

Press Information Bureau  
Government of India

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GOVERNMENT COMMITTED TO ACHIEVE FISCAL DEFICIT OF 4.1% FOR 2014-15.

SUBSIDY REGIME TO BE MADE MORE TARGETED FOR FULL PROTECTION TO  
THE MARGINALIZED, POOR AND SC/ST.

GOVERNMENT TO PROMOTE FDI SELECTIVELY IN SECTORS.

RS 1000 CRORE PROVIDED FOR "PRADHAN MANTRI KRISHI SINCHAYEE  
YOJNA".

RS 500 CRORE FOR "DEEN DAYAL UPADHYAYA GRAM JYOTI YOJANA".

RS. 150 CRORES FOR INCREASING SAFETY OF WOMEN IN LARGE CITIES.

"SWACHH BHARAT ABHIYAN" TO COVER EVERY HOUSEHOLD WITH  
SANITATION FACILITY BY THE YEAR 2019.

AIIMS LIKE INSTITUTIONS IN ANDHRA PRADESH, WEST BENGAL, VIDARBHA  
IN MAHARASHTRA AND POORVANCHAL IN UP.

5 IIMS TO BE OPENED IN HP, PUNJAB, BIHAR, ODISHA AND RAJASTHAN.

SUSTAINABLE GROWTH OF 4% IN AGRICULTURE TO BE ACHIEVED.

RS.500 CRORE "PRICE STABILIZATION FUNDS" FOR MITIGATING THE RISK OF  
PRICE VOLATILITY IN AGRICULTURE PRODUCE.

DEVELOPMENT OF INDUSTRIAL CORRIDORS WITH EMPHASIS ON SMART  
CITIES LINKED TO TRANSPORT CONNECTIVITY.

SKILL INDIA TO BE LAUNCHED TO SKILL THE YOUTH WITH AN EMPHASIS ON  
EMPLOYABILITY AND ENTREPRENEUR SKILLS.

SCHEME FOR DEVELOPMENT OF NEW AIRPORTS IN TIER I AND TIER II CITIES  
TO BE LAUNCHED.

TARGET OF NH CONSTRUCTION OF 8500 KM IN CURRENT FINANCIAL YEAR.

A FURTHER SUM OF RS 1000 CRORE TO MEET REQUIREMENT FOR "ONE RANK ONE PENSION".

RS 200 CRORE PROVIDED FOR THE STATUE OF UNITY(NATIONAL PROJECT).

RS 500 CRORE PROVIDED FOR DEVELOPING 5 TOURIST CIRCUITS AROUND SPECIFIC THEMES.

RS 2037 CRORES PROVIDED FOR INTEGRATED GANGA CONSERVATION MISSION "NAMAMI GANGE".

RS 100 CRORE FOR GHAT DEVELOPMENT AND BEAUTIFICATION AT KEDARNATH, HARIDWAR, KANPUR, VARANASI, ALLAHABAD, PATNA , DELHI.

RS. 200 CRORE FOR POWER REFORMS AND RS. 500 CRORE FOR WATER REFORMS TO MAKE DELHI A TRULY WORLD CLASS CITY.

RS 500 CRORE PROVIDED TO SUPPORT KASHMIRI MIGRANTS FOR REBUILDING THEIR LIVES.

PERSONAL INCOME-TAX EXEMPTION LIMIT RAISED BY RS. 50,000;  
INVESTMENT LIMIT UNDER SECTION 80C OF INCOME-TAX ACT RAISED TO RS. 1.5 LAKH.

DEDUCTION LIMIT ON ACCOUNT OF INTEREST ON LOAN IN RESPECT OF SELF OCCUPIED HOUSE PROPERTY RAISED FROM RS.1.5 LAKH TO RS.2 LAKH.

GOVERNMENT COMMITTED TO IMPLEMENT GST AT THE EARLIEST. ISSUES RAISED BY THE STATES TO BE RESOLVED.

New Delhi, 10<sup>th</sup> July, 2 014

Ashadha 19, 1936

While making his maiden Budget Speech in Parliament today, the Union Finance Minister Shri Arun Jaitley said that India has a strong urge to grow and free itself from the curse of poverty. The people are in no mood to suffer unemployment, inadequate basic amenities, lack of infrastructure and apathetic governance. The Indian economy will have to maneuver its way through a sluggish global recovery, he added.

The Finance Minister Shri Jaitley said that the Government intends to usher in a policy regime that would bring the desired growth, lower inflation, sustained level of external sector balance and prudent policy stance. The Finance Minister pointed out that the present economic situation presents a challenge of slow growth in manufacturing, in infrastructure and also the need to introduce fiscal prudence. The tax to GDP ratio must be improved and non-tax revenues increased. He has set a target of fiscal deficit of 3.6 per cent for 2015-16 and 3 per cent for 2016-17.

Shri Jaitley said that the Government will constitute an Expenditure Management Commission to look into every aspect of expenditure reform. The Government also intends to overhaul the subsidy regime while providing full protection to the marginalized.

The Finance Minister said that the Government would like to introduce Goods and Services Tax (GST) to streamline the tax administration, avoid harassment of business and ensure higher revenue collection. The Government is committed to provide stable and predictable taxation regime that will be investor friendly and spur growth.

Shri Jaitley said that the Indian Government will promote FDI selectively in sectors. FDI in Defence and Insurance sector is being raised to 49 per cent with full Indian management and control. FDI is also being encouraged in the development of 'Smart Cities'.

To infuse Rs. 2,40,000 crore in the Indian Banking system, citizens of India will be allowed direct share holding in these banks. The Government will also provide tax incentives for Real Estate Investment Trusts. A similar incentive will also be announced for Infrastructure Investment Trusts.

A national multi-skill programme called Skill India is proposed to be launched. This will provide training in traditional professions like welding and carpentry etc.

A sum of Rupees 1,000 crore will be provided to Pradhan Mantri Krishi Sinchayee Yojana to provide assured irrigation in rain fed areas.

Central Government will also focus on Swachh Bharat Abhiyan, under which, total sanitation will be provided to every household by the year 2019 to mark 150<sup>th</sup> year of the Birth anniversary of Mahatma Gandhi.

Shyama Prasad Mukherji Urban Mission will be launched in rural areas on the lines of Gujarat. This will include economic activities and skill development in the PPP mode. To further improve rural life, the Government will launch the Deen Dayal Upadhyay Gram Jyoti Yojana to augment power supply at a cost of Rs. 500 crore.

To improve the life of the marginalized and handicapped, the Government will provide Rs. 50,548 crore under SC Plan and Rs. 32,387 crore under TSP. Besides, the Centre will extend the scheme for Assistance to Disabled Persons for purchase/fitting of Aids and Appliances (ADIP) to include contemporary aids and assistive devices. The Government will also establish 15 new Braille Presses.

In its concern for women, the Government will pilot test a scheme on 'Safety for Women on Public Transport' at a cost of Rs. 50 crore. Additionally, Rs. 150 crore will be spent by Ministry of Home to increase safety of women in large cities. It will also set up Crisis Management Centre in all districts of NCT of Delhi. The Government will also launch the Beti Bachao, Beti Padhao Yojana for which a sum of Rs. 100 crore will be set aside.

In the area of rural development, the Government will provide a sum of Rs. 14,389 crore to the Pradhan Mantri Gram Sadak Yojana to improve rural connectivity. The MGNREGA will focus on productivity and asset creation, primarily in fields related to agriculture. The Government also proposes to start up Village Entrepreneurship Programme for encouraging rural youth to take up local entrepreneurship programs for which an initial sum of Rs. 100 crore is to be provided. The Government also proposes to start a new programme called 'Neeranchal' with an initial outlay of Rs. 2,142 crore to further boost watershed development. The Government has also earmarked Rs. 3,600 crore under National Rural Drinking Water Programme for providing safe drinking water to approximately 20,000 habitations.

