

## **Budget 2017 Synopsis Part I**

- India 6<sup>th</sup> largest country in Manufacturing Sector in the world.
- Agricultural growth rate will be 4.1 %
- Rs 10 Lakh Cr credit for agriculture sector allocated.
- NABARD will get Rs.1900 cr in 3 years
- Crop Insurance coverage increased from 30% to 40 % & 50 % in 2019
- Income of Farmers will be doubled in next 5 years
- Rs. 20000 Cr allocated for irrigation
- 1 Cr families will be out of below poverty line.
- Infra development fund for dairy section.
- Share of female in MANREGA will be 55 % (allocation increased to 48000 Cr )
- 50000 Gram panchayat will be out of poverty line up to 2019
- 133 KM roads will be made daily under PMGSY (allocation increased to 27000 Cr)
- Inflation rate will be 2%-6 %
- Gramin Aawas allocation increased to 23000 Cr.
- 1.84 Lakh Cr for Female and Children development.
- In FY 2018 for rural development 1.87 lakh Cr allocated.( Increased by 28 % )
- Mini irrigation Rs 5000 Cr.
- Skill development centers will be established in 600 Districts.
- 5 Zones will be there for Tourism sector.
- Rs 5000 Cr for Anganwadi schemes.
- Alloted Rs 4000 Cr for Sankalp Yojana.
- Affordable housing will get infra status.
- For railway development 1.32 lakh Cr allocated.
- 3500 Km new railway lines will be installed.

- No service charge on IRCTC e booking.
- Rs. 64000 Cr for National Highways.
- Airport for tire 2 cities on PPP model.
- Rs. 10000 Cr for Bharatnet. (for installation of internet in rural areas )
- Rs 2.41 Lakh Cr for Transport Sector allocated.
- Strategic crude oil reserve will be made in Bikaner & Orissa
- LIC health card will be launched for Senior Citizens.
- Online FDI Application.
- Special pension scheme for senior citizens
- Railway security fund Rs 1 Lakh Cr for 5 years allocated.
- IRCTC, IRCON, IRFC will be listed soon.
- Rs 10000 Cr for banks recapitalization.
- New PSU ETF will be launched soon.
- Lending target doubled to 2.44 lakh Cr.
- Stand up India scheme will be launched in April 17
- Defense allocation 2.74 Lakh Cr
- 2 new AIMS in Jharkhand & Gujarat
- Government oil manufacturing companies will be merged.
- Up to March2017, 10 Lakh Aadhar Based POS will be installed by banks. & 20 Lakhs up to September 17.
- Projected financial loss for 3 years is 3 %.
- Current year financial loss projected to 3.2 %
- During demonetization Rs. 2.8 Lakh Cr deposited in 1.8 Cr bank accponts.
- Tax collection increased by 17 % in FY 2015-16.
- Long Term Capital gains on Land and Buildings will be 2 years from 3 years.

- **MSME having turnover less than 50 Cr tax rate reduced by 5 % hence new tax rate applicable for MSME will be 25 %.**
- Basic Custom duty on Liquefied natural gas (LNG) reduced to 2.5 % from 5 %.
- Cash Transaction will be restricted to Rs. 3 Lakh.(100 % Penalty if found Guilty )
- MAT credit to be carried forward to 15 years from current 10 Years.
- Political parties can accept maximum cash donation of Rs. 2000
- **No TDS will be deducted from the commission of LIC agents subject to Submission of Declaration of income below threshold limit of Tax.**
- Entities having turnover less than 2 Cr rate of profit for presumptive taxation will be 6 %.
- Foreign Investment Promotion Board (FIPB) abolished to ease the inflow of Foreign Direct Investment (FDI). Jaitley also announced an increase of 36 per cent in FDI flow.
- Indexation base year for Long Term Capital Gain Tax calculation will be 2001 instead of 1981.
- **Tax rate for individuals in the lowest income tax slab – Rs 2.5 lakh to Rs 5 lakh reduced to 5% instead of 10%. The existing rebate under Section 87A (currently given to people with income up to Rs 5 lakh) is proposed to be reduced to Rs 2500 from the existing Rs 5000 for individuals earning between Rs 2.5 lakh to Rs 3.5 lakh.**
- Excise duty on Pan Masala increased to 9 % from 6 %
- Excise on Gutkha Tobacco will be 12 %
- Raw Tobacco excise increased from 4.2 % to 8.3 %.
- Excise duty on cigarettes increased to 6%.