



BUDGET KEY HIGHLIGHTS

FINANCIAL SECTOR

1. The Deposit Insurance and Credit Guarantee Corporation (DICGC) has been permitted to increase Deposit Insurance Coverage for a depositor, which is now one lakh to five lakh per depositor.
2. The limit for NBFCs to be eligible for debt recovery under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act 2002 is proposed to be reduced from ` 500 crore to asset size of ` 100 crore or loan size from existing ` 1 crore to ` 50 lakh.
3. The govt has taken concrete steps to bring our banking system to be robust. Accordingly, it is proposed to sell the balance holding of Government of India IDBI Bank to private, retail and institutional investors through the stock exchange.
4. Many mid-size companies are successful domestically but not in exports market. For sectors such as Pharmaceuticals, Auto Components and others for technical upgradations, R & D, business strategy etc. A scheme of Rs. 1000 crore will be anchored by EXIM BANK & SIDBI. Both these institutions would contribute Rs. 50 crore each for achieving equity & technical assistance. Debt funding of Rs. 900 crore from banks would be made available.

FINANCIAL MARKETS

1. The limit for FPI in corporate bonds, currently at 9% of outstanding stock, will be increased to 15% of the outstanding stock of corporate bonds.
2. The debt-based Exchange Traded Funds (ETF) recently floated by the government was a big success. Government proposes to expand this floating a new Debt- ETF consisting primarily of government securities.

INFRASTRUCTURE FINANCING

1. The government has announced Rs. 103 Lakh Crores for National Infrastructure Pipeline Projects. Already Rs. 22000 Crore has been provided as a support to Infrastructure Pipeline. It will cater the support to IIFCL & NIIF. It would leverage it, as permissible, to create financing pipeline of more than Rs. 100000 crore. This would create a major source of long-term debt for insurance projects and fulfil a long-awaited requirement.

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



DISINVESTMENT

1. The government now proposes to sell a part of its holding in LIC by way of Initial Public Offer (IPO). It will also give an opportunity for retail investors to participate in the wealth so created.

FISCAL MANAGEMENT

1. Revised estimates of expenditure for the Financial Year 2019-2020 are at level of Rs. 26.99 Lakh Crore and the receipts are estimated at Rs. 19.32 lakh crore.
2. Estimated nominal growth of GDP for the year 2020-21 on the basis of trends available at 10%. Accordingly, the receipts for the year 2020-21 are estimated at Rs. 22.46 lakh crore. The level of expenditure has been kept at Rs. 30.42 lakh crore.
3. A fiscal deficit of 3.8% in 2019-20 and 3.5% for 2020-21 budget estimate.
4. The net market borrowing for the year 2019-20 would be Rs. 4.99 lakh crore and for the year 2020-21, it would be Rs. 5.36 lakh crore.

DIRECT TAX

TAX TABLE

Taxable Income Slab (₹)	Existing Tax Rates	New Tax Rates
0-2.5 Lakh	Exempt	Exempt
2.5-5 Lakh	5%	5%
5-7.5 Lakh	20%	10%
7.5-10 Lakh	20%	15%
10-12.5 Lakh	30%	20%
12.5-15 Lakh	30%	25%
Above 15 Lakh	30%	30%

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



1. The new tax regime shall be optional for the taxpayers. An individual who is availing more deductions & exemptions under Income Tax Act may choose to avail them and continue to pay tax in the old Regime.
2. The new personal tax rates will entail estimated revenue foregone of Rs. 40000 crore per year.
3. 70 deductions & exemptions have been removed in the new simplified regime such as Section 80C investments, House rent allowance, Housing loan interest, Leave travel allowances, Medical insurance premium, Standard deduction, Savings bank interest, Education loan interest.
4. About 50 tax exemptions have been left untouched. These include:
 - Standard deduction on rent
 - Agricultural income
 - Income from life insurance
 - Retrenchment compensation
 - VRS proceeds
 - Leave encashment on retirement

DIVIDEND DISTRIBUTION TAX

1. Currently companies are required to pay Dividend Distribution Tax on the dividend paid to its shareholder at the rate of 15% plus applicable surcharge and cess in addition to the tax payable by the company on profits.
2. It has been argued that the system of levying DDT results in increase in the Tax Burden for investors & especially those who are liable to pay tax less than the rate of DDT if the dividend income is included in their income.
3. The removal of DDT will lead to estimated annual revenue foregone of Rs. 25000 crore.