In an attempt to provide Health for All, the Government will introduce two key initiatives i.e. the Free Drug Service and Free Diagnosis Service which would be taken up on priority. The Government is to set up two National Institutes for Ageing in New Delhi and Chennai. It is also planned to set up AIIMS like institutes in Andhra Pradesh, West Bengal, Maharashtra and Uttar Pradesh.

To fill the gap in elementary education an amount of Rs. 28,635 crore is being funded for Sarva Shiksha Abhiyan and Rs. 4,966 crore for Rashtriya Madhyamik Shiksha Abhiyan. A School Assessment Programme is being initiated at a cost of Rs. 30 crore. Additionally, the Pandit Madam Mohan Malviya New Teachers Training Programme is being launched for an initial sum of Rs. 500 crore.

In the field of higher education, the Government proposes to set up Jai Prakash Narayan National Centre for Excellence in Humanities in Madhya Pradesh. Also, five more IITs in Jammu, Chhatisgarh, Goa, Andhra Pradesh and Kerala will be set up, besides, five IIMs in Himachal Pradesh, Punjab, Bihar, Odisha and Maharashtra.

To bridge the digital divide, a pan India programme - 'Digital India', that will provide broadband connectivity and other IT facilities at village level, is proposed to be launched. A National Rural Internet and Technology Mission for services in villages and schools, training in IT skills and E-Kranti for government service delivery and governance scheme is also proposed at a cost of Rs. 500 crore.

For urban dwellers, under the Pooled Municipal Debt Obligation Facility, the Government will focus on infrastructure, public transport, solid waste disposal, sewerage treatment and drinking water. A sum of Rs. 100 crore will be allocated for metro projects in Lucknow and Ahmedabad. A Mission on Low Cost Affordable Housing which will be anchored in the National Housing Bank will be allocated a sum of Rs. 4000 crore this year.

An Upgradation of Traditional Skills in Arts, Resources and Goods programme would be launched for enhancing skills and training in ancestral arts for development of minorities.

To give a boost to agriculture, two institutions on the pattern of Indian Agricultural Research Institute, Pusa, will be established in Assam and Jharkhand. Agricultural Universities are proposed to be set up in Andhra Pradesh and Rajasthan, besides two horticulture universities in Telangana and Haryana. To prevent soil deterioration, 100 mobile soil testing laboratories will be set up. The Government intends to finance 5 lakh joint farming groups of “Bhoomi Heen Kisan” through NABARD.

The Government has set a target of Rs. 8 lakh crore for agriculture credit during 2014-15. The Centre will continue the Interest Subvention Scheme and raise corpus of Rural Infrastructure Development Fund to Rs. 25,000 crores. The Warehouse Infrastructure Fund will get Rs. 5,000 crore this year. The Government also proposes to set up Long Term Rural Credit Fund in NABARD for the purpose of providing refinance support to Cooperative Banks and Regional Rural Banks with an initial corpus of Rs. 5,000 crore.

Towards food security, the Government has committed itself to restructuring FCI, reducing transportation and distribution losses and efficacy of PDS. Wheat and rice will be provided at reasonable prices to weaker sections. Kisan TV dedicated to interests of agriculture and allied sector will be launched in the current financial year at a sum of Rs. 100 crore.

To give necessary impetus to the manufacturing sector, the eBiz platform aims to create a business and investor friendly ecosystem in India by making all business and investment related clearances and compliances available on a 24x7 single portal. A National Industrial Corridor Authority, with its headquarters in Pune, is being set up to coordinate the development of the industrial corridors.

An Export Promotion Mission will be set up to bring all stakeholders under one umbrella. The Government is also committed to revive the Special Economic Zones and make them effective.

The Apprenticeship Act will be suitably amended to make it more responsive to industry and youth. With a need to examine the financial architecture of SMEs, it is proposed to appoint a Committee of Finance Ministry, MSME and RBI to give concrete suggestions. It is proposed to set up a Trade Facilitation Centre and a Crafts Museum with an outlay of Rs. 50 crore to promote handloom products. To preserve and revive handloom and handicrafts, a Hastkala Academy is proposed to be created.

‘3P India’, an Institution to provide support to mainstreaming PPPs will be set up to give necessary thrust to infrastructure. Also, 16 new port projects are proposed to be awarded this year with a focus on port connectivity for which Rs.11, 635 crore has been allocated. To promote inland waterways, ‘Jal Marg Vikas’ a project on river Ganga, between Allahabad and Haldia, will be developed.

Airports Authority of India will support Airport modernization projects in Tier I and Tier II cities. To further improve connectivity, the Government will provide Rs. 37,880 crores for road construction by National Highways Authority of India. 8,500 KMs of roads will be added in this Financial Year.

To promote clean and efficient thermal power, Rs. 100 crores will initially be provided for a new Scheme - 'Ultra-Modern Super Critical Coal Based Thermal Power Technology'. It is hopeful that the existing impasse in the coal and mining sectors will be resolved. To facilitate this, changes in the MMDR Act, 1957 would be introduced.

The Finance Minister stressed that new and renewable energy deserves a very high priority. A scheme will be launched to drive agricultural pump sets and water pumping stations with solar energy for which Rs. 400 crore will be provided.

The Finance Minister has reiterated the Government's commitment to enact the Indian Financial Code for better governance and accountability, in close consultation with all stakeholders. While the impact of these measures will be realized in the medium term, he has proposed in the budget some measures such as liberalizing the ADR/GDR regime for depository receipts and extending 5% withholding tax to bonds issued by Indian Corporates abroad.

The budget proposes adoption of the new Indian Accounting Standards (IndAs) by the Indian companies from the financial year 2015-16 voluntarily and from the financial year 2016-17 on a mandatory basis.

To provide all households in the country with banking services, a time bound programme would be launched as 'Financial Inclusion Mission' on 15 August this year. A special small savings instrument to cater to the requirements of educating and marriage of the girl child will be introduced. A National Savings Certificate with insurance cover will also be launched to provide additional benefits for the small saver. In the PPF Scheme, annual ceiling will be enhanced to Rs. 1.5 lakh p.a. from Rs. 1 lakh at present.

KYC norms will be made uniform and KYC records made usable across the entire financial sector. A single operating demat account will be introduced, which will allow transactions of all financial assets.

Defence gets Rs. 2,29,000 crore. Rs. 1,000 crore have been allocated for implementing One Rank One Pension policy. Capital outlay for defence has been raised by Rs. 5,000 crore over the amount provided in the interim budget. This includes Rs. 1,000 crore for the accelerating the development of the Railway system in the border areas. Rs. 100 crore have been provided for setting up a Technology Development Fund to provide resources to public and private sector companies to support research and development of defence systems.

The Finance Minister has also announced setting up a War Memorial, a War Museum and a National Police Memorial.

For modernization of state police forces, Rs. 3,000 crore has been allocated.

The new initiatives announced in the budget for promoting culture and tourism include creation of five tourist circuits around specific themes, a National Mission on Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD) and a National Heritage City Development and Augmentation Yojana (HRIDAY). HRIDAY will be launched in Mathura, Amritsar, Gaya, Kanchipuram, Vellankani and Ajmer this year. Sarnath-Gaya-Varanasi Buddhist

circuit would be developed with world class tourist amenities to attract tourists from all over the world.

An Integrated Ganga Conservation Mission called “Namami Gange” is proposed to be set up with an outlay of Rs. 2,037 crore for this year. A NRI fund for Ganga will be set up which will finance special projects. Rs. 100 crore have also been set aside for Ghat development and beautification of river front at Kedarnath, Haridwar, Kanpur, Varanasi, Allahabad, Patna and Delhi. Rs. 100 crore have also been provided for preparation of detailed project reports of interlinking of rivers.

