

The students of MBA had witnessed the live presentation of the Union Budget 2020 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 student's clarifications were resolved and the students were asked to submit a one page report on the budget.



Income Tax Calculation Budget 2020:

Finance Minister Nirmala Sitharaman today said that a person earning Rs 15 lakh per annum and not availing any deductions will pay Rs 1.95 lakh tax now. Sitharaman proposed 20 per cent tax for individuals annually earning between Rs 10 lakh and Rs 12.5 lakh, 25 per cent for income between Rs 12.5 lakh and 15 lakh, 30 per cent for above Rs 15 lakh income under new slab. For income between Rs 7.5 lakh and Rs 10 lakh per annum, tax rate has proposed to be reduced to 15 per cent from 20 per cent.

- Modi Government has proposed 100 percent tax concession to sovereign wealth funds on investment in infra projects.
- Concessional tax rate of 15 pc extended to power generation companies.
- Dividend Distribution Tax shifted to individuals instead of companies
- FM says have removed 70 exemptions, deductions with a view to further simplify tax regime. Rs 40,000 cr per annum will be revenue foregone from new income tax rates for individuals.
- Those earning upto Rs 5 lakh in a year will pay no tax.
- Government has proposed 10 per cent tax for income between Rs 5 lakh and Rs 7.5 lakh per annum for those who forego deductions and exemptions.
- For income between Rs 7.5 lakh and Rs 10 lakh per annum, tax rate reduced to 15 pc from 20 pc.
- A person earning Rs 15 lakh per annum and not availing any deductions will pay Rs 1.95 lakh tax in place of Rs 2.73 lakh now.
- Income tax rates will be significantly reduced for those who forego reliefs, exemptions.

New income tax rates will be optional.

New simplified personal income tax regime. Anybody earning Rs 5- Rs 7.5 lakh to pay only 10 per cent tax. For income between Rs 7.5 lakh to Rs 10 lakh, the tax rate will be 15 per cent. No tax for those earning up to Rs 5 lakh.

- FM has proposed Reduced personal tax rates for individuals in lieu of forgoing tax deductions

LIC stake sale: Modi government announces partial stake sale in LIC through LIC.

- Robust mechanism in place to monitor the health of all commercial banks.
- Sitharaman said that clean, reliable, robust financial sector required to achieve USD 5 trillion economy.
- Modi government has proposed Rs 30,757 cr for Jammu and Kashmir, and Rs 5,958 for Ladakh for fiscal 2020-21.
- Rs 100 crore allocated for hosting G-20 Summit.
- Govt proposes major reform in recruitment of non-gazetted staff

Bank Deposit guarantee raised to Rs 5 lakh from the current Rs 1 lakh!

No more tax harassment! Modi govt proposes Tax Payer Charter

- Government has allocated Rs 3,150 crore for the ministry of culture, Rs 2,500 crore for the ministry of tourism.
- Five archaeological sites in Haryana, UP, Assam, Gujarat and Tamil Nadu, to be developed with on-site museums.
- Rs 85,000 crore allocated for SCs and OBCs in Budget for FY 2020-21.

Tribal Museum: Sitharaman said a tribal museum would be set up in Ranchi, Jharkhand.

- Government has proposed Rs 53,700 cr for welfare of schedule tribes and Rs 9,500 cr for senior citizens and divyangs for 2021-22.
- Rs 9,500 crore provided for senior citizens and Divyangs:

Announcements for women

- Govt allocates Rs 28,600 crore for programmes specifically for women.
- Modi government will set up a task force to recommend the marriageable age for women
- Rs 35,600 cr allocated for nutritional related programme in FY21
- FM says 150 higher institutes to start apprentice training for general category students.

Rail and Infrastructure

- Sitharaman said that 1,150 trains will be run in PPP mode, also 4 stations to be redeveloped with help of private sector. More Tejas type trains will connect tourist destinations, Proposal for setting up large solar power capacity alongside rail track is under consideration.
- The FM said that 550 wi-fi facilities have been commissioned at railway stations.
- Delhi-Mumbai Expressway will be completed by 2023; Chennai-Bengaluru Expressway to be launched soon. Government to set up project preparation facilities for infrastructure sector, national logistic policy soon
- Rs 27,300 crore provided for development and promotion of industry and commerce.
- Aviation sector gets a boost with 100 more airports and doubling of aircraft fleet.

New Education Policy

- Sitharaman said that Modi government will soon announce a new education policy. The government has received over 2 lakh suggestions on it. Rs 99,300 crore have allocated for

education sector, Rs 3,000 crore for skill development in FY21. FM said that new special bridge courses to be designed for teachers, nurses, paramedical staff, caregivers.

- Sitharaman said that the government plans to start a programme for urban local bodies to provide opportunities for internship to young engineers.

Piped Water

- Government has proposed Rs 3.6 lakh crore towards piped water supply to households. Allocation for Swachh Bharat for 2020-21 stands at Rs 12,300 crore

Krishi Udaan For Farmers

- Sitharaman said that Krishi Udaan will be launched by Civil Aviation Ministry to transport agri-products to national as well as international destinations. Self Help Groups will be allowed to set up village agri storage facilities. NABARD will map and geo-tag 162 mn tonne capacity agri warehouses across country. FCI and Warehousing Corporation of India to build warehousing facility on their land.
- One horticulture crop in one district on cluster basis will be promoted.

Kisan Rail in PPP mode for farmers

- [Indian Railways](#) to set up Kisan Rail in PPP mode for cold supply chain to transport perishable good. Horticulture with 311 MT exceeds production of food grains. Agri credit target set up at Rs 15 lakh cr for FY2020-21. Also, NABARD refinance scheme will be expanded.
- Sitharaman said that the government has asked states to adopt three central model laws on agricultural land leasing, marketing and contract farming

Rs 1 lakh crore Benefit to Common man

- Sitharaman said that GST has resulted in efficiency gains in the transport and logistics sector, inspector raj has vanished, it has benefitted MSME. Consumers have got an annual benefit of 1 lakh crore rupees by GST. The Finance Minister said that a simplified return format for GST is being introduced from April 2020. GST has resulted in gains of Rs 1 lakh crore to consumers and removed inspector raj and also helped the transport sector. “Average household now saves 4 per cent in monthly expense after the rollout of GST,” Sitharaman said, and added that the Budget for 2020-21 aims to fulfil aspirations of people.
- Sitharaman recited a couplet in Kashmiri during her Budget speech. *‘Humara watan khilte hue Shalimar bagh jaise, humara watan Dal lake mein khilte hue kamal jaisa, nau jawanon ke garam khoon jaisa, mera watan tera watan, humara watan, duniya ka sabse pyara watan’*
- India has brought 271 million people out of poverty.
- Sitharaman talked about key initiatives like Ujjawala Yojana by Modi government.
- Sitharaman said that with renewed vigour, under PM Modi’s leadership, we commit ourselves to present the people of India with all humility and dedication. People have reposed faith in our economic policy.
- Our govt brought fundamental changes in the Economy. Fundamentals of the Economy are strong, said Sitharaman.