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



Budget Outlay for Major Sectors

Sl. No.	Sector Name	BE 19-20	RE 19-20	BE 20-21
I	Aspirational India	4,67,517	4,36,913	4,82,401
a	Agriculture & Allied, Irrigation & Rural Development	2,76,380	2,49,910	2,83,202
b	Wellness, Water, Sanitation	93,294	89,618	96,885
c	Education & Skill Development	97,843	97,385	1,02,314
II	Economic Development	2,23,695	2,24,941	2,37,604
a	Industry & Commerce	27,043	28,608	27,227
b	Transport Infrastructure	1,57,437	1,58,207	1,69,637
c	Energy	39,215	38,127	40,740
III	New Economy	40,534	34,724	42,852
a	Information Technology & Space Technology	19,127	18,979	20,379
b	Communication (Bharat Net)	8,350	3,000	8,000
c	Science & Technology	13,056	12,745	14,473
IV	Caring Society	59,036	54,831	62,626
a	Women & Child Development and Social welfare	50,850	48,210	53,876
b	Culture & Tourism	5,232	3,963	5,650
c	Environment & Climate Change	2,955	2,658	3,100
V	Financial Sector	19,002	23,686	40,433
a	Banking, Insurance, Financial Market and Infra Finance	19,002	23,686	40,433

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



Major Scheme Allocation

S.No.	Name of the Scheme	BE 2019-20	RE 2019-20	BE 2020-21
1	National Social Assistance Program	9,200	9,200	9,197
2	Mahatma Gandhi National Rural Employment Guarantee Program	60,000	71,002	61,500
3	Umbrella Scheme for Development of Schedule Castes	5,445	5,568	6,242
4	Umbrella Programme for Development of Scheduled Tribes	3,810	4,194	4,191
5	Umbrella Programme for Development of Minorities	1,590	1,709	1,820
6	Umbrella Programme for Development of Other Vulnerable Groups	1,818	1,846	2,210
7	National Ganga Plan	750	353	800
9	Pradhan Mantri Gram Sadak Yojna	19,000	14,070	19,500
10	Pradhan Mantri Awas Yojna (PMAY)	25,853	25,328	27,500
11	Jal Jeevan Mission (JJM)	10,001	10,001	11,500
12	Swachh Bharat Mission	12,644	9,638	12,294
13	National Health Mission	33,651	34,290	34,115
14	National Education Mission- Samagra Shiksha	38,547	37,672	39,161
15	PMJAY-Ayushman Bharat	6,556	3,314	6,429
16	Pradhan Mantri Kisan Samman Nidhi (PM- KISAN)	75,000	54,370	75,000
17	Deen Dayal Antyodaya Yojana- National Livelihood Mission - Ajeevika	9,774	9,774	10,005
18	Pradhan Mantri Swasthya Suraksha Yojana	4,000	4,733	6,020
19	Umbrella Integrated Child development Scheme	27,584	24,955	28,557
20	National Programme of Mid-Day Meal in Schools	11,000	9,912	11,000

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



Transfer of Resources to States and Union Territories with Legislature

BE 2019-20		RE 2019-20	BE 2020-21
I. Devolution of States share in taxes	8,09,133	6,56,046	7,84,181
II. Some Important Items of Transfer	54,581	57,344	73,275
1. Assistance to States from NDRF	10,000	20,000	25,000
2. Central Pool of Resources for North Eastern Region and Sikkim	392	380	407
3. Externally Added Projects - Grants	4,500	3,000	4,000
4. Externally Aided Projects-Loan	19,723	25,000	25,000
5. Schemes of North East Council	326	324	287
6. Schemes under Provision to Article 275(1) of the Constitution	2,321	2,321	1,199
7. Special Assistance under the demand - Transfers to States	15,000	4,000	15,000
8. Special Central Assistance to Scheduled Castes under Demand- Department of Social Justice and Empowerment	1,074	1,074	1,172
9. Special Central Assistance to Tribal Area under the Demand - Ministry of Tribal Affairs	1,245	1,245	1,210
III. Finance Commission Grants	1,20,466	1,23,710	1,49,925
1. Grant for local bodies - Rural Bodies	52,558	58,616	69,925
2. Grants for Urban Local Bodies	23,359	25,843	30,000
3. Grants-in-Aid for SDRF	10,344	10,938	20,000
4. Post Devolution Revenue Deficit Grants	34,206	28,314	30,000
IV. Total Transfer to States [Other than (I)+(II)+(III)]	3,35,220	3,22,443	3,35,878
1. Under Centrally Sponsored Schemes (Revenue)	2,92,003	2,83,057	2,95,269
2. Under Central Sector Schemes (Revenue)	42,076	38,227	39,451
3. Under Other Categories of Expenditure (Revenue)	1,033	1,055	1,066
4. Capital Transfers	109	104	93
V. Total Transfer to Delhi and Puducherry	10,028	28,419	47,408
1. Under Centrally Sponsored Schemes (Revenue)	2,026	1,999	5,603
2. Under Central Sector Schemes (Revenue)	89	222	299
3. Under Other Categories of Expenditure (Revenue)	7,613	25,972	41,355
4. Capital Transfers	300	225	150
Total Transfer to States/UTs	13,29,428	11,87,961	13,90,666