National level sports academies for major games will be set up in different parts of the country. Academies and training facilities will also be set up for some other sports. A Sports University will be set up in Manipur, sports stadiums in Jammu and Kashmir will be upgraded, and an annual event will be started to promote traditional sports in the Himalaya Region.

The Budget has special provisions for displaced Kashmiri migrants, conservation of Himalayas, the North-eastern region, NCT Delhi, A&N Island, Telangana and Andhra Pradesh.

Out of the total budgeted expenditure, Rs. 98,030 crore will go towards women welfare and Rs. 81,075 crore to child welfare. Provisions for the North-East come to Rs. 53,706 crore.

The total expenditure is estimated as Rs. 17,94,892 crore. Centre’s share of taxes will be Rs. 9,77,258 crore, non-tax revenues will be Rs. 2,12,505 crore and capital receipts other than borrowings will be Rs. 73,952 crore. As per budget estimates, fiscal deficit will be 4.1% of GDP and revenue deficit will be 2.9 percent of GDP.

## TAX PROPOSALS

The Finance Minister has retained the targets of tax collection at the level of the interim budget presented in February. Taxation proposals have been made with a view to introduce measures to revive the economy, promote investment in manufacturing sector and rationalize tax provisions so as to reduce litigation as well as to address the problem of inverted duty structure in certain areas. In addition, some relief is proposed to individual taxpayers and to certain sectors of the economy.

There is no change in income tax rates, surcharge and educational cess. To provide relief to small and marginal tax payers, personal income tax exemption limit is being raised from Rs. 2 lakh to Rs. 2.5 lakh. For senior citizens, the exemption limit will be Rs. 3 lakh. Further, the investment limit under Section 80C of the Income-tax Act is being raised from Rs. 1 lakh to Rs. 1.5 lakh. Deduction limit for interest on housing loan (for self-occupied house property) goes up from Rs. 1.5 lakh to Rs. 2 lakh.

Free baggage allowance is proposed to be increased to Rs. 45000; it is Rs. 35000 at present.

To incentivise small entrepreneurs in the manufacturing sector, it is proposed to provide investment allowance at the rate of 15 percent to a manufacturing company that invests more than Rs. 25 crore in any year in new plant and machinery. This benefit will be available for three

years i.e. for investments upto 31.03.2017. The scheme announced last year, to provide investment allowance to manufacturing companies investing more than Rs. 100 crore in plant and machinery will continue till March, 2015.

Investment linked deduction is being extended to two new sectors, namely, slurry pipelines for the transportation of iron ore, and semi-conductor wafer fabrication manufacturing units. Ten-year tax holiday is being proposed to the undertakings which begin generation, distribution and transmission of power by 31.03.2017. This long-term measure will help the investors to plan their investments better.

On Direct Tax Code (DTC), the Government will consider the comments received from takeholders. It will review the DTC in its present shape and take a view in the whole matter.

With a view to transition towards Goods and Services Tax (GST) changes in service tax have been kept at the minimum. The focus is on widening the tax base and enhancing compliance. It is proposed to prune the negative list and exemptions. Services by air-conditioned contract carriages and technical testing of newly developed drugs on human participants are being brought under service tax. Services provided by the Employees' State Insurance Corporation for the period prior to 1<sup>st</sup> July 2012 will now be exempt from service tax. Service tax on loading, unloading, storage, warehousing and transportation of cotton, whether ginned or baled, will also be exempt from service tax.

The Budget has a number of proposals for tax facilitation and dispute resolution. For income tax facilitation, 60 new Aykar Seva Kendras will be opened in 2014-15. Indirect tax facilitation measures include opening 24x7 customs clearance facility in 13 more airports in respect of all export goods and in 14 more sea ports in respect of specified import and export goods. It is also proposed to implement an 'Indian Customs Single Window Project' to facilitate trade.

The scheme of Advance Ruling in Indirect Taxes is being extended to cover resident private limited companies and the scope of Settlement Commission is being enlarged to facilitate quick dispute resolution. Amendments are proposed in the Customs and Central Excise Acts with a view to freeing Appellate Authorities for fast disposal of appeals. In order to reduce litigation on transfer pricing issues, a number of changes are proposed in Transfer Pricing Regulations.

To remove uncertainty in taxation of Foreign Portfolio Investors (FPIs) and to encourage their fund managers to shift to India, the Budget proposes to provide that income arising to them from transaction in securities will be treated as capital gains.

In order to augment low cost foreign borrowings by Indian companies, the eligible date of borrowing is being extended up to 30/06/2017 for availing concessional tax rate on interest payments.

Tax rates have been rationalized where needed, and made favourable to certain sectors to boost their growth. Basic customs duty is being reduced on fatty acids, oils, glycerine, petrochemicals, certain wind energy equipment etc. Cathode ray TVs, LCD and LED TV panels



of below-19 inches and certain inputs used in solar power equipment are being fully exempted from basic customs duty.

The Budget proposes rationalization of duties relating to different types of coal, scrap and diamond items.

Excise duty is proposed to be reduced on specified food processing and packaging machinery, footwear of retail price up to Rs. 1000 per pair and sports gloves. A number of items in use in renewable energy industry are proposed to be exempted from excise duty. Duty on a number of electronics items is being rationalized or reduced.

The Finance Minister has proposed to mobilize resources by increasing excise duty on cigarettes, pan masala, gutka, chewing tobacco and aerated waters containing added sugar. Clean energy cess will now be levied at higher rates on coal, peat and lignite. Import of smart card will now attract higher CVD. Imported flat-rolled stainless steel products will attract a higher basic customs duty.

The direct tax proposals will result in net revenue loss of Rs. 22,200 crore and indirect tax proposals, revenue yield of Rs. 7,525 crore.

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**GOVERNMENT TO SPEND 50,000 CRORE RUPEES FOR DEVELOPMENT OF  
URBAN AREAS**

**100 CRORE ALLOCATED FOR METRO PROJECTS IN LUCKNOW AND  
AHMEDABAD**

New Delhi: July 10, 2014  
Ashada 19, 1936

The Union Finance Minister Shri Arun Jaitley while presenting his maiden Budget, in the Lok Sabha today announced that his Government has a major focus of providing good infrastructure, including public transport, solid waste disposal, sewerage treatment and drinking water in the urban areas. The Budgetary provision for the Pooled Municipal Debt Obligation Facility has been enhanced from Rs 5000 crores to Rs 50,000 crores with extension of the facility by five years to March 31, 2019. Shri Jaitley informed the House that this facility was set up in 2006 with participation of several banks to promote and finance infrastructure projects in Urban Areas on shared risk basis.

Shri Jaitley said that for urban renewal of cities and towns, four fundamental activities are necessary like provision of safe drinking water and sewerage management, use of recycled water for growing organic fruits and vegetables, solid waste management and digital connectivity. The Finance Minister said it is the vision of this Government that at least five hundred (500) such habitations must be provided support, while harnessing private capital and expertise through PPPs, to renew their infrastructure and services in the next ten years.

Government will encourage development of metro rail systems, including light rail systems, in the PPP mode, supported by the Central Government. Shri Jaitley stressed that for two million plus cities, planning of metro projects must begin now and in the current fiscal, a sum of Rs. 100 crore has been allocated for Metro Projects in Lucknow and Ahmedabad.

