

The students of MBA had witnessed the live presentation of the Union Budget 2019 by the Central Finance Minister in the Parliament. This session was conducted in the Seminar Hall and was attended by all the faculty of the department.

Once the budget session is completed, HOD of MBA Dept Dr. G. Subbaraju analyzed the impact of the budget on various sectors and explained to the students the major variations that may occur because of the same over a period of time. The students' clarifications were resolved and the students were asked to submit a one page report on the budget.



Highlights of Budget Session

Taxes

1. No change in personal income tax rates
2. Increase in surcharge on super rich: Three percent surcharge for Rs 2 crore income; 7 percent on Rs 5 crore and above
3. Annual turnover limit for 25 percent corporate tax raised to Rs 400 crore from Rs 250 crore
4. Taxpayers with annual turnover of less than Rs five crore to have to file only quarterly
5. Direct tax revenue has increased by 78 percent
6. Additional Rs 1.5 lakh deduction on home loans
7. Interchangeability of PAN and Aadhaar for ITR who don't have PAN cards
8. Two percent TDS on withdrawals of Rs one crore in a year from bank accounts for business payments
9. Government waives MDR changes on cashless payment

Economy

1. Targets to become a \$3 trillion economy in FY20, \$5 trillion in a few years
2. Government proposes changes to kickstart domestic and foreign investment
3. Will create the blueprint for gas, water grids and regional airports
4. Government has proposed to expand Swachh Bharat to include solid waste management in every village

To boost investment

1. To liberalise FDI in aviation, media, animation and insurance intermediaries
2. To implement enabling measures to boost International Financial Service Centres (IFSCs)
3. To set up a Credit Guarantee Enhancement Corporation
4. To initiate steps for electronic fund raising programme for listing of social enterprises, voluntary organisations
5. To hike statutory limits for foreign investments in some companies

Market reforms

1. Asks SEBI to evaluate hiking minimum public shareholding to 25 percent from 35 percent
2. Government will work with exchanges to allow AA bonds to be used as collateral
3. Proposes rationalising and streamlining of KYC (know your customer) norms for Foreign Portfolio Investors (FPIs) to make it investor-friendly
4. NRI portfolio route to be merged with FPI for seamless investment in stock markets
5. Credit Guarantee Enhancement Corporation will be set up in 2019-20, action plan to deepen markets for long-term bonds with specific focus on infra sector to be put in place, Sitharaman said
6. The government also plans to take up measures to make RBI and SEBI depositories inter-operable
7. The government will allow FPIs/NRIs to subscribe to listed debt papers of REITs and InvITs

Small businesses/MSMEs

1. The government proposes to extend pension benefit to three crore retail traders with an annual turnover less than Rs 1.5 crore under Pradhan Mantri Karam Yogi Man Dan Scheme
2. Centre will create a payment platform for MSMEs for payment of bills
3. Hundred new clusters will be set up in 2019-20 to enable 50,000 artisans to come into the economic value chain

4. Will set up 10,000 new farmer producer organisations
5. To start television programme exclusively for startups

Education

1. The government will bring in new education policy to propose changes in school, higher education
2. The government also proposed to set up a national research foundation to fund, coordinate and to promote research in the country
3. National Research Foundation will assimilate research grants by ministries, Sitharaman said
4. A Gandhi-pedia is being developed to sensitise youth about Mahatma Gandhi's ideas
5. Draft legislation for higher education commission of India to be presented
6. Proposes Study in India programme to attract foreign students
7. National Sports Education Board to be set up under Khelo India scheme
8. Allocate Rs 400 crore for world-class higher education institutions in financial year 2020

Labour reforms

1. Government to streamline multiple labour laws into a set of four labour codes
2. Sitharaman said that the government plans to focus on training new age skills like AI, robotics, 3D printing

Ease of living

1. Rs 3,000 pension per month for informal sector workers
2. Aadhaar card under 180 days for NRIs on arrival in India
3. The government to open embassies in countries where India doesn't have a resident diplomatic mission as yet

Women empowerment

1. *Nari tu Narayani*: Women SHG Interest Subvention Programme to be expanded to all districts in India
2. Rs 1 lakh loan to be provided for SHG women members
3. Every verified woman SHG member with a Jan Dhan account can avail Rs 5,000 overdraft facility

Banks

1. Allocate Rs 70,000 crore for PSU bank recapitalisation

NBFCs

1. Fundamentally sound NBFCs to keep getting funding from banks
2. To allow FIIs and FPIs investment in debt securities issued by NBFCs

Agriculture/fisheries

1. Government to invest widely in agriculture infrastructure
2. Support private entrepreneurship in value addition in agriculture
3. Proposes Pradhan Mantri Matsya Sampada Yojana to address critical infrastructure gap in fisheries sector

Transportation

1. To carry out comprehensive restructuring of National Highway programme
2. Cargo volume on Ganges to increase four times over the next four years
3. In second phase of Bharat Mala project, states will be helped to develop roadways
4. A total of 1,25,000 km of roads will be upgraded under Pradhan Gram
5. Sadak Yojana under Phase III at estimated cost of Rs 80,250 crore

Aviation

1. Time right for India to enter into aircraft financing and leasing
2. Will create congenial atmosphere for development of MRO services
3. To harness India's space ability commercially, New Space India (NSIL) has been incorporated to tap the benefits of ISRO

Power

1. Package for power sector tariff and structural reforms to be unveiled soon

Retail

1. Local sourcing norms to be eased for single-brand retail FDI

Real estate

1. Will finalise a model tenancy law and circulate to states; and propose steps for rental housing
2. Govt proposes setting up 1.95 crore houses under Pradhan Mantri Awas Yojna (Rural)