



**UNION  
BUDGET  
HIGHLIGHTS**

This CURRENT AFFAIRS bulletin is prepared to help students learn DAILY CURRENT AFFAIRS within 10 MINUTES  
Join in our Daily Current Affairs (DCA) TELEGRAM Channel <http://t.me/racedca> - For Current Affairs & all the important updates regarding Bank, SSC & Railways Exams.

## UNION BUDGET HIGHLIGHTS 2020-21

Here are sector-wise highlights of the 2021 Union Budget presented by Finance Minister Nirmala Sitharaman.

### INFRASTRUCTURE

- **Vehicle scrapping policy** to phase out old and unfit vehicles – all vehicles to undergo fitness test in automated fitness centres every 20 years (personal vehicles), every 15 years (commercial vehicles)
- **Highway and road works** announced in Kerala, Tamil Nadu, West Bengal and Assam
- **National Asset Monetising Pipeline** launched to monitor asset monetisation process
- **National Rail Plan** created to bring a future ready Railway system by 2030
- **100% electrification of Railways** to be completed by 2023
- **Metro services announced in 27 cities**, plus additional allocations for Kochi Metro, Chennai Metro Phase 2, Bengaluru Metro Phase 2A and B, Nashik and Nagpur Metros
- **National Hydrogen Mission** to be launched to generate hydrogen from green power sources
- **Recycling capacity of ports to be doubled** by 2024
- **Gas pipeline project** to be set up in Jammu and Kashmir
- **Pradhan Mantri Ujjwala Yojana (LPG scheme)** to be extended to cover 1 crore more beneficiaries

### TAX

- **No IT filing** for people **above 75 years** who get pension and earn interest from deposits
- **Reopening window for IT assessment cases reduced from 6 to 3 years.** However, in case of serious tax evasion cases (Rs. 50 lakh or more), it can go up to 10 years
- **Affordable housing projects** to get a **tax holiday** for one year
- **Compliance burden of small trusts** whose annual receipts does not exceed Rs. 5 crore to be **eased**
- Duty of **copper scrap reduced** to 2.5%
- Custom duty on **gold and silver to be rationalised**
- Duty on **naphtha reduced** to 2.5%.
- Duty on **solar inverters raised** from 5% to 20%, and on **solar lanterns** from 5% to 15%
- All **nylon products** charged with 5% customs duty
- **Tunnel boring machines** to attract customs duty of 7%
- **Customs duty on cotton** raised from 0 to 10%
- **Agriculture infrastructure and development cess** proposed on certain items including **urea, apples, crude soyabean and sunflower oil, crude palm oil, kabuli chana and peas**

We suggest students to revise regularly. Follow us on-

[www.race4job.com](http://www.race4job.com)



9581233755



<http://t.me/racedca>

<https://www.facebook.com/Race4BankExams/>

## ECONOMY & FINANCE

- **Fiscal deficit stands at 9.5%** of the GDP; **estimated to be 6.8%** in 2021-22
- Proposal to allow **States to raise borrowings up to 4%** of GSDP this year
- A **Unified Securities Market Code** to be created, consolidating provisions of the **Sebi Act, Depositories Act**, and two other laws
- Proposal to increase **FDI limit from 49% to 74%**
- An **asset reconstruction company will be set up** to take over stressed loans
- **Deposit insurance increased from Rs 1 lakh to Rs 5 lakh** for bank depositors
- Proposal to **decriminalise Limited Liability Partnership Act** of 2008
- **Two PSU bank and one general insurance firm to be disinvested** this year
- An **IPO of LIC to debut** this fiscal
- **Strategic sale of BPCL, IDBI Bank, Air India** to be completed

## AGRICULTURE

- **Agriculture infrastructure fund** to be made available for **APMCs for augmenting their infrastructure**
- **1,000 more Mandis** to be integrated into the **E-NAM market place**
- **Five major fishing hubs**, including Chennai, Kochi and Paradip, to be developed
- A **multipurpose seaweed park** to be established in **Tamil Nadu**

## EMPLOYMENT

- A **portal** to be launched to maintain information on **gig workers and construction workers**
- **Social security** to be extended to **gig and platform workers**
- **Margin capital** required for loans via **Stand-up India scheme reduced from 25% to 15%** for **SCs, STs and women**

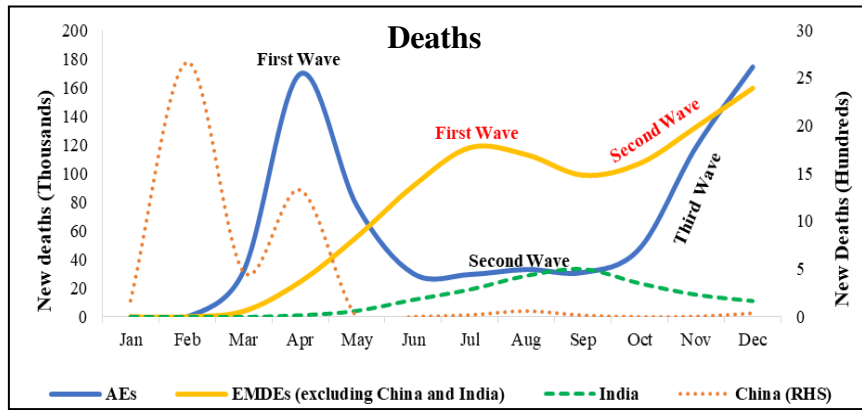
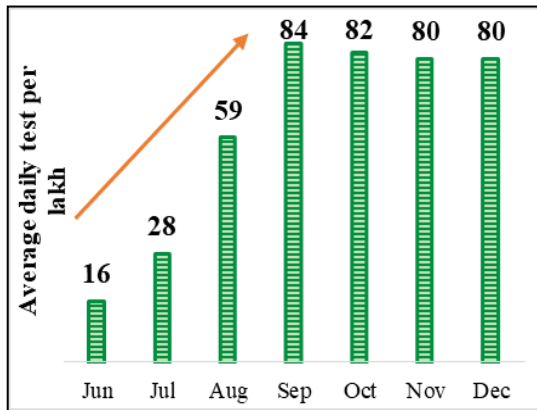
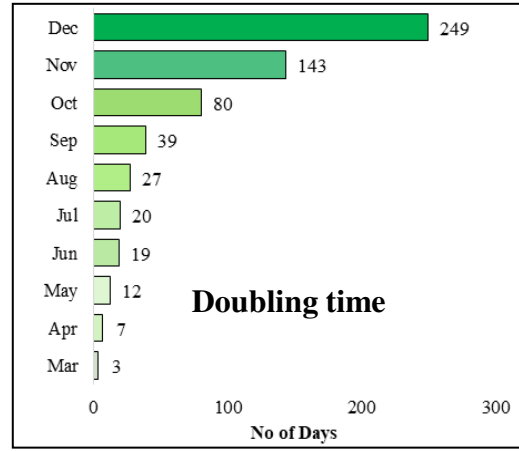
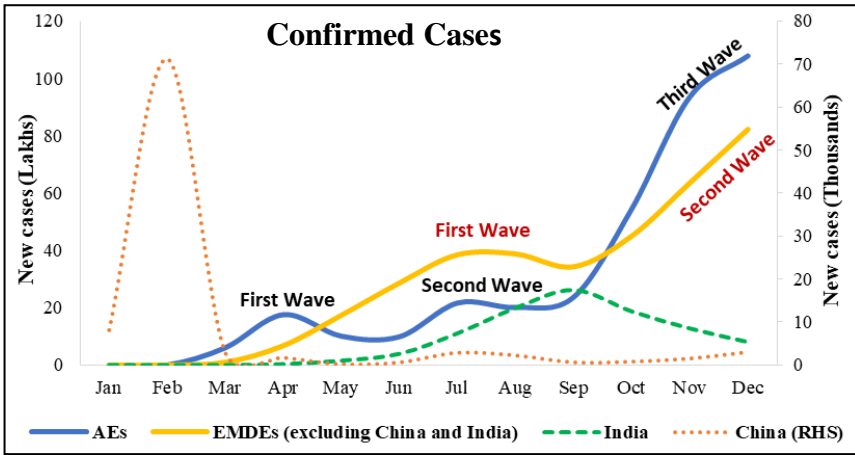
## HEALTH & SANITATION