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**HOUSING FOR ALL BY 2022**

New Delhi: July 10, 2014  
Ashada 19, 1936

Government is committed to endeavour to have housing for all by 2022 by extending additional tax incentive on home loans to encourage people, especially the young, to own houses. It has proposed to set up a Mission on Low Cost Affordable Housing to be anchored in the National Housing Bank. The Finance Minister Shri Arun Jaitley informed the Lok Sabha while presenting the General Budget 2014-15 that a sum of Rs 4,000 crore has been earmarked for National Housing Bank with a view to increase the flow of cheaper credit for affordable housing to the urban poor/EWS/LIG segment. He added that Government has already outlined some other incentives such as easier flow of FDI in this sector and is willing to examine other positive suggestions. He also informed the inclusion of slum development in the list of Corporate Social Responsibility (CSR) activities to encourage the private sector to contribute more towards this activity.

Shri Jaitley informed that the Rural Housing Scheme has benefited a large percentage of rural population who have availed credit through Rural Housing Fund (RHF). In the light of the above, enhanced allocations to the tune of Rs. 8,000 crore has been made for National Housing Bank (NHB) for the year 2014-15 to expand and support Rural Housing in the country.

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**GOVERNMENT ATTACHES TOP PRIORITY FOR FREE DRUG AND DIAGNOSIS  
SERVICES TO ACHIEVE THE GOAL OF HEALTH FOR ALL**

New Delhi: July 10, 2014  
Ashada 19, 1936

The Central Government has decided to set up fifteen Model Rural Health Research Centres in the States for better health care facilities in rural India. The Health Centres will take up research on local health issues concerning rural population. Presenting his Maiden Budget in Parliament, the Union Finance Minister Shri Arun Jaitley said that to move towards "Health for All", two key initiatives like the Free Drug Service and Free Diagnosis Service would be taken up on priority.

The Finance Minister said that in order to achieve universal access to early quality diagnosis and treatment to TB patients, two National Institutes of Ageing will be set up at AIIMS, New Delhi and Madras Medical College, Chennai. A national level research and referral Institute for higher dental studies would be set up in one of the existing Dental institutions.

Shri Jaitley informed the House with great satisfaction that all the six new AIIMS at Jodhpur, Bhopal, Patna, Rishikesh, Bhubaneswar and Raipur, which are part of Pradhan Mantra Swasthya Suraksha Yojana, have become functional. A plan to set up four more AIIMS like institutions at Andhra Pradesh, West Bengal, Vidarbha in Maharashtra and Poorvanchal in UP is under consideration. He announced a sum of Rs 500 crores for this purpose. He said at present 58 Government Medical Colleges have been approved and proposed to add 12 more such colleges. In addition, dental facilities would also be provided in all the hospitals, he added.

Shri Jaitley said that for the first time, the Central Government will provide assistance to strengthen the States Drug Regulatory and Food Regulatory Systems by creating new drug testing laboratories and strengthening the 31 existing State laboratories.

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**FIVE NEW IITs AND FIVE NEW IIMs WILL BE SET UP IN THE STATES**

New Delhi: July 10, 2014  
Ashada 19, 1936

The Government has announced to set-up five more IITs in the Jammu & Kashmir, Chattisgrah, Goa, Andhra Pradesh and Kerala. Similarly, five new IIMs will be set-up in the States of Himachal Pradesh, Punjab, Bihar, Odisha and Maharashtra. For this, a sum of Rs. 500 crore has been allocated in the Budget. Presenting his Maiden Budget in Parliament here today, the Union Finance Minister Shri Arun Jaitley said that the country needs a large number of Centres of higher learning which are world class and accordingly declare to set-up Jai Prakash Narayan National Centre for Excellence in humanities in Madhya Pradesh.

Shri Jaitley announced "Pandit Madan Mohan Malviya New Teachers Training Programme" to infuse new training tools and motivate teachers with an initial corpus of Rs.500 crore. He said that for Sarva Shiksha Abhiyan a provision of Rs. 28, 635 crore has been made while for Rashtriya Madhyamik Shiksha Abhiyan Rs. 4,966 crores have been allocated. The Government will also strive to provide toilets and drinking water in all the girls school in first phase, the Minister added.

To take advantage of the reach of the IT, the Finance Minister allocated a sum of Rs. 100 crore for setting up virtual classrooms as Communication Linked Interface for Cultivating Knowledge (CLICK) and online courses.

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**DIGITAL INDIA PROGRAMME LAUNCHED TO BRIDGE THE DIVIDE BETWEEN  
HAVES AND HAVE – NOTS**

**NEW SCHEME TO SUPPORT 600 NEW AND EXISTING COMMUNITY RADIO  
STATIONS**

New Delhi: July 10, 2014  
Ashada 19, 1936

Centre has proposed to launch a pan India Programme called “Digital India” to further bridge the divide between digital “haves” and “have-nots”. This would ensure Broad band connectivity at village level, improved access to services through IT enabled platforms, greater transparency in Government processes and increased indigenous production of IT hardware and software for exports and improved domestic availability. Presenting his Maiden Budget in Parliament here today, the Union Finance Minister Shri Arun Jaitley said that special focus would be given on supporting software product startups.

The Finance Minister said that the Government has also proposed to set-up A National Rural Internet and Technology Mission for services in villages and schools, training in IT skills and E-Kranti for government service delivery and governance scheme with an initial corpus of Rs. 500 crore. A programme for promoting “Good Governance” will also be launched and a sum of Rs.100 crore will be set aside for this, the Minister added.

Shri Jaitley informed that so far around 400 permissions for setting up of a Community Radio Stations have been issued and to encourage further growth in this sector, a new plan scheme has been launched with sum of Rs.100 crore to support 600 new and existing Community Radio Stations.

The Finance Minister Shri Jaitley informed that Film & Television Institute, Pune and Satyajit Ray Film & Television Institute, Kolkata will be accorded status of Institutes of national importance and a “National Centre for Excellence in Animation, Gaming and Special effects will be set up.

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**BETI BACHAO, BETI PADHAO YOJANA LAUNCHED**

New Delhi: July 10, 2014  
Ashada 19, 1936

Government has introduced a new scheme called Beti Bachao, Beti Padhao, which will help in generating awareness and improving the efficiency of delivery of welfare services meant for women with an initial corpus of Rs 100 crore. The Union Finance Minister Shri Arun Jaitley announced in his maiden Budget Speech that government would focus on campaigns to sensitize people of this country towards the concerns of the girl child and women. He said that the process of sensitization must begin early and therefore the school curriculum must have a separate chapter on gender mainstreaming.

Sharing the concerns of the members on Women's safety, the Finance Minister informed the House that Ministry of Road Transport and Highways will spend Rs. 50 crore on pilot testing a scheme for Safety of Women on Public Road Transport. Similarly, Ministry of Home Affairs will spend Rs. 150 crore on a scheme to increase the safety of women in large cities. The Finance Minister also proposed to set up Crisis Management Centres in all the districts of NCT of Delhi this year in all government and private hospitals. The funding will be provided from the Nirbhaya Fund, the Minister added.

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**GOVERNMENT REITERATES ITS COMMITMENT TO THE WELFARE OF SCs &  
STs**

New Delhi: July 10, 2014  
Ashada 19, 1936

The Central Government has said that it is committed to the welfare of SCs and STs and this year an amount of Rs 50,548 crore is proposed under the SC Plan and Rs 32,387 crore under TSP. The Union Finance Minister Shri Arun Jaitley while presenting his maiden Budget, in the Lok Sabha today said that to provide credit enhancement facility for young start up entrepreneurs from Scheduled Castes, who aspire to be part of the neo-middle class, a sum of Rs 200 crore will be operationalised through a scheme by IFCI. For the welfare of the tribals "Van Bandhu Kalyan yojana" is being launched with an initial allocation of Rs 100 crore. Shri Jaitley has announced a sum of Rs 100 crores for modernization of Madarsas.