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



Allocation for Major Ministries/ Departments

S.No.	Ministry/Department	BE 2019-20	RE 2019-20	BE 2020-21
1	Department of Agriculture, Cooperation and Farmers' Welfare	1,30,485	1,01,904	1,34,400
2	Department of Agricultural Research and Education	8,079	7,846	8,363
3	Atomic Energy	16,926	17,426	18,229
4	Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)	1,940	1,857	2,122
5	Department of Fertilizers	80,035	80,035	71,345
6	Ministry of Civil Aviation	4,500	3,700	3,798
7	Department of Commerce	6,219	7,219	6,219
8	Department for Promotion of Industry and Internal Trade	5,675	6,490	6,606
9	Department of Posts	11,299	12,398	15,525
10	Department of Telecommunications	27,338	23,350	66,432
11	Department of Consumer Affairs	2,272	2,050	2,300
12	Department of Food and Public Distribution	1,92,240	1,15,240	1,22,235
13	Ministry of Culture	3,042	2,547	3,150
14	Defence Services (Revenue)	2,01,902	2,05,902	2,09,319
15	Capital Outlay on Defence Services	1,03,394	1,10,394	1,13,734
16	Defence Pensions	1,12,080	1,17,810	1,33,825
17	Ministry of Development of North Eastern Region	3,000	2,670	3,049
18	Ministry of Earth Sciences	1,902	1,810	2,070
19	Ministry of Electronics and Information Technology	6,654	5,839	6,899
20	Ministry of Environment, Forests and Climate Change	2,955	2,658	3,100
21	Ministry of External Affairs	17,885	17,372	17,347
22	Department of Economic Affairs	14,312	15,952	29,308
23	Department of Financial Services	4,690	7,734	11,125
24	Department of Revenue	1,02,048	1,22,066	1,36,640

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



25	Interest Payments	6,60,471	6,25,105	7,08,203
26	Pensions	48,565	50,565	61,169
27	Transfers to States	1,55,447	1,55,447	2,00,447
28	Department of Fisheries	805	700	825
29	Department of Animal Husbandry and Dairying	2,932	2,790	3,289
30	Ministry of Food Processing Industries	1,197	1,043	1,233
31	Department of Health and Family Welfare	62,659	62,659	65,012
32	Department of Health Research	1,900	1,950	2,100

S.No.	Ministry/Department	BE 2019-20	RE 2019-20	BE 2020-21
33	Ministry of Home Affairs	4,896	19,955	8,002
34	Ladakh	...	...	5,958
35	Transfers to Jammu and Kashmir	...	...	30,757
36	Ministry of Housing and Urban Affairs	48,032	42,267	50,040
37	Department of School Education and Literacy	56,537	56,537	59,845
38	Department of Higher Education	38,317	38,317	39,467
39	Ministry of Information and Broadcasting	4,375	4,065	4,375
40	Department of Water Resources, River Development and Ganga Rejuvenation	8,245	7,518	8,960
41	Department of Drinking Water and Sanitation	20,016	18,360	21,518
42	Ministry of Labor and Employment	11,184	11,184	12,065
43	Ministry of Micro, Small and Medium Enterprises	7,011	7,011	7,572
44	Ministry of Minority Affairs	4,700	4,700	5,029
45	Ministry of New and Renewable Energy	5,255	3,892	5,753
46	Ministry of Panchayati Raj	871	500	901
47	Ministry of Petroleum and Natural Gas	42,901	42,901	42,901
48	Ministry of Power	15,875	15,875	15,875
49	Ministry of Railways	68,019	69,967	72,216
50	Ministry of Road Transport and Highways	83,016	83,016	91,823
51	Department of Rural Development	1,17,647	1,22,649	1,20,147
52	Department of Land Resources	2,227	1,900	2,251
53	Department of Science and Technology	5,580	5,481	6,302
54	Department of Biotechnology	2,580	2,381	2,787
55	Department of Scientific and Industrial Research	4,896	4,883	5,385