- A new scheme, titled **PM Atma Nirbhar Swasthya Bharat Yojana**, to be launched to develop primary, secondary and tertiary healthcare.
- **Mission POSHAN 2.0** to improve nutritional outcomes across 112 aspirational districts
- Operationalisation of **17 new public health units** at points of entry
- **Modernising of existing health units** at 32 airports, 15 seaports and land ports
- **Jal Jeevan Mission Urban** aimed at better water supply nationwide
- Strengthening of **Urban Swachh Bharat Mission**

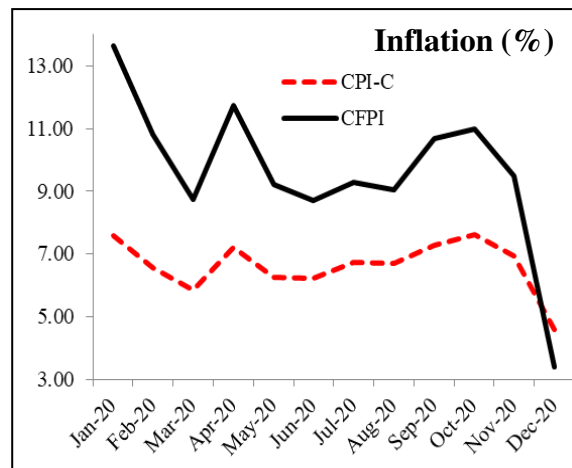
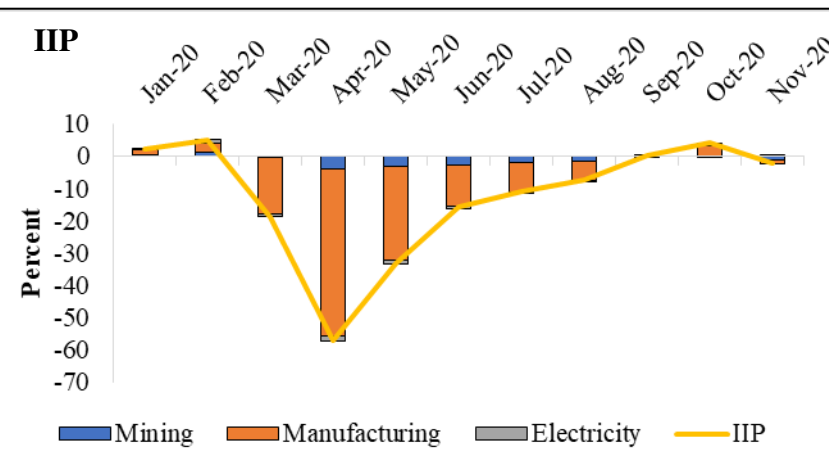
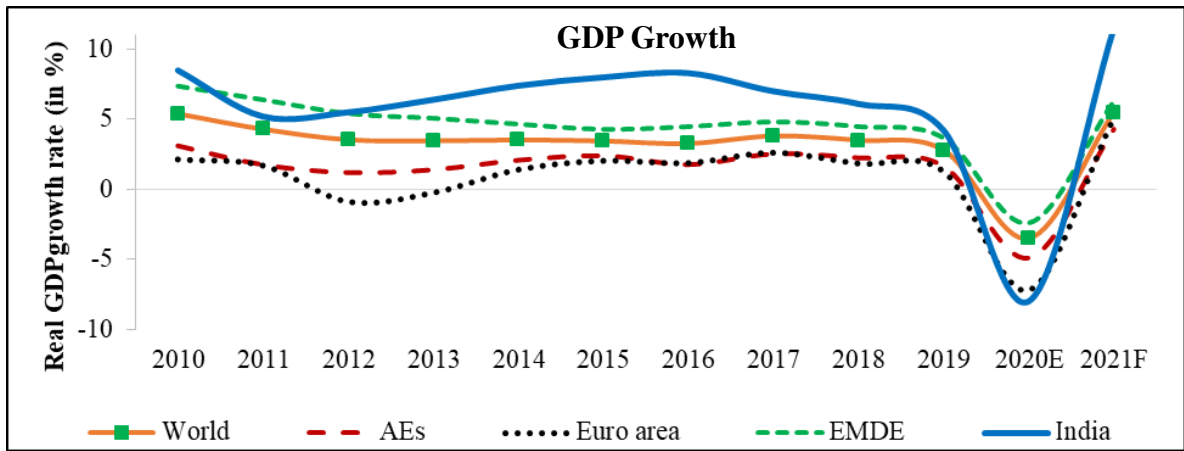
## EDUCATION

- **100 new Sainik Schools** to be set up
- **750 Eklavya schools** to be set up in tribal areas
- A **Central University** to come up in **Ladakh**

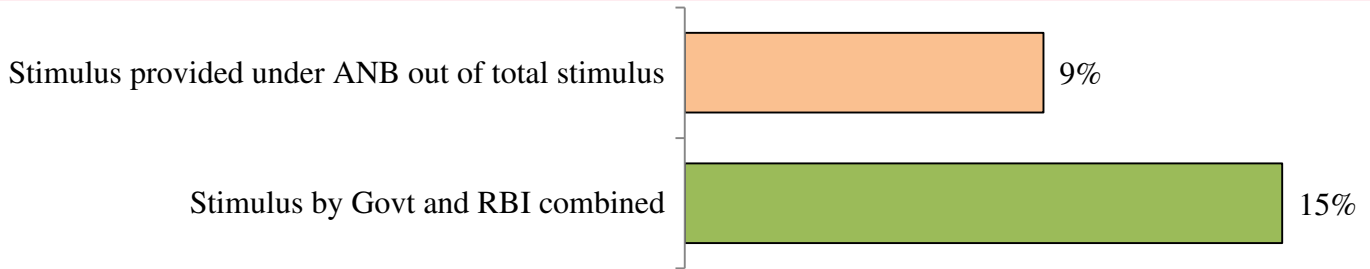
# Resilience in face of Once in a Century Crisis



## V Shaped Recovery



# Atma Nirbhar Bharat Abhiyan



## 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

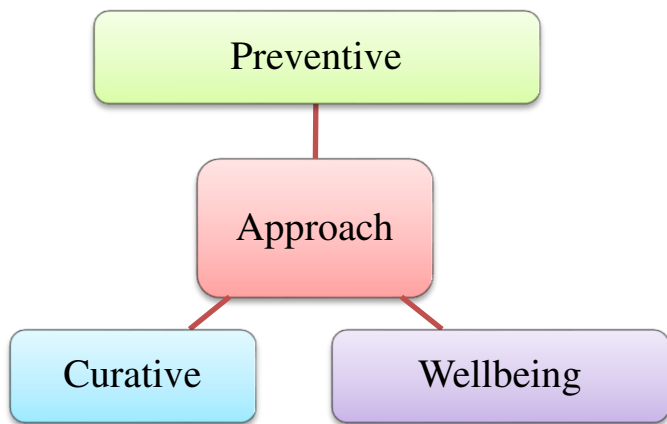


## AGRICULTURE AND ALLIED SECTORS

- 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



# Holistic Approach to Health

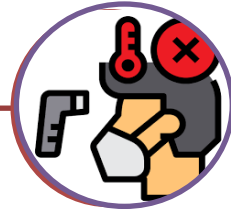


Supplementary Nutrition Programme and Poshan Abhiyan to be merged and launched as Mission Poshan 2.0