Shri Jaitley said that NDA Government during its last term in office had introduced the Varishtha Pension Bima Yojana (VPBY) as a pension scheme for senior citizens. Under the scheme a total no. of 3.16 lakh annuitants are being benefitted and the corpus amounts to Rs 6,095 crore. The Finance Minister proposed to revive the scheme for a limited period from 15 August, 2014 to 14, August, 2015 for the benefit of citizens aged 60 years and above. He also proposed to set-up a committee to examine and recommend the use of unclaimed amounts with PPF, Post Office, saving schemes etc for the benefit of senior citizens.

Shri Jaitley said that the Government is fully committed to the social security and welfare of employees serving in the organized sector. It is notifying minimum pension of Rs 1,000 per month to all subscriber members of EP Scheme and has made an initial provision of Rs 250 crore in the current financial year to meet the expenditure. Further, increase in mandatory wage ceiling of subscription to EPS from Rs 6,500 to Rs 15,000 has been made and a provision of Rs 250 crore has been provided in the current budget. For the convenience of the subscribers, EPFO will launch the "Uniform Account Number" Service for contributing members to facilitate portability of Provident Fund accounts.

The Finance Minister said that the Government will make all out efforts to create a more inclusive society for Persons with Disabilities to enable them to enjoy equal opportunity to lead an empowered life with dignity. He also proposed to establish National level institutes for Universal Inclusive Design and Mental Health Rehabilitation and also a Centre for Disability Sports.

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PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA

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**HIGHER BUDGETARY ALLOCATIONS HAVE BEEN MADE FOR RURAL ROAD  
AND WATER SECTORS**

New Delhi: July 10, 2014

Ashada 19, 1936

The Central Government has reaffirmed its commitment to a better and more energetic Pradhan Mantri Gram Sadak Yojana as it had a massive impact in improvement of access for Rural population. Initiated during the NDA-I under the stewardship of then Prime Minister Atal Behari Vajpayee, the scheme has been provided a sum of Rs. 14, 389 crore in the General Budget 2014-15.

While renewing its commitment to providing wage and self-employment opportunity in rural areas, the Union Finance Minister Shri Arun Jaitley said that the wage employment would be provided under MGNREGA through works that are more productive, asset creating and substantially linked to agriculture and allied activities.

Ajeevika, the National Rural Livelihood Mission (NRLM), aims to eliminate rural poverty through sustainable livelihood options. Under this Mission, Women SHGs are provided bank loans at 4% on prompt repayment in 150 districts and at 7 % in all other districts. The Finance Minister said that Government has decided to extend the provision of bank loan for women SHGs at 4% in another 100 districts. Shri Jaitley also proposed to set-up a "Start Up Village Entrepreneurship Programme" for encouraging rural youth to take up local entrepreneurship programs with an initial sum of Rs 100 crore.

Shri Jaitley said to give an added impetus to watershed development in the country, a new programme called "Neeranchal" will be launched with an initial outlay of Rs 2,142 crore in the current financial year. For providing safe drinking water, Rs 3600 crore has been earmarked under National Rural Drinking Water Programme in approximately 20,000 habitations affected with arsenic, fluoride, heavy/toxic elements, pesticides/fertilizers through community water purification plants in next 3 years, the Finance Minister added.

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DSM/SNC

**General Budget 2014-15**

**PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA**

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**ENACTMENT OF INDIAN FINANCIAL CODE NECESSARY FOR BETTER  
GOVERNANCE AND ACCOUNTABILITY: FM**

**New Delhi: July 10, 2014  
Ashadha 19, 1936**

The Finance Minister Shri Arun Jaitley in his maiden Budget Speech advised financial sector regulators to take early steps for a vibrant, deep and liquid market. Shri Jaitley also proposed to extend a liberalized facility of 5% withholding tax to all bonds issued by Indian corporate abroad, extending validity up to 30/06/2017. Commenting on Financial Sector Shri Jaitley said there are some important recommendations for the sector i.e., enactment of the Indian Financial Code which is considered necessary for better governance and accountability.

The Finance Minister Shri Jaitley in his budget address also announced much more liberal and ambitious Bharat Depository Receipt (BhDR) scheme. He also allowed international settlement of Indian debt securities and completely revamped the Indian Depository Receipt (IDR) scheme. Shri Jaitley said that the Indian capital market have been a source of risk capital for growing India and suggested introduction of uniform KYC norms with inter-usability of the KYC records across the entire financial sector. The Finance Minister also announced introduction of one single operating demat account to access and transact all financial assets through one account. Shri Jaitley also announced introduction of Warehouse Development and Regulatory Authority to improve post-harvest lending to farmers. Shri Jaitley also proposed the adoption of new Indian Accounting Standards by the Indian companies from the financial year 2015-16.

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DSM/NCJ/DM

**General Budget 2014-15**

**PRESS INFORMATION BUREAU  
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**New Delhi: July 10, 2014  
Ashadha 19, 1936**

**WELFARE OF GIRL CHILD ON UPMOST PRIORITY OF THE GOVERNMENT: FM**

**NATIONAL SAVINGS CERTIFICATE WITH INSURANCE LAUNCHED AND  
KISHAN VIKAS PATRA REINTRODUCED**

The Finance Minister Shri Arun Jaitley in his maiden Budget Speech has said that the Government attaches utmost importance to the welfare of Girl Child. He also announced to introduce a special small savings instrument to cater to the requirements of educating and marriage of the Girl Child. A National Savings Certificate with insurance cover will also be launched to provide additional benefits for the small saver. The Finance Minister also announced in his budget speech about re-introduction of Kishan Vikas Patra (KVP) and enhancement of ceiling in PPF Scheme from Rs.1 lakh to Rs.1.5 lakh per annum.

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DSM/NCJ/DM

**General Budget 2014-15**

**PRESS INFORMATION BUREAU  
GOVERNMENT OF INDIA**

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**PENDING INSURANCE LAWS (AMENDMENT) BILL TO BE TABLED IN  
PARLIAMENT SOON; FM**

**New Delhi: July 10, 2014  
Ashadha 19, 1936**

The Finance Minister Shri Arun Jaitley in his maiden Budget Speech announced that the pending Insurance Laws (Amendment) Bill will immediately be brought for consideration of the Parliament. The Finance Minister said benefits of insurance in India have not reached to a large section of the people as insurance penetration and density are very low. The Finance Minister Shri Jaitley assured that the Government would work addressing this situation in multi-pronged manner with support of all stake holders concerned. Finance Minister also announced that as a part of the legislative initiatives under the financial sector reforms, it is proposed to bridge the regulatory gap under the Prize Chits and Money Circulation Scheme (Banking) Act, 1978. This will facilitate effective regulation of companies and entities which have duped a large number of poor and vulnerable people in the country, the Minister added.

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**2 AGRICULTURE RESEARCH INSTITUTES IN JHARKHAND AND ASSAM  
AND AGRI-TECH INFRASTRUCTURE FUND OF RS 100 CRORES TO BE  
SETUP**

**2 AGRICULTURAL UNIVERSITIES AND 2 HORTICULTURE UNIVERSITIES  
TO BE ESTABLISHED**

**New Delhi: July 10, 2014**

**Ashadha 19, 1936**

Government will establish two agriculture research institutions of excellence in Assam and Jharkhand with a initial sum of Rs 100 crore in the current financial year. The Finance Minister Shri Arun Jaitley made this announcement while presenting his maiden budget in Lok Sabha today.

The Minister said that farming as an activity contributes nearly 1/6<sup>th</sup> to our National GDP and a major portion of our population is dependent on it for livelihood. It has risen to the challenge of making India largely self-sufficient in providing food for a growing population. The Finance Minister said that to make farming competitive and profitable, there is an urgent need to step up investment, both public and private, in agro-technology development and creation and modernization of existing agri-business infrastructure. Indian Agricultural Research Institute, Pusa has been at the forefront of research in this area.

The Finance Minister in addition set aside an amount of Rs 100 crore for setting up an "Agri-Tech Infrastructure Fund."

