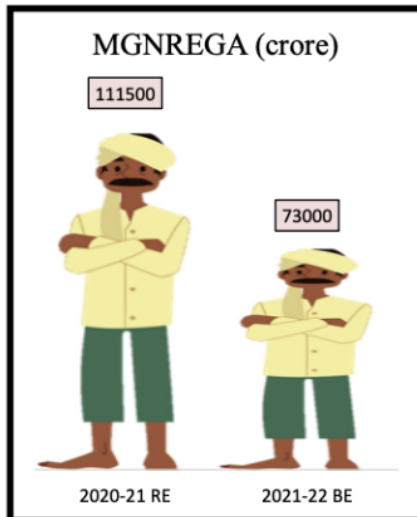
## Budget at a Glance



\*Image source yahoo finance

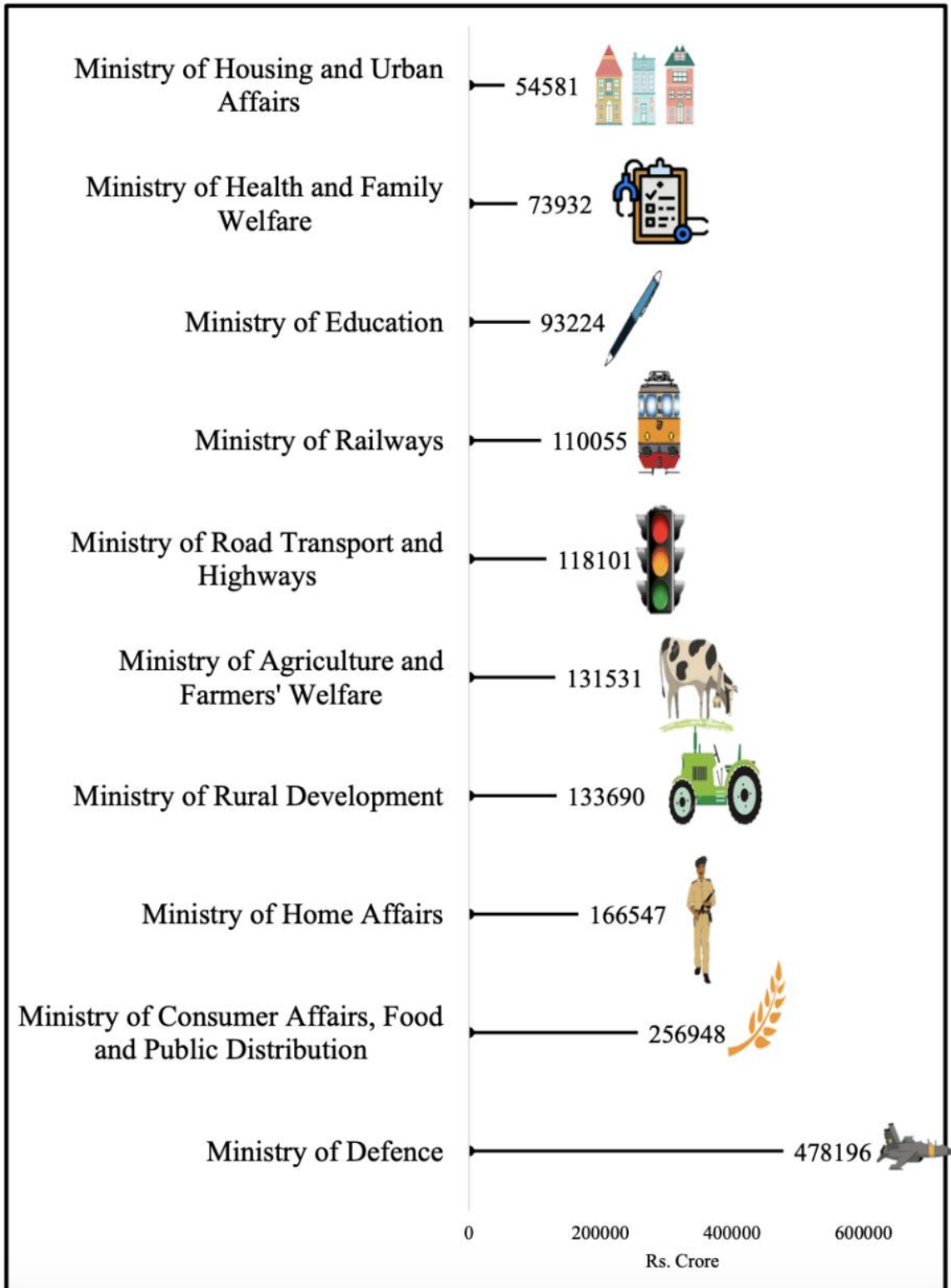


## Allocation to major schemes



\*Image source yahoo finance

## Major Allocations



*\*Image source yahoo finance*

1. FM proposes introduction of Aatmanirbhar health prog with an outlay of Rs 64,180 cr; this in addition to national health mission
2. Govt to provide Rs 35,000 cr for Covid-19 vaccination in 2021-22; committed to providing more funds
3. Swachh Bharat 2.0 will be implemented with outlay of Rs 1,41,678 cr over 5 years
4. Capital expenditure budget to increase to Rs 5.54 lakh cr in FY'22 from Rs 4.39 lakh cr in RE for FY'21
5. FM announces Rs 25,000 cr road projects in poll-bound West Bengal. FM allocates Rs 65,000 cr for road, highway projects in Kerala, Rs 3,400 cr for Assam
6. FM announces Rs 18,000 cr scheme to augment public transport in urban areas
7. FDI in insurance increased to 74 pc from 49 pc
8. LIC IPO will be brought in FY22
9. FM puts disinvestment receipts at Rs 1.75 lakh cr for fiscal year beginning April 1, 2021
10. The government is committed to the welfare of farmers. 43.36 lakh wheat growing farmers benefited from govt procurement under MSP as against 35.57 lakh previously
11. Allocation to rural infra development increased to Rs 40,000 cr in next fiscal from Rs 30,000 crore in FY21
12. Rs 1.5 lakh deduction on payment of interest for affordable housing extended by 1 year.
13. Finance Minister Nirmala Sitharaman, during the Union Budget 2021, on Monday announced a slew of measures including in the health sector, railways, road infrastructure among others.
14. Poll bound states like West Bengal and Tamil Nadu saw large investment in road and metro infrastructure.
15. Sitharaman said that the preparation for this budget was like never before, because of Covid-19. "We could not have imagined last year that global economy which was already suffering will have to endure loss of near and dear ones due to pandemic," she said.
16. FM said that the government stretched its resources to provide for all walks of society.
17. This budget is a first of its kind, with COVID-19 restrictions in place. Even the Bahi Khata went digital with Sitharaman carrying a made India tablet, keeping in line with the government's push for Atmanirbhar Bharat.
18. The finance minister said that there are six pillars of the budget — health and well-being, physical and financial capital, and infra inclusive

development, human capital, innovation and R&D, minimum government, maximum governance.