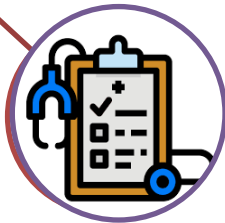


- ❖ Outlay ₹64180 crore over 6 years
- ❖ Support for Health and Wellness centres

PM AtmaNirbhar Swasth Bharat Yojana

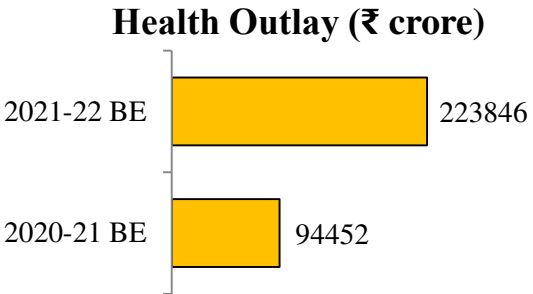
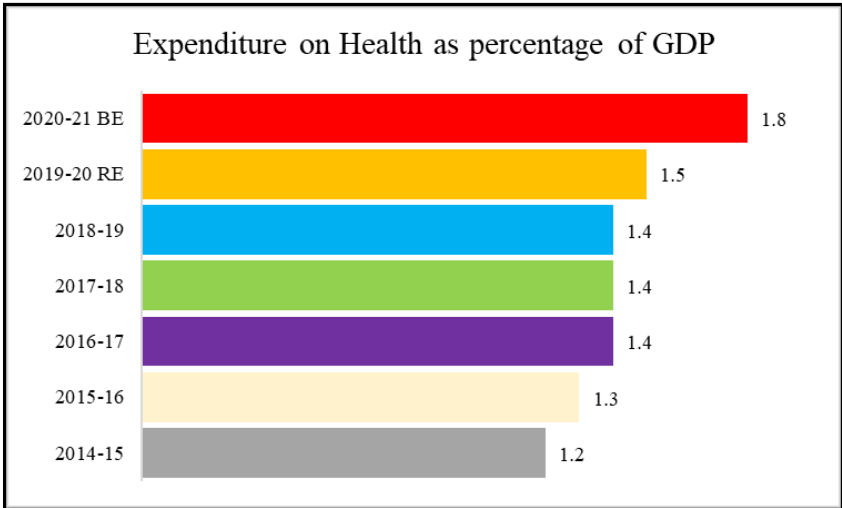


- ❖ Setting up of Integrated Public Health Labs
- ❖ Establishing critical care hospital blocks



- ❖ Strengthening NCDC
- ❖ Expanding integrated health information portal

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



Introduction of National Commission for Allied Healthcare Professionals Bill

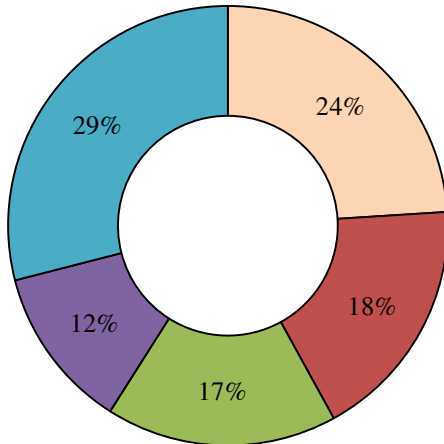
# Industry

**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**



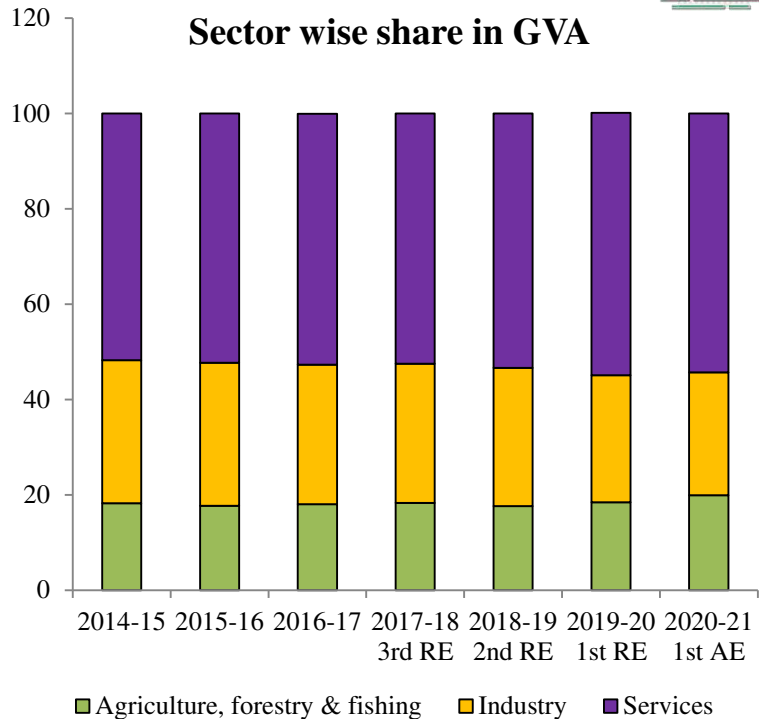
## NIP projects by sector

Energy Road Urban Railways Others



**NIP Project pipeline expanded to 7400 projects**

## Sector wise share in GVA

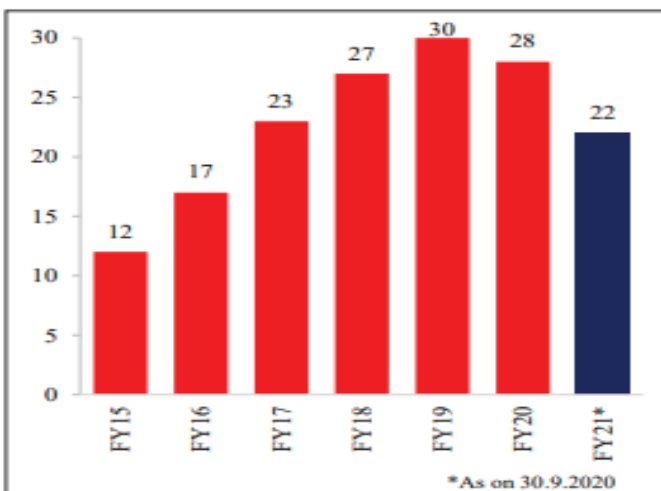


**MITRA Scheme to create world class infrastructure for global champions in textile sector leading to creation of 7 textile parks over 3 years.**

# Infrastructure



## Road Construction Per Day in km

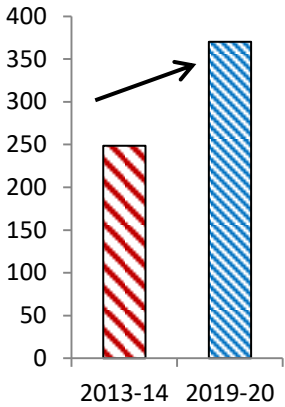


## National Rail Plan

- 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

**Installed Plant Capacity (GW)**



- ✓ 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

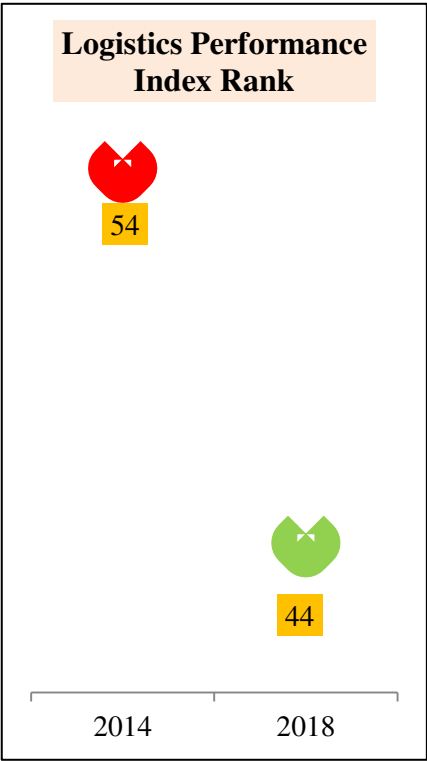


**Ports, Shipping, Waterways**

PPP mode to be utilised for managing operational services of major ports

Subsidy support to promote flagging of merchant ships

Recycling of Ships Act, 2019 enacted and recycling capacity to be doubled by 2024



**PNG**



Ujjwala scheme to cover 1 crore more beneficiaries

100 more districts under city gas distribution network

Independent gas transport system operator to be set up

**Infra financing**

Bill to set up a DFI will be introduced

National monetisation pipeline of brownfield infra assets

# Urban Development

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



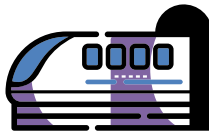
Urban Swachh Bharat Mission with outlay ₹1,41,678 crore over 5 years

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



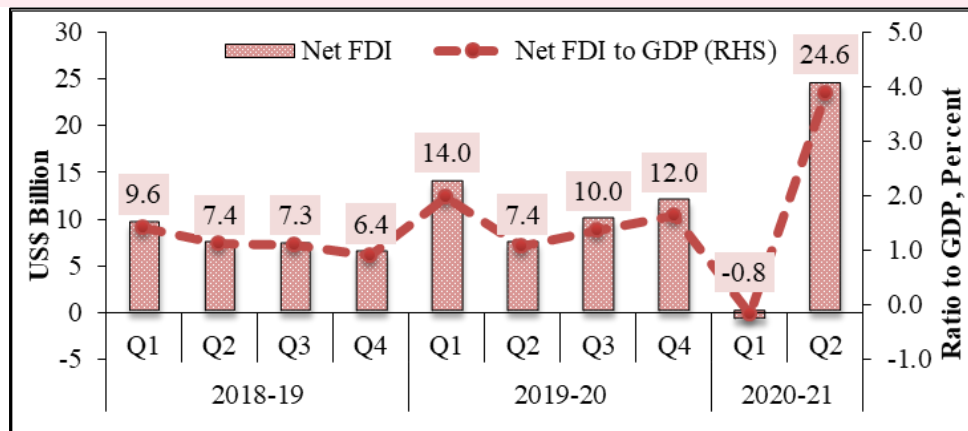
Voluntary Vehicle Scrapping policy

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 WDR 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