The Minister also proposed to establish Agriculture Universities in Andhra Pradesh and Rajasthan and Horticulture Universities in Telangana and Haryana. An initial sum of Rs 200 crores has been allocated for this purpose.

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GOVERNMENT OF INDIA**

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**A DEDICATED TV CHANNEL 'KISAN TV' TO BE LAUNCHED FOR FARMERS**

**New Delhi: July 10, 2014**  
**Ashadha 19, 1936**

The Union Finance Minister, Shri Arun Jaitley while presenting his maiden budget announced Kisan TV, dedicated to the interests of the agriculture and allied sector will be launched in the current financial year. This will disseminate real time information to the farmers regarding new farming techniques, water conservation, organic and farming etc.

The Finance Minister for this purpose allocated a sum of Rs 100 crore in the General Budget 2014-15.

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**SOIL HEALTH CARD SCHEME FOR EVERY FARMER**

**100 MOBILE SOIL TESTING LABORATORIES TO BE SET UP**

**New Delhi: July 10, 2014**  
**Ashadha 19, 1936**

The Union Finance Minister Shri Arun Jaitley while presenting his maiden budget said, deteriorating soil health has been a cause of concern and leads to sub optimal utilization of farming resources.

He said that Government will initiate a scheme to provide to every farmer a soil health card in a mission mode. The Finance Minister proposed to set aside a sum of Rs 100 core for this purpose.

An additional Rs 56 crores have been allocated to set up 100 mobile soil testing laboratories across the county. There have also been growing concerns about the imbalance in the utilization of different types of fertilizers resulting in deterioration of the soil.

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**NATIONAL ADAPTATION FUND TO BE ESTABLISHED FOR CLIMATE  
CHANGE**

**RS 500 CRORES FOR PRICE STABILIZATION FUND**

**STATES TO BE ENCOURAGED TO DEVELOP FARMERS' MARKETS**

**New Delhi: July 10, 2014**  
**Ashadha 19, 1936**

The Union Finance Minister Shri Arun Jaitley while presenting his maiden budget announces to establish a "National Adaptation Fund" for climate change. As an initial sum, an amount of Rs 100 crore will be transferred to the Fund. Climate changes is a reality which all of us have to face together, says the Finance Minister. Agriculture as an activity is most prone to the vagaries of climate change he added.

The Finance Minister also announced a sum of Rs 500 crore for establishing a "Price Stabilization Fund" to mitigate price volatility in the agriculture produce which create uncertainties and hardship for the farmers.

The Finance Minister said that the farmers and consumers' interest will be served by increasing competition and integrating markets across the country. To accelerate setting-up of a National Market, the Central Government will work closely with the State Governments to re-orient their respective APMC Acts., to provide for establishment of private market yards/private markets. The State Governments will also be encouraged to develop Farmers' Markets in town areas to enable the farmers to sell their produce directly.

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**TECHNOLOGY DRIVEN SECOND GREEN REVOLUTION WITH FOCUS ON  
“PROTEIN REVOLUTION”**

**FINANCE TO 5 LAKH JOINT FARMING GROUPS OF “BHOOMI HEEN  
KISAN”**

**RS 50 CRORES EACH FOR THE DEVELOPMENT OF INDIGENOUS CATTLE  
BREEDS AND INLAND FISHERIES**

**New Delhi: July 10, 2014**  
**Ashadha 19, 1936**

The Union Finance Minister, Shri Arun Jaitley while presenting his maiden budget said that the Government is committed to sustain a growth of 4% in agriculture. He said that for this government will bring technology driven second Green Revolution with focus on higher productivity and include “Protein revolution” as an area of major focus.

The Finance Minister said that as a very large number of landless farmers are unable to provide land title as guarantee, institutional finance is denied to them and they become vulnerable to money lenders’ usurious lending. The Finance Minister has proposed to provide finance to 5 lakh joint farming groups of “Bhoomi Heen Kisan” through NABARD in the current financial year.

Shri Jaitley also proposed to set aside a sum of Rs 50 crores for the development of indigenous cattle breeds and an equal amount for starting a blue revolution in inland fisheries.

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**MEASURES TO INCREASE INVESTMENT AND CREDIT FLOW INTO  
AGRICULTURE SECTOR**

**FARMS CREDIT TARGET RAISED TO RS 8 LAKH CRORE**

**New Delhi: July 10, 2014**  
**Ashadha 19, 1936**

The Finance Minister Shri Arun Jaitley while presenting his maiden Budget in Lok Sabha here today said that bank are providing strong credit support to the agriculture sector. A target of Rs 8 lakh crore has been set for agriculture credit during 2014-15 which he is confident that the banks will surpass in the current financial year.

Under the Interest Subvention Scheme for short term crop loans, the banks are extending loans to farmers at a concessional rate of 7%. The farmers get a further incentive of 3% for timely repayment. He hope to continue the Scheme in 2014-15, the Finance Minister added.

The Finance Minister said that NABARD operated the Rural Infrastructure Development Fund (RIDF) out of the priority sector lending shortfall of the banks, which helps in creation of infrastructure in agriculture and rural sectors across the country. The Finance Minister proposed to raise the corpus of RIDF by an additional Rs 5,000 crores from the target given in the Interim Budget to Rs 25,000 crores in the current financial year.

The Finance Minister said that increasing warehousing capacity for increasing the shelf life of agriculture produces and thereby the earning capacity of the farmers is of utmost importance. Keeping in the view the urgent need for availability of scientific warehousing infrastructure in the country, the Finance Minister proposed an allocation of Rs 5,000 crore for the fund for the year 2014-15 the Finance Minister added.

The share of long term investment credit in agriculture is going down as compared to short term crop loan. This is severely hampering the asset creation in agriculture and allied activities. In order to give a boost to long term investment credit in agriculture, the Finance Minister proposed to set up "Long Term Rural Credit Fund" in NABARD for the purpose of providing refinance support to Cooperative Banks and Regional Rural Banks with an initial corpus of Rs 5,000 crore.

The Short Term Cooperative Rural Credit (STCRC), Refinance Fund was announced in Union Budget 2008-09 with initial corpus of Rs 5,000 crore. In order to ensure increased and uninterrupted credit flow to farmers and to avoid high cost market borrowings by NABARD, the Finance Minister proposed to allocate an amount of Rs 50,000 crore for STCRC Fund during 2014-15.

The issue of profitability of small holding based agriculture has assumed importance in view of increasing proportion of small and marginal farmers in the country. The Finance Minister proposed to supplement NABARD's Producers' Organization Development Fund for Producer's development and upliftment called 'PRODUCE' with a sum of Rs 200 crore which will be utilized for building 2,000 producers organizations across the country over the next two years.

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**REFORMS IN THE FOOD SECTOR WILL BE TAKEN UP ON PRIORITY**

**STOCKS IN THE CENTRAL POOL ARE ADEQUATE TO MEET ANY  
EXIGENCY**

**New Delhi: July 10, 2014**  
**Ashadha 19, 1936**

The Finance Minister Shri Arun Jaitley while presenting his maiden Budget in Lok Sabha today said that the Government is committed to reforms in the food sector. Restructuring FCI, reducing transportation and distribution losses and efficacy of PDS would be taken up on priority the Finance Minister added.

Shri Jaitley said that the Government is also committed to provide wheat and rice at reasonable prices to the weaker sections of the society. Even if due to inadequate rainfall, there is a marginal decline in agriculture production, stocks in the Central pool are adequate to meet any exigency he added. The Finance Minister said that the Government shall, when required, undertake open market sales to keep prices under control.