- A. **Income Tax:** Sitharaman offered relief to senior citizens of 75 years and above, who have only rent income and pension, by exempting them from filing their Income Tax Returns. She also announced setting-up of a faceless dispute resolution mechanism for small tax payers. The government also announced simplification of Income Tax Returns. Sitharaman said, "To ease compliance for taxpayers, details of salary income, tax payment and TDS will be pre-filled." However, the Sitharaman did not announce any changes to personal income tax.
- B. **Health and well-being:** Sitharaman announced that the PM Atmanirbhar Swasth Bharat Yojana will be launched with an outlay of 64,180 crore over 6 years. She said that this will help 15 health emergency centres and will strengthen National Center for Disease Control, among other things. The total outlay for health and wellbeing: Rs 2,23,246 cr. This is an increase of 137% as compared to last Budget's allocation of close to Rs 94,000 crore. This will also strengthen nutritional content, delivery, outreach and outcome. We will merge the supplement Nutrition Programme.
- C. **Road infrastructure:** Sitharaman announced new highways projects. She announced 3,500 km corridor in Tamil Nadu, 1,100 km in Kerala at investment of Rs 65,000 cr, 675 km in West Bengal at a cost of Rs 95,000 cr and 1,300 km in Assam in the next three years She said, "To award 8,500-km of highways by March 2022 and 11,000-km of national highway corridor to be completed in 2021."
- D. **Banks:** Nirmala Sitharaman says, "For start ups, we are allowing 1% companies to grow without any restriction on their paid up capital. Other than IDBI we plan to take up two more banks for disinvestment. LIC IPO will come in 2022. All divestments announced so far, including Air India, BPCL, CONCOR, Pawan Hans, to be completed by 2022."
- E. **Railways:** Sitharaman announced Rs 1,10,055 crore outlay for railways. She allocated Rs 25,000 crore for projects in West Bengal and Rs 63,000 crore for the Chennai Metro. She also announced more metro and urban buses on PPP model and 20,000 buses planned in cities. She said, "Metrolite and Metroneo technologies will be deployed in Tier-2 cities and along the periphery of Tier-1 cities."
- F. **Covid-19 Vaccine:** The Finance Minister announced Rs 35,000 crores for Covid-19 vaccines. She said that apart from Covidshield and Covaxin, there will be two more vaccines soon.
- G. **Agriculture:** Sitharaman said that agricultural infrastructure funds will be made available to APMCs for augmenting their infra facilities. She said, "In case of wheat, the amount paid to farmers in 2019-2020 was Rs 62,802 crore and in 2020-2021 it was further increased to Rs 75,060 crore." It was announced that for paddy the amount paid in 2013-14 was Rs 53,928 crore. Sitharaman said, "In 2019-20, this increased to Rs 1.41 lakh crore. Even better, in 2020-21, this is further estimated to increase to Rs 1,72,752 crore." Sitharaman said, "Cotton farmers saw stupendous increase in the amount that was paid to them in 2013-14, that was Rs 90 crore and it was



increased to over 25,000 crore in 2020-21.” She announced that 1,000 more mandis would be integrated into the E-NAM market place.

- H. **Foreign Direct Investment:** FDI in insurance was increased to 74%. Sitharaman said, “FDI in insurance raised from 49% to 74%. Key management to be resident Indians.”
- I. **Swachh Bharat and Swasth Bharat:** The government announced the Urban Swachha Bharat Mission with outlay of Rs 1,41,678 cr over 5 years.
- J. **Ujjwala Scheme:** Sitharaman said, “Ujjwala Scheme will be extended to cover 1 cr more beneficiaries. Will add 100 more districts in the next 3 years for city gas distribution.” The Ujjwala LPG Scheme, she said, will add 1 crore more beneficiaries, over and above existing eight crore.
- K. **Clean Air:** Sitharaman announced Rs 2,217 crore for 42 urban Centres with a million plus population in this Budget. Sitharaman said, "We are separately announcing a voluntary vehicle scrapping vehicles to phase out old and unfit vehicles." She said "Vehicles will undergo fitness tests after 20 yrs for passenger vehicles, 15 years for commercial vehicles."
- L. **Jal Jivan Mission:** Sitharaman announced that a Jal Jeevan Mission will be launched across all urban local bodies. She announced a Rs 2.87 lakh crore outlay for Jal Jeevan Mission over five years.
- M. **Road infrastructure:** Sitharaman announced new highways projects. She announced 3,500 km corridor in Tamil Nadu, 1,100 km in Kerala at investment of Rs 65,000 cr, 675 km in West Bengal at a cost of Rs 95,000 cr and 1,300 km in Assam in the next three years She said, "To award 8,500-km of highways by March 2022 and 11,000-km of national highway corridor to be completed in 2021."
- N. **Census:** Sitharaman said that it is likely that the upcoming Census will be digital. “I have allocated Rs 3,768 crore for the forthcoming census,” she said.

*\*\*Content :From public sources*