

- ✓ Rural Budget
 - ✓ Healthcare Focus
 - ✓ Infrastructure Boost
 - ✓ Adherence to FRBM
 - ✓ Financial Inclusion
 - ✓ Affordable Housing
 - ✓ Sops to Senior Citizens
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- A close-up photograph of a hand holding a black fountain pen, writing on a white notepad. The notepad has a checklist of seven items, each preceded by a checkmark. The pen is positioned over the fourth item, 'Adherence to FRBM'. The background is a dark, solid color.

Budget - In the Long-Term we are all taxed

- Revised Fiscal Deficit estimated at 3.5% of GDP and projected at 3.3% of GDP for 2018-19
- Adherence to FRBM in bringing down the GOI Debt to GDP ratio to 40% going forward
- 10% Tax on income distributed by Equity MF and 10% Tax on Long-Term Capital Gains on listed equity exceeding ₹1lakh imposed
- Divestment Target of ₹ 80K cr for the current fiscal

- Government expects to double farmers' income by 2022
- The MSPs on crop output to be raised by 50% which would increase the farm income significantly, benefitting all the rural oriented companies namely in the fertilizers, consumer durables, autos and FMCG sectors.
- Government now targets to link 585 APMCs to e-NAM network up from 470 currently by March 2018.
- ₹2000 cr corpus to be allocate to set up for developing and upgrading agri market infrastructure in the 22,000 Grameen Agricultural Markets(GrAMs) and 585 APMCs.
- Allocation of Food Processing is being doubled from ₹715 cr currently to ₹1400 cr in 2018-19.
- Government has freshly allocated ₹1,290 cr for National Bamboo Mission.
- Allocation towards the new funds of Animal Husbandry and Aquaculture is ₹10,000 cr.
- Institutional credit for agri sector has been raised from Rs10 lakh crore to ₹11 lakh crore.
- Allocation towards PMSY scheme for providing electrecity to 4 cr poor households free of charge stands at ₹16,000 cr along with free LPG connections for 8 cr poor women.

- Under the Swachha Bharat Mission, the government plans to launch 2 cr toilets by FY19 end.
- Allocation towards National Rural Livelihood Mission has increased to ₹5,750 cr.
- Ground water irrigation scheme allocated with ₹2,600 cr, beneficiaries to be all the pipes and irrigation related companies.
- To sum up, the total allocation towards livelihood and infrastructure in rural areas stands strong at ₹14.34 lakh cr.
- Infrastructure companies along with the rural electrification companies will be prime beneficiaries of this drive by the government.
- Allocation on National Social Assistance Programme stands at ₹9,975 cr
- Research and related infrastructure in premiere educational institutions is allocated with ₹100,000 cr
- Annual health coverage for poor families under RSBY scheme is at ₹30,000.
- Launch of flagship National Health Protection Scheme to cover 10 cr poor families providing coverage upto ₹ 5 lakh per family per year for secondary and tertiary care hospitalisation.
- Total allocation towards health, education and social protection stands at ₹1.22 lakh cr. Beneficiaries to be all the healthcare companies and listed hospitals.

- 99 smart cities have been selected with an outlay of ₹2.04 lakh cr
- The AMRUT programme which focuses on providing water supply to all households in 500 cities stands at ₹77,640 cr
- Government targets to complete the highway connectivity project of 9000 km by 2017-18 end.
- Bharatmala Pariyojana has been approved for connectivity of interior and backward areas and borders of the country to develop about 35,000 kms in Phase 1 for a cost of ₹ 5,35,000 cr.
- Railways capex for FY18-19 has been pegged at ₹1,48,528 cr. All the infrastructure and construction companies to reap rich benefits out of this.
- 4000 km of railway network to be electrified in 2017-18
- Mumbai railways is being expanded and augmented to add 90 km of double line tracks at a cost of ₹11,000 cr. Additional ₹40,000 cr is allocated for suburban network including elevated corridors in some sections.
- A suburban network of 160 km at an estimated cost of ₹17,000 cr is being planned to cater growth of Bengaluru metropolis.