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**FINANCE MINISTER SETS UP AN INTEGRATED GANGA CONSERVATION MISSION  
'NAMAMI GANGE' WITH AN OUTLAY OF RS. 2037 CRORE;**

**RS. 100 CRORES PROVISIONED FOR GHAT DEVELOPMENT AND BEAUTIFICATION OF  
RIVERFRONTS;**

**RS. 100 CRORE SET ASIDE FOR DETAILED PROJECT REPORTS FOR LINKING RIVERS  
ACROSS THE COUNTRY;**

New Delhi: 10<sup>th</sup> July, 2014  
Ashadha 19<sup>th</sup>, 1936

The Finance Minister, Shri Arun Jaitley has proposed to set up an Integrated Ganga Conservation Mission called (Namami Gange). The Finance Minister, Shri Jaitley, in his maiden Budget Speech in the Parliament here today said that an amount of Rs. 2037 crore has been set aside for the Mission in the current Budget. Shri Jaitley said that the Mission is being launched because a substantial amount of money has been spent in the conservation and improvement of the river Ganga but the efforts have not yielded desired results because of the lack of concerted effort by all the stakeholders. To harness the enthusiasm of the NRI Community to contribute towards the conservation of the river Ganga, an NRI Fund for Ganga will be set up which will finance special projects, the Finance Minister added.

The Finance Minister has also set aside a sum of Rs. 100 crore for Ghat development and beautification of river front at Kedarnath, Haridwar, Kanpur, Varanasi, Allahabad, Patna and Delhi in the current financial year since Riverfronts and Ghats are not only places of rich historical heritage but many of these are also sacred.

The Budget also contains the first ever effort to link the rivers across the country. The Finance Minister has set aside a sum of Rs. 100 crore in the current Budget to expedite the preparation of Detailed Project Reports as a serious move in this direction.

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**RS. 500 CRORE SET ASIDE IN THE CURRENT FINANCIAL YEAR TO CREATE  
FIVE TOURIST CIRCUITS;  
SPECIAL PROGRAMMES PRASAD AND HRIDAY LAUNCHED FOR RELIGIOUS  
AND HERITAGE CITIES**

New Delhi: 10<sup>th</sup> July, 2014  
/Ashadha 19<sup>th</sup>, 1936

The General Budget 2014-15 proposes to create 5 tourist circuits around specific themes for which a sum of Rs. 500 crore has been set aside in the current financial year. In his maiden Budget Speech in the Parliament here today, the Finance Minister Shri Arun Jaitley said that India's rich cultural, historical, religious and natural heritage provides a huge potential for the development of tourism and job creation as an industry. Sarnath-Gaya-Varanasi Buddhist circuit would also be developed with world class tourist amenities to attract tourists from all over the world, he added.

The Finance Minister also announced the launching of National Heritage city Development and Augmentation Yojana (HRIDAY) for conserving and preserving the heritage characters of these cities. The programme will be launched in the cities such as Mathura, Amritsar, Gaya, Kanchipuram, Vellankani, and Ajmer with a provision of Rs. 200 crore in the current Budget. The project will work through a partnership of Government, Academic Institutions and local community combining affordable technologies.

A National Mission on Pilgrimage Rejuvenation and Spiritual Augmentation Drive (PRASAD) with an outlay of Rs. 100 crore is also proposed to be launched in this financial year. The Finance Minister has set aside a sum of Rs. 100 crore for the preservation of archeological sites. Highlighting the importance of Goa emerging as a major international convention centre, the Finance Minister said that there is a need to develop world class convention facilities in the state. Government of India will fully support this initiative to develop the facilities in PPP mode through the VGF scheme, the Minister added.

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**Rs. 200 CRORE SET ASIDE IN THE CURRENT FINANCIAL YEAR FOR  
DEVELOPING WORLD CLASS SPORTS STADIUMS IN JAMMU AND KASHMIR;**

**Rs. 100 CRORE PROVIDED FOR SETTING UP A SPORTS UNIVERSITY IN  
MANIPUR;**

**“A YOUNG LEADERSHIP PROGRAMME” INITIATED IN THE BUDGET**

New Delhi: 10<sup>th</sup> July, 2014  
Ashadha 19<sup>th</sup>, 1936

The Finance Minister, Shri Arun Jaitley has provided a sum of Rs. 200 crore in General Budget 2014-15 for upgrading the indoor and outdoor sports stadiums to international standards in Jammu and in Kashmir valley. In his maiden Budget Speech in Parliament here today, Shri Jaitley said that Jammu and Kashmir has a lot of sporting talent which is not finding expression due to inadequate sports facilities.

The Finance Minister also proposed to set-up a sports university in Manipur with a provision of Rs. 100 crore in the current financial year. He also set aside a sum of Rs. 100 crore for the training of sports women and men for the upcoming Asian and Commonwealth Games.

Highlighting the importance of sports in personality development, Shri Jaitley said that Government will set-up national level Sports Academies for major games in different parts of the country to mainstream sports.

The Finance Minister, Shri Jaitley said that to help the youth find right jobs, employment exchanges will be transformed into career centers which will extend counseling facilities to the youth for selecting the jobs best suited to their ability and aptitude. He has set aside a sum of Rs. 100 crore in the current financial year for this purpose. Shri Jaitley also launched “A Young Leadership Programme” with an initial allocation of Rs. 100 crore in the current Budget.

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**ALLOCATION FOR MODERNIZATION OF STATE POLICE FORCES RAISED TO  
RS 3,000 CRORE**

**A SUM OF RS 2,250 CRORE ALLOCATED TO STRENGTHEN AND MODERNIZE  
BORDER INFRASTRUCTURE**

New Delhi: July 10, 2014  
Ashadha 19, 1936

The Union government has raised the allocation for modernization of state police forces from Rs 1,847 crore in the BE of 2013-14 to Rs 3,000 crore in the current financial year. While presenting the General Budget in Lok Sabha today, the Finance Minister Shri Arun Jaitley said that scheme for modernization for State police forces would be reviewed. He said "I am also allocating adequate funds for carrying out small but much needed developmental activities as Additional Central Assistance for Left Wing Extremist Affected districts.

The Finance Minister also announced allocation of a sum of Rs 2,250 crore to strengthen and modernize border infrastructure. Shri Jaitley said in addition, a sum of Rs 990 crore has been allocated for the socio economic development of the villages along the borders. He said a sum of Rs 150 crore has also been ear-marked for the construction of Marine Police Station, Jetties and purchase of boats etc.

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**PRESS INFORMATION BUREAU  
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**DEFENCE ALLOCATION RAISED TO RS 2,29,000 CRORE**

**CAPITAL OUTLAY FOR DEFENCE MODERNIZATION INCREASED BY RS 5,000  
CRORE**

New Delhi: July 10, 2014  
Ashadha 19,1936

Allocation for defence in this year's General Budget has been raised to Rs 2,29,000 crore. Presenting the Union Budget in Lok Sabha today, the Union Finance Minister Shri Arun Jaitley also proposed a further sum of Rs 1,000 crore to address the pension disparities while implementing the policy of "one rank one pension" for soldiers.

Emphasizing on the modernization of the armed forces to enable them to play their role effectively in the defence of country's strategic interests, the Finance Minister also proposed to increase the capital outlay for defence modernization by Rs 5,000 crore over the amount provided for in the interim Budget. This includes a sum of Rs 1,000 crore for accelerating the development of the Railways system in the border areas. He said urgent steps would also be taken to stream line the procurement process to make it speedy and more efficient.

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**MORE FUNDS FOR WAR MEMORIAL AND NATIONAL POLICE MEMORIAL**

New Delhi: July 10, 2014  
Ashadha 19,1936

Announcing the setting-up of a war memorial at Princes Park, New Delhi, the Union Finance Minister Shri Arun Jaitley said that it will be supplemented by a war museum. Making this announcement while presenting his first General Budget in Lok Sabha here today, the Minister allocated a sum of Rs 100 crore for this purpose. Shri Jaitley said that country is deeply indebted to the officers and the jawans of the armed forces for having made huge sacrifices to defend its honour. In doing so, a very large number of them gave up their lives. He said "It is a privilege for the nation to erect a befitting memorial in their memory".

The Finance Minister Shri Jaitley also announced the construction of a befitting National Police Memorial and proposed to allocate a sum of Rs 50 crore for this purpose. He said the nation is equally indebted to the officers and the jawans of the police forces, including the central armed police forces, who are constantly engaging with the enemy within and in the process sacrificing their lives in the line of duty.

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**ALL HOUSEHOLDS TO BE PROVIDED WITH BANKING SERVICES**

**BANKS TO BE ENCOURAGED TO EXTEND LONG TERM LOANS TO  
INFRASTRUCTURE SECTOR**

**RBI TO CREATE A FRAMEWORK FOR LICENSING SMALL BANKS**

**SIX NEW DEBT RECOVERY TRIBUNALS TO BE SET UP**

New Delhi: July 10, 2014  
Ashadha 19,1936

A Financial Inclusion Mission will be launched from Independence Day this year as a time bound programme to provide all households in the country with banking services. This was announced by the Finance Minister Shri Arun Jaitley while presenting the General Budget 2014-15 in Lok Sabha here today. Shri Jaitley said that this step would particularly focus to empower the weaker sections of the society, including women, small and marginal farmers and labourers. He said two bank accounts in each household are proposed to be opened.

The Finance Minister said long term financing for infrastructure has been a major constraint in encouraging larger private sector participation. He said on the assets side, banks will be encouraged to extend long term loans to infrastructure sector with flexible structuring to absorb potential adverse contingencies, sometimes known as the 5/25 structure. Shri Jaitley said on liability side, banks will be permitted to raise long term funds for lending to infrastructure sector with minimum regulatory pre-emption such as CRR, SLR and Priority Sector Lending.

The Union Finance Minister said that after making suitable changes to current framework, a structure will be put in place for continuous authorization of universal banks in the private sector in the current financial year. He said RBI will create a framework for licensing small banks and other differentiated banks. Shri Jaitley said differentiated banks serving niche interests, local area banks and payment banks etc. are contemplated to meet credit and remittance needs of small businesses, unorganized sector, low income households, farmers and migrant workforce among others.

Expressing concerns over the rising Non Performing Assets (NPA) of Public Sector Banks (PSBs) the Union Finance Minister announced setting-up of six new Debt Recovery Tribunals at Chandigarh, Bangaluru, Ernakulum, Dehradun, Silliguri and Hyderabad.

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**RS 100 CRORE ALLOCATED FOR TECHNOLOGY DEVELOPMENT FUND**

New Delhi: July 10, 2014  
Ashadha 19,1936

An initial sum of Rs 1,00 crore has been allocated to set up a technology development fund to provide necessary resources to public and private sector companies, including SMEs, as well as academic and scientific institutions to support research and development of Defence systems that enhance cutting-edge technology capability in the country. Making this announcement while presenting the General Budget in Lok Sabha today, the Union Finance Minister said that in the year 2011, a separate fund was announced for this purpose but beyond the announcement, no action was taken.

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**TARGET OF FISCAL DEFICIT OF 4.1 PER CENT FOR 2014-15**

New Delhi, July 10, 2014  
Asadha 19, 1936

The Finance Minister Shri Arun Jaitley has kept a target of limiting fiscal deficit to 4.1 per cent for the current fiscal and to reduce it further to 3.6 per cent and 3 per cent for 2015-16 and 2016-17 respectively. Announcing this in his maiden Budget Speech today in the Lok Sabha, the Finance Minister Shri Jaitley said that considering the two years of low GDP growth, static industrial growth, large subsidy burden and not so encouraging tax buoyancy, these targets are daunting.

The Finance Minister said that Iraq crisis is leaving an impact on oil prices. Monsoon appears unpredictable and the problem of black money must also be addressed fully. Faced with these adversities, the Government would undertake some bold steps in order to enhance economic activity and spurt growth in the economy, the Finance Minister added.

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**GOVERNMENT TO CONSTITUTE AN EXPENDITURE MANAGEMENT  
COMMISSION TO LOOK INTO VARIOUS ASPECTS OF EXPENDITURE  
REFORMS:FM**

New Delhi, July 10, 2014  
Asadha 19, 1936

The Government will constitute an Expenditure Management Commission (EMC). Announcing this in his maiden Budget speech in Lok Sabha today, the Union Finance Minister Shri Arun Jaitley said that EMC will look into various aspects of expenditure reforms to be undertaken by the Government.

Shri Jaitley said the Government is committed to the principle of 'Minimum Government Maximum Governance'. To achieve this goal, time has come to review the allocated and operational efficiencies of government expenditure to achieve maximum output.

The Expenditure Management Commission will give its interim report within this financial year. The Finance Minister said he proposed to overhaul the subsidy regime, including food and petroleum subsidies, and make it more targeted while providing full protection to the marginalized, poor and SCs/STs. A new urea policy would also be formulated.

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**FRESH CASES ARISING OUT OF RETROSPECTIVE AMENDMENTS OF 2012 TO BE  
SCRUTINISED BY HIGH LEVEL COMMITTEE:FM**

New Delhi, July 10, 2014  
Asadha 19, 1936

All fresh cases arising out of the retrospective amendments of 2012 in direct transfers will be scrutinized by High level committee to be constituted by the CBDT before any action is initiated in such cases. Announcing this during his Budget Speech in the Lok Sabha today, Finance Minister Shri Jaitley said that the Government is committed to provide a stable and predictable taxation regime that would be investor friendly and spur growth.

The Finance Minister hoped that the investor community both within India and abroad would repose confidence on the Government's stated position and participate in the Indian growth story with renewed vigour.

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**LEGISLATIVE AND ADMINISTRATIVE CHANGES PROPOSED TO REDUCE  
LITIGATION IN DIRECT TAXES**

New Delhi, July 10, 2014  
Asadha 19, 1936

Government has proposed certain legislative and administrative changes with a view to reduce litigation in direct taxes. Announcing this in his maiden Budget Speech in the Parliament today, the Union Finance Minister Shri Arun Jaitley said that resident tax payers can now obtain an advance ruling in respect of their income tax liability above a defined threshold. He has also proposed to strengthen the authority for advance rulings by constituting additional benches. The scope of the Income Tax Settlement Commission shall be enlarged so that taxpayers may approach the Commission for settlement of disputes.

The Finance Minister noted that tax demand of more than Rs.4 lakh crore is under dispute and is one of the serious concerns of taxpayers. Shri Jaitley proposed to set-up a high level committee to interact with trade and industry on a regular basis and ascertain areas where clarity in tax laws is required. He has also proposed certain changes in the transfer pricing regulations.

The Finance Minister hoped that these measures would go a long way in improving confidence of taxpayers in the tax system and would provide certainty and clarity in tax laws.

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GOVERNMENT OF INDIA

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**ALLOCATION OF RS. 7060 CRORES FOR SMART CITIES**

New Delhi, July 10, 2014  
Asadha 19, 1936

The Finance Minister Shri Arun Jaitley has provided a sum of Rs. 7060 crores in the current financial year for developing 100 smart cities. Announcing in his maiden Budget Speech in the Parliament, Shri Jaitley said that the Prime Minister has a vision of developing one hundred 'Smart cities' as satellite towns of larger cities and by modernizing the existing mid-sized cities.

The Finance Minister said that with development reaching an increasingly large number of people, the pace of migration from the rural areas to the cities is increasing. The new cities should be developed to accommodate the burgeoning number of people. Otherwise, the existing cities would soon become unlivable.

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**CAPITAL OF PUBLIC SECTOR BANKS TO BE