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



56	Ministry of Shipping	1,903	1,523	1,800
57	Ministry of Skill Development and Entrepreneurship	2,989	2,531	3,002
58	Department of Social Justice and Empowerment	8,885	8,885	10,104
59	Department of Empowerment of Persons with Disabilities	1,205	1,100	1,325
60	Department of Space	12,473	13,139	13,479
61	Ministry of Statistics and Programme Implementation	5,231	5,231	5,444
62	Ministry of Textiles	4,831	4,831	3,515
63	Ministry of Tourism	2,189	1,416	2,500
64	Ministry of Tribal Affairs	6,895	7,340	7,411
65	Ministry of Women and Child Development	29,165	26,185	30,007
66	Ministry of Youth Affairs and Sports	2,217	2,777	2,827

Statement of Extra Budgetary & Other Resources (Govt. fully serviced bonds, NSSF etc.)

(` crore)

Part-A – EBRs mobilised through issue of Govt. fully serviced bonds

Demand No.	Name of the Ministry/Department and Name of the Scheme	BE 2019-20	RE 2019-20	BE 2020-21
42	Department of Health & Family Welfare Pradhan Mantri Swasthya Suraksha Yojana	5,000.00	2,700.00	3,000.00
57	Ministry of Housing & Urban Affairs Pradhan Mantri Awas Yojana (PMAY) - Urban	20,000.00	10,000.00	10,000.00
59	Department of Higher Education Revitalising Infrastructure and Systems in Higher Education (RISE)	5,000.00	1,000.00	3,000.00
61	Department of Water Resources, River Development & Ganga Rejuvenation (i) Polavaram Irrigation Project (ii) Pradhan Mantri Krishi Sinchai Yojana (AIBP & other Projects)	--- 4,882.00	1,850.00 3,033.96	5,000.00
62	Department of Drinking Water & Sanitation (i) Swachh Bharat Mission (Rural) (ii) Jal Jeevan Mission/National Rural Drinking Water Programme	5,000.00 6,300.00	5,000.00 2,000.00	12,000.00
70	Ministry of New & Renewable Energy Pradhan Mantri-Kisan Urja Sanrakshan Evam Utthan Mahabhiyan (PM-KUSUM)	822.00	500.00	1,000.00
77	Ministry of Power Deen Dayal Upadhyaya Gram Jyoti Yojana/SAUBHAGYA	9,000.00	8,500.00	5,500.00
85	Department of Rural Development Pradhan Mantri Awas Yojana (PMAY) - Rural	---	10,000.00	10,000.00

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com



90	Ministry of Shipping Inland Waterways Authority of India (IWAI) Projects	1,000.00	---	---
Total		57,004.00	44,583.96	49,500.00

Part-B – Financial support extended through loans from NSSF

S.No.	Name of the Ministry/ Name of the Department	BE 2019-20	RE 2019-20	BE 2020-21
1	Department of Food & Public Distribution Food Corporation of India	---	1,10,000.00	1,36,600.00
2.	Ministry of Housing & Urban Affairs Building Materials & Technology Promotion Council (BMTPC)	----	15,000.00	---
3.	Department of Fertilizers (i) Rashtriya Chemicals & Fertilizers Ltd. (ii) Metals & Minerals Trading Corporation	---	1,805.00 1,310.00	---
	Total	---	1,28,115.00	1,36,600.00
	Grand Total (A+B)	57,004.00	1,72,698.96	1,86,100.00

MUDRAGUNA ADVISORY PRIVATE LIMITED

U74140DL2019PTC357388

542, 5TH FLOOR, RISHABH CLOUD 9 TOWERS, SECTOR-1, VAISHALI, UTTAR PRADESH- 201010

CONTACT: - 01204294162, EMAIL ID: - info.mudraguna@gmail.com

Website:- www.mudraguna.com