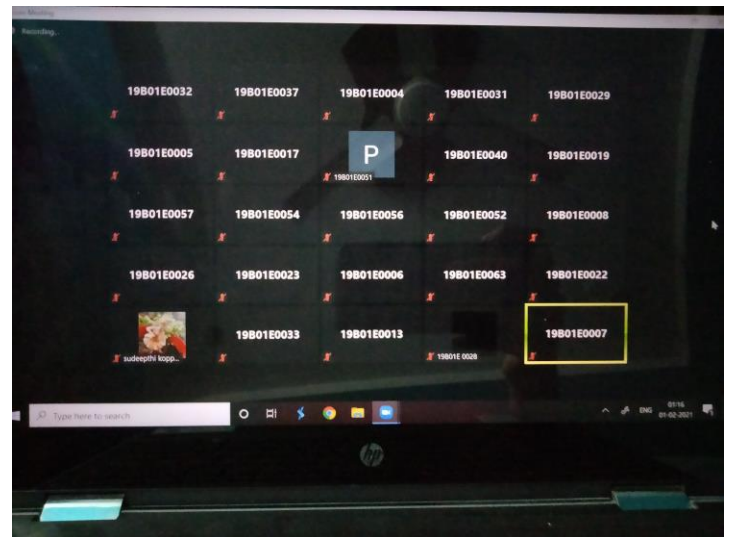


**BUDGET SIMPLIFIED @ 01-02-2021**

The Department of MBA had organized a Budget Analysis Session on the 2021 Budget named as 'Budget Simplified'.

In this session, Prof 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 he urged the students to closely monitor the effect of Union Budget on the Indian Economy from time to time.



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.

Poll bound states like West Bengal and Tamil Nadu saw large investment in road and metro infrastructure.

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.

Sitharaman said that the government stretched its resources to provide for all walks of society.

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.

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.

### **Here are key things that the finance minister announced during the Budget 2021:**

#### **Personal taxes**

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.

#### **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 cr.

This will also strengthen nutritional content, delivery, outreach and outcome. We will merge the supplement Nutrition Programme.

#### **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."

#### **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."

## **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."

## **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.

## **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.

## **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."

## **Swachh Bharat and Swasth Bharat**

The government announced the Urban Swachcha Bharat Mission with outlay of Rs 1,41,678 cr over 5 years.

## **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.

## **Clean Air**

Sitharaman announced Rs 2,217 Crores 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 PVs, 15 years for CVs."

## **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 cr outlay for Jal Jeevan Mission over five years.

## **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."

## **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.

For more details on the budget, the central government app of Indian Budget 2021 can be downloaded at: <https://play.google.com/store/apps/details?id=com.nic.unionbudget>