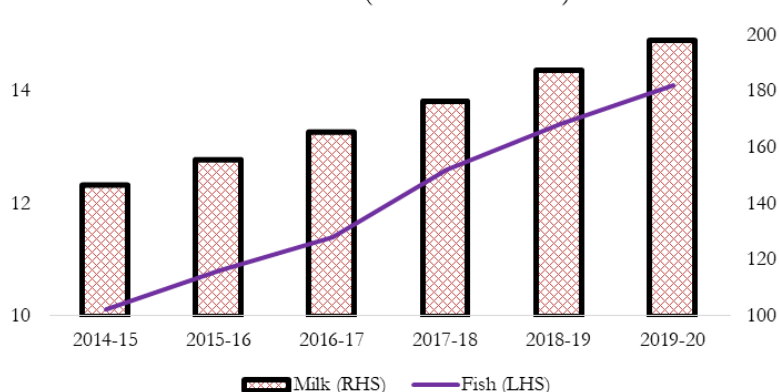
## AGRICULTURE

- ❑ 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

Production (Million Tonnes)



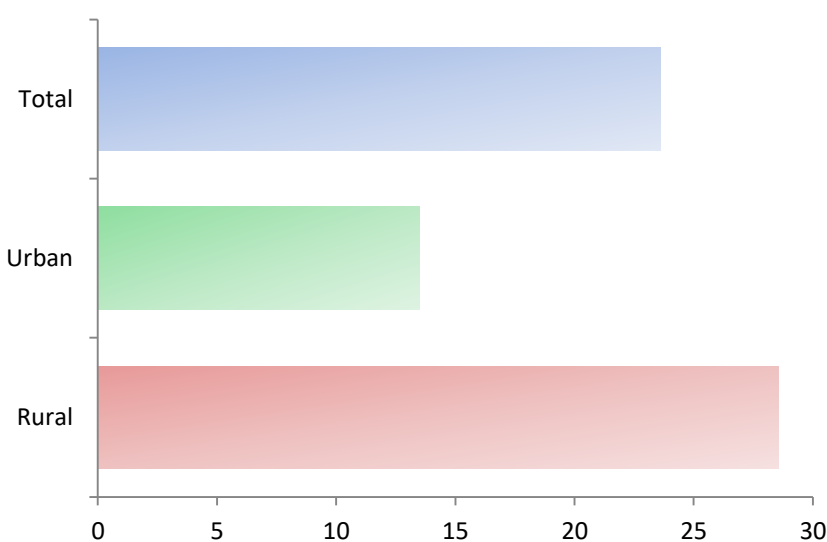
- Development of modern fishing harbours and fish landing centres
- Multipurpose Seaweed Park to be set up in Tamil Nadu



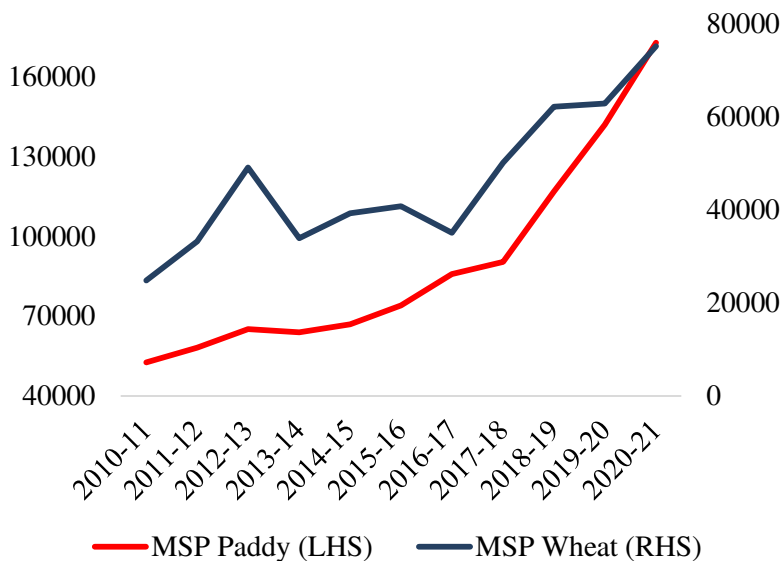
## MIGRANT WORKERS AND LABOURERS

- 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

Share of casual labour in 2018-19



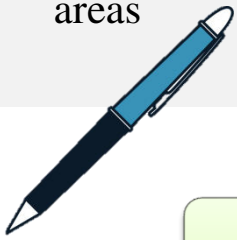
MSP (crores)



# Human Capital

## EDUCATION

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

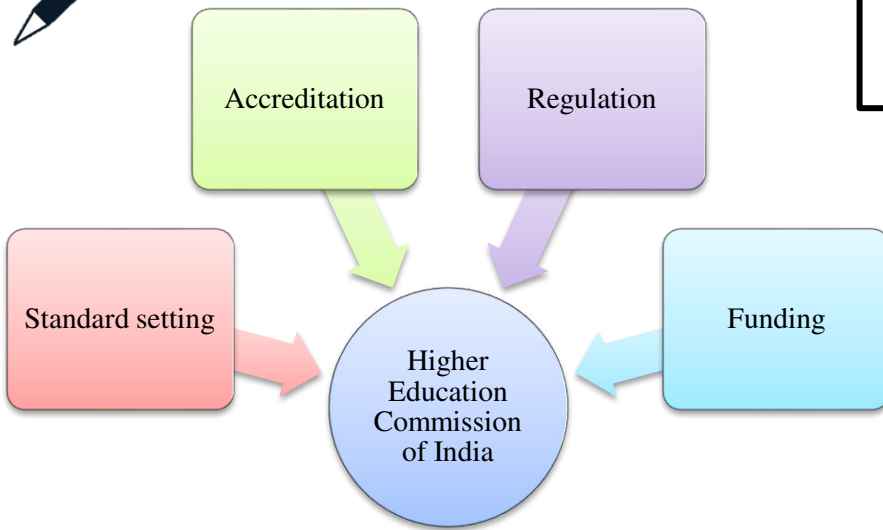
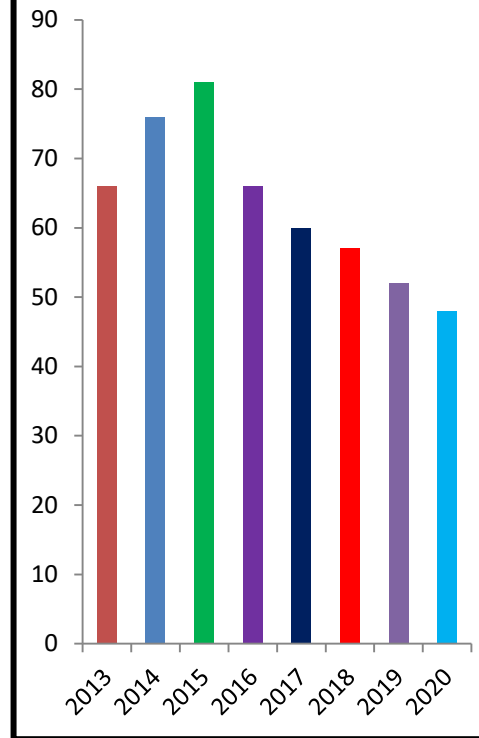


## SKILLS

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



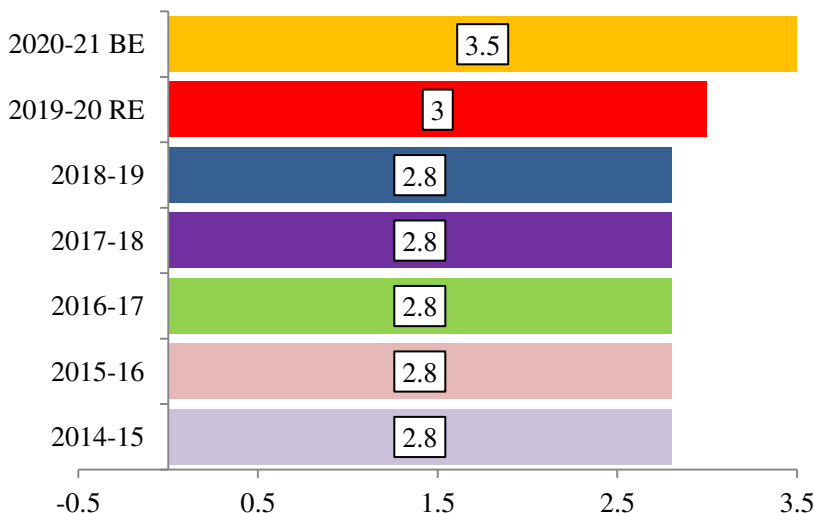
## GII Rank



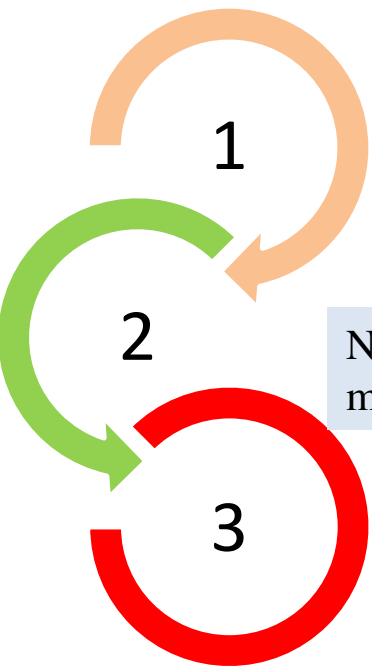
## R&D

- ✓ 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



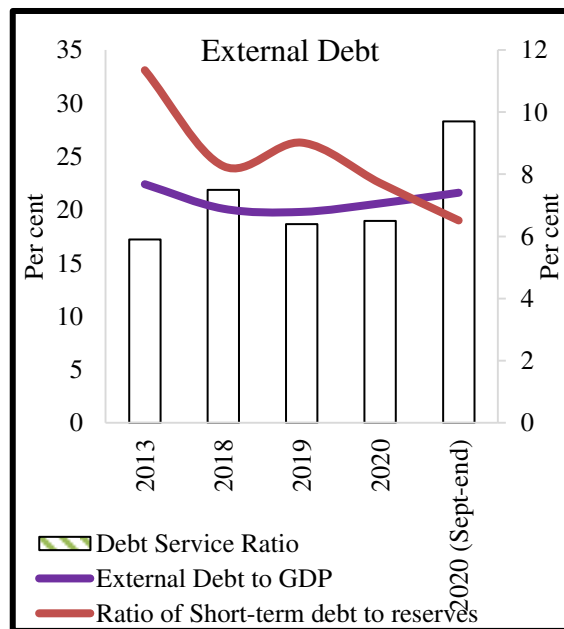
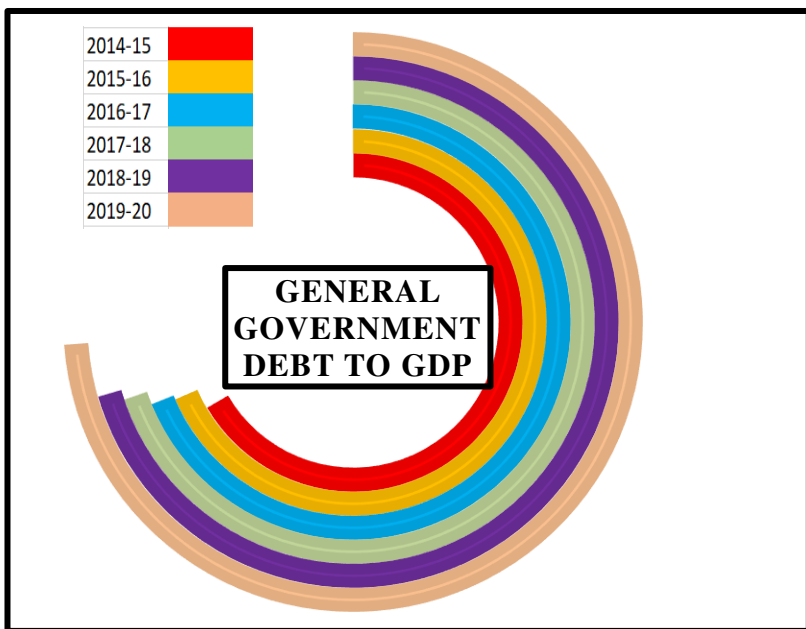
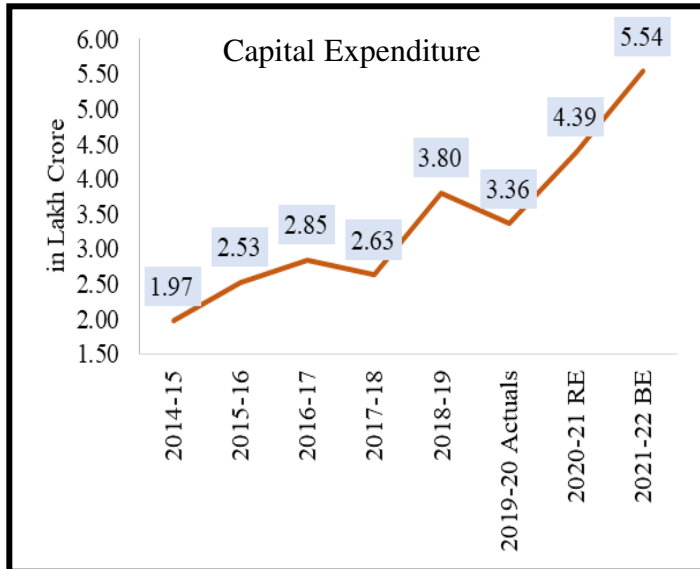
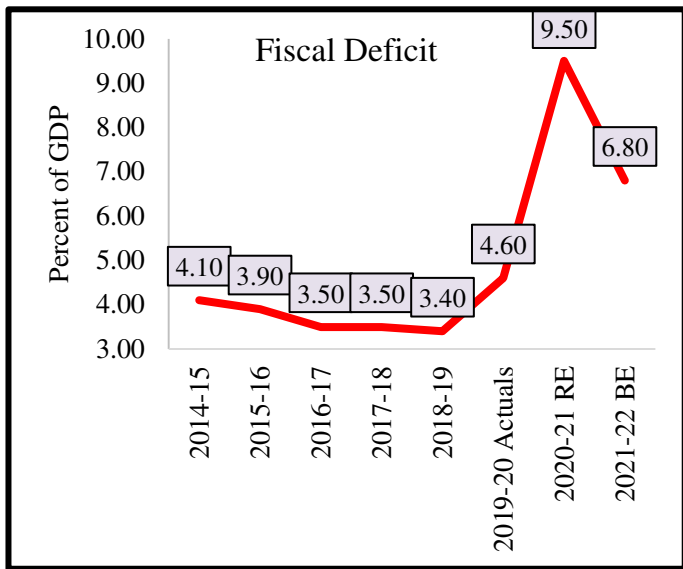
# Fiscal Position



- 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

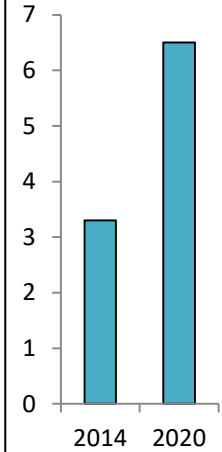
₹1,18,452 crore as Revenue Deficit grant to 17 states in 2021-22



# Tax proposals



**Tax Return Filers (crore)**



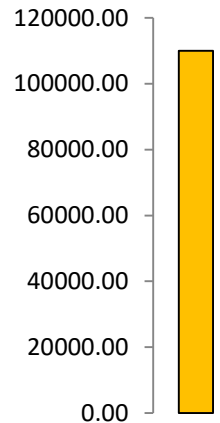
Exemption from filing income tax returns for senior citizens (75 years and above) who only have pension and interest income. The paying bank will deduct the necessary tax on their income.

Reducing time limit for reopening of income tax assessment

Constitution of a Dispute Resolution Committee for small tax payers

Income Tax Appellate Tribunal to be made faceless

**Taxpayers opted for Direct Tax Vivad se Vishwas Scheme**



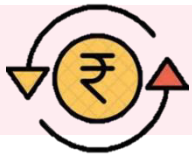
Increase in limit for tax audit for persons who carry out 95% of their transactions digitally

Dividend payment to REIT/InvIT to be exempted from TDS

Additional deduction of ₹1.5 lakh shall be available for loans taken up till 31 March 2022 for purchase of affordable house

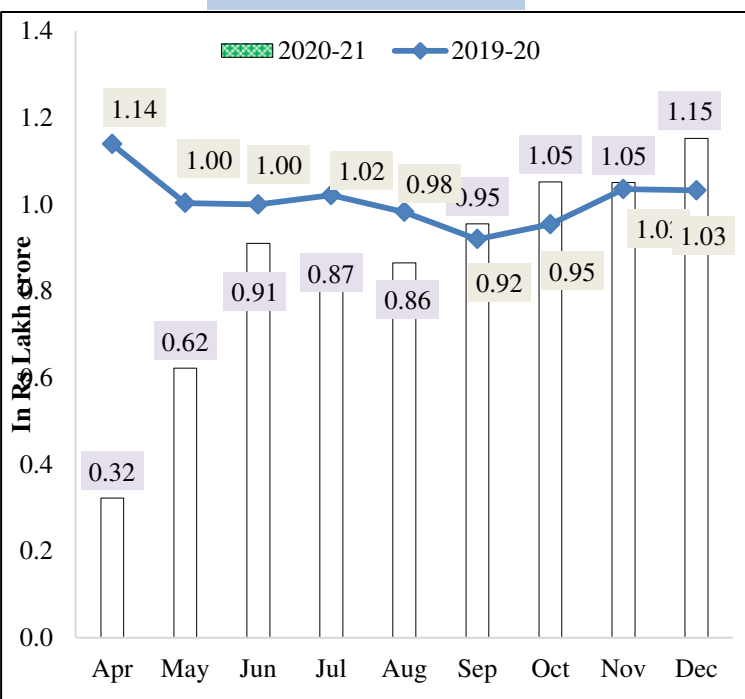
Pre filling of returns will also cover capital gains from listed securities, dividend income, etc.

Eligibility for claiming tax holiday for start ups proposed to be extended by one more year



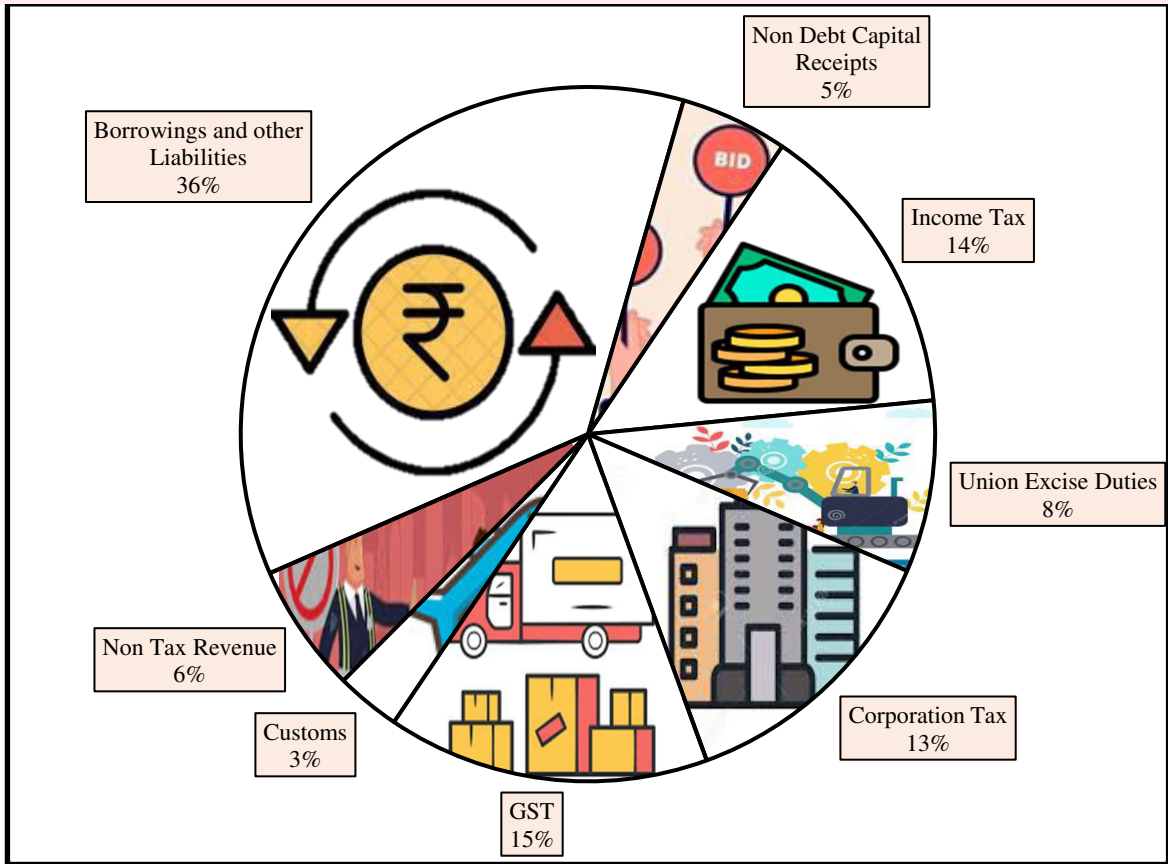
# Indirect Tax

**GST Collection**

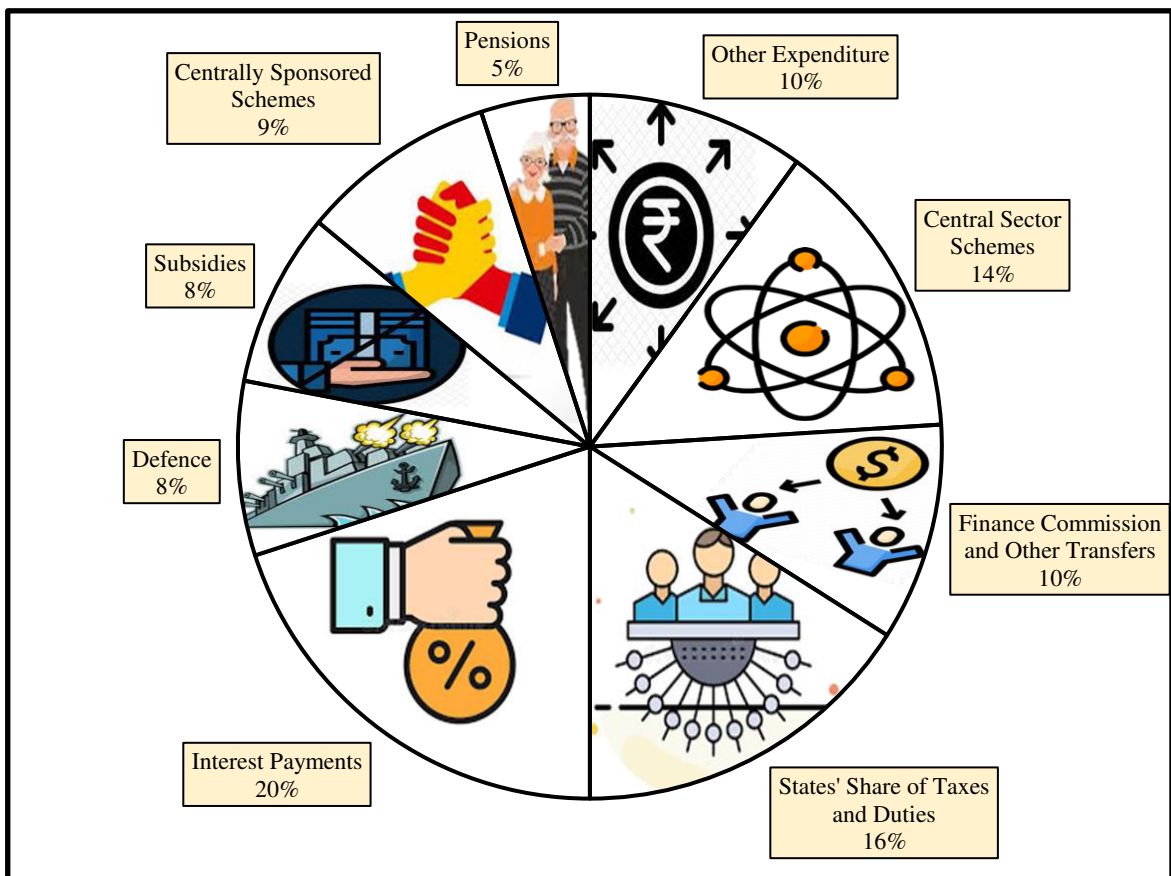


- ❖ Rationalisation of customs duty structure by eliminating outdated exemptions
- ❖ Support to MSMEs hit by recent sharp rise in iron and steel prices and relief to metal recyclers
- ❖ Rationalisation of duties on raw material inputs to man made textiles
- ❖ Rationalisation of custom duty on gold and silver
- ❖ Increase in duty on solar invertors and lanterns to promote domestic production
- ❖ Agriculture Infrastructure and Development Cess on small number of items

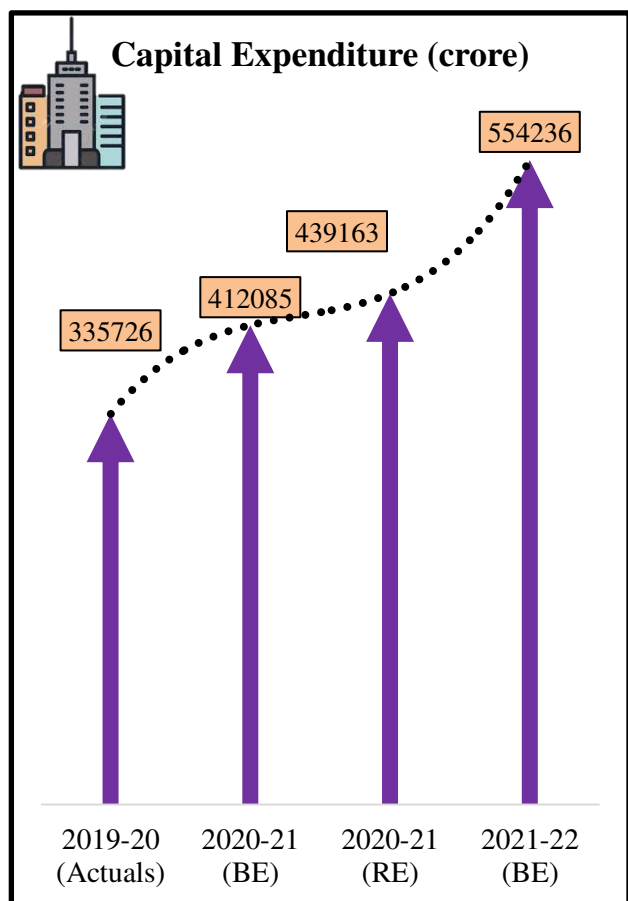
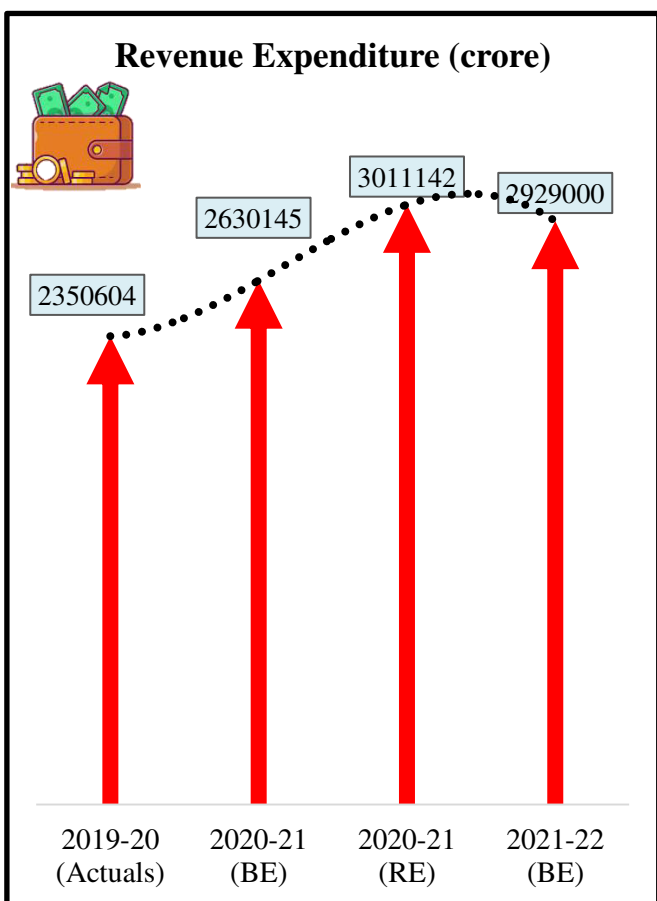
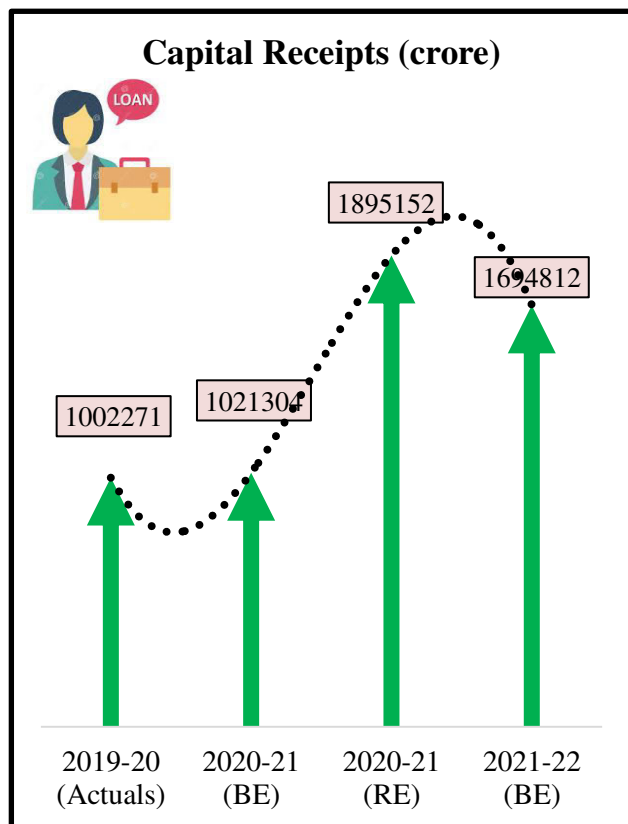
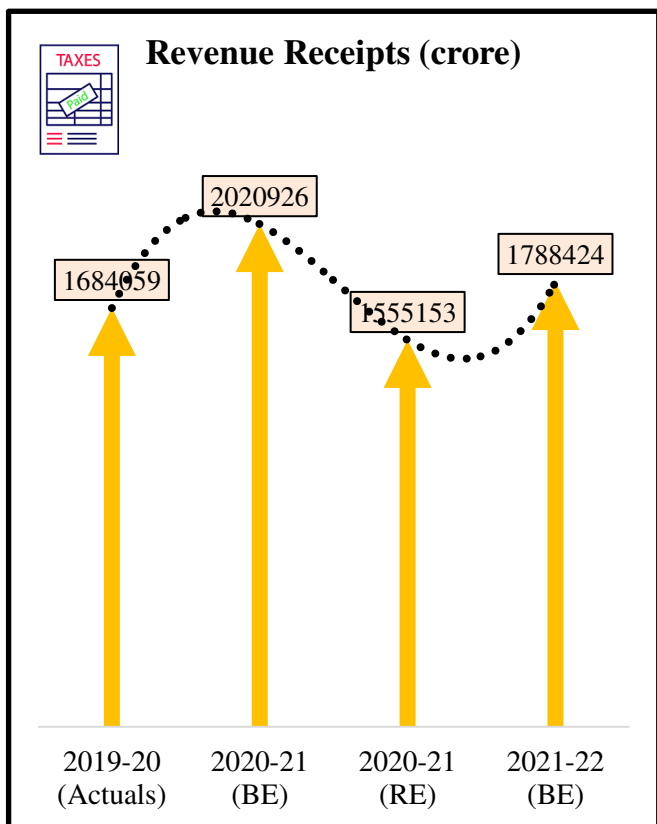
# Rupee comes in



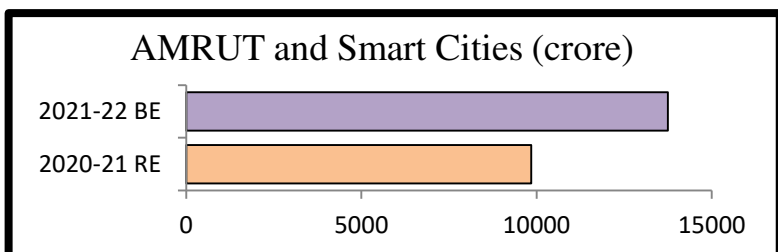
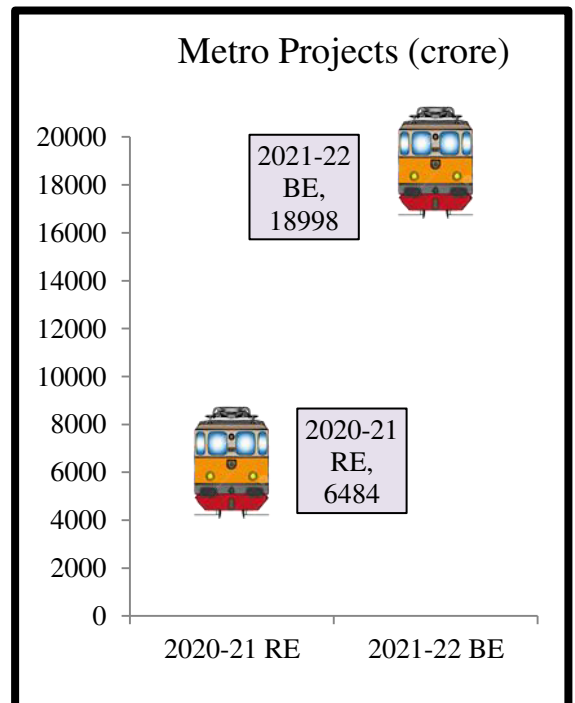
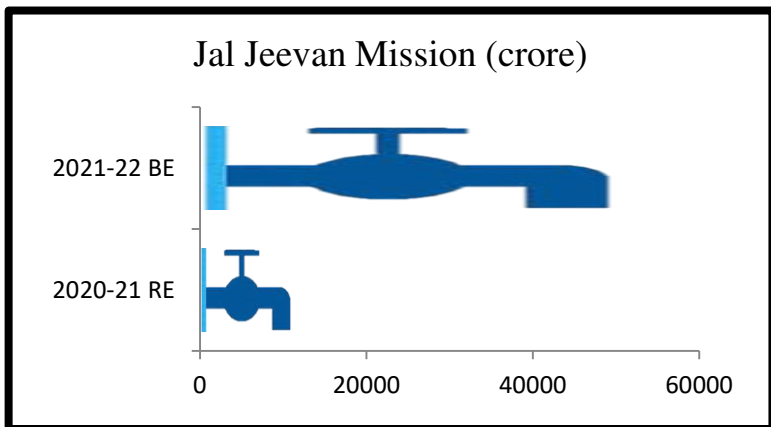
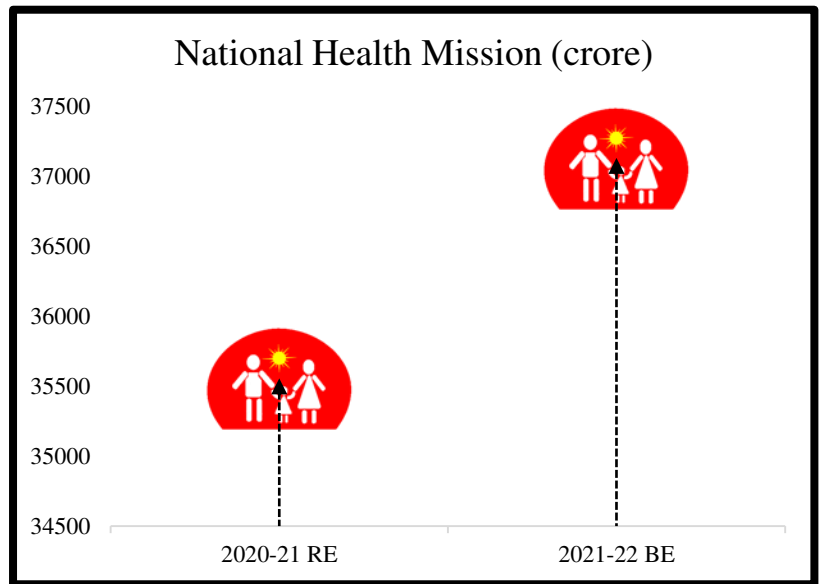
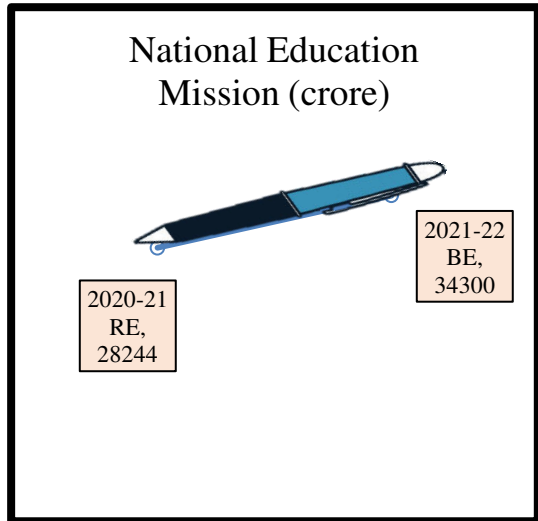
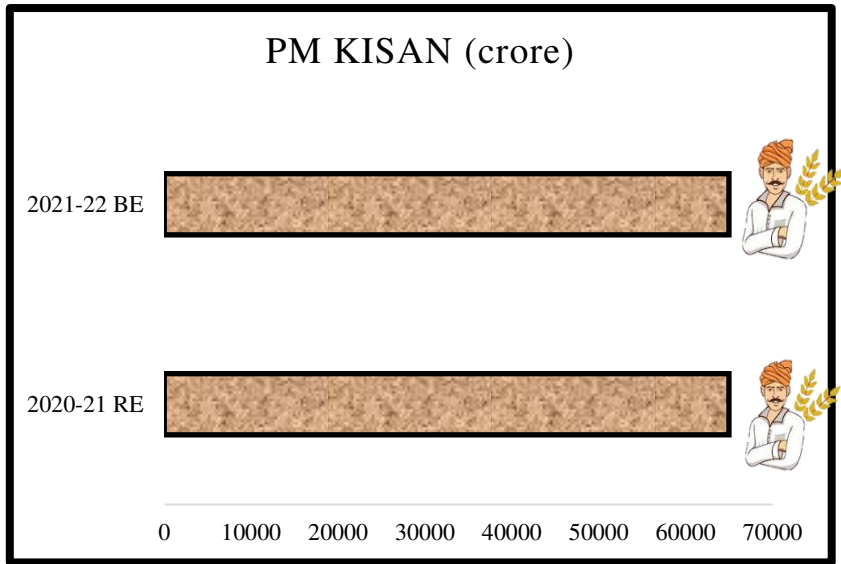
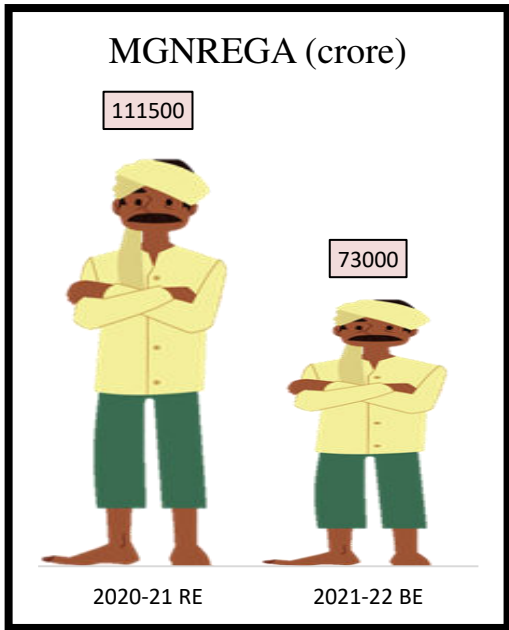
# Rupee goes out



# Budget at a Glance



# Allocation to major schemes



# Major Allocations