- Redevelopment of 600 major railway stations has been undertaken by Indian Railway. WiFi and CCTV to be provided on all the stations and trains.
- Plan to connect 56 unserved airports and 31 unserved helipads across the country and increase the airport capacity by more than five times to handle a billion trips a year. Listed airline companies to grow strongly on this plan.
- Digital India programme allocation doubled to ₹3073 cr.
- Telecom infrastructure allocation for 2018-19 stands at ₹10,000 cr. Telecom tower companies and other ancillaries to benefit.
- Total budgetary allocation for 2018-19 is targeted at ₹5.97 lakh cr v/s ₹4.94 lakh crore estimated for FY17-18.
- Government has allocated ₹16,713 cr towards cleaning of Ganga river under the project *Namami Gange*, key beneficiary to be Dredging Corporation of India.
- Apart from the infrastructure and the construction companies, other beneficiaries shall be commercial vehicle makers, construction equipment makers, cement and metals companies.

- Lending target to agriculture sector increased by 10% to ₹11 trillion in FY19BE from ₹10 trillion in FY18RE
- To create Affordable Housing Fund in NHB which would be funded from shortfall in priority sector lending targets of the banks
- Increase in lending target to self help groups of women from ₹42,500 cr in FY16 to ₹75,000 cr in FY19RE
- Corpus of ₹3,794 cr created to provide credit & interest subsidy to MSME sector
- In order to alleviate NPA concerns & stressed accounts in MSME sector, GOI likely to announce measures
- Govt. to establish a unified authority for regulating all financial services in IFSCs in India
- Allow strong RRBs to raise capital from the markets so that higher credit can be provided to rural economy

- Introduction of long term capital gain tax (LTCG) exceeding Rs1 lakh at the rate of 10% and all the gains upto 31st Jan 2018 would be grandfathered. Short term capital gain tax retained at 15%
- Introduction of tax at the rate of 10% on distributed income by equity oriented mutual funds
- Current 3% education cess applicable to personal tax payers & corporates increased to 4%
- LTCG also applicable to funds of funds investing in exchange traded funds
- Extension of benefit of reduced tax rate of 25% to companies having turnover of upto ₹250 cr in FY17 benefitting entire MSME sector
- For companies admitted under IBC (Insolvency & Bankruptcy Code), to allow aggregate amount of unabsorbed depreciation & brought forward loss to be reduced from book profits for MAT calculation
- Farmer producer companies having turnover of upto ₹100cr to get 100% tax deduction from the government under “Operation Green” mission
- Tax incentive for IFSC – 1) non-corporate tax payers operating in IFSC shall be charged Alternate Minimum Tax (AMT) at 9% par with MAT 2) Non-residents would be exempt from capital gains tax for transfer of derivatives & certain securities on stock exchanges in IFSC
- Custom duty changed for certain sectors – 1) on mobile phones increased from 15% to 20% and on certain parts of TVs to 15%

- There has been no change in the personal tax rates for individual personal tax payers
- Increase in standard deduction from ₹34K to ₹40K which netted off against transport allowance & medical expenses translates into marginal benefit
- For senior citizens – 1) Exemption of interest income on deposits with the banks & post offices to be increased from ₹10,000 to ₹50,000 2) Raising the limit of deduction for health insurance premiums & medical expenditure from ₹30,000 to ₹50,000 under section 80D

- Provide free LPG connection to 8 cr poor women under PMUSS from earlier 5 cr in FY18
- Govt. to incur Rs 160 bn cost in order to provide free electricity to 4 cr poor households under the scheme Prime Minister Saubhagya Yojana
- Construct 2 cr more toilets under Swachh Bharat Mission
- Under PMAY govt. to provide construct ~50 lakh homes in rural areas & 37 lakh in urban areas
- National Health Protection Scheme to provide coverage of ₹5 lakh per family per year for secondary & tertiary care hospitalization benefitting 10 cr families (approx 50 cr people) The scheme is positive for listed Public Sector Insurance Firms
- MSP of Kharif crops increased to 1.5x of production cost boosting farmers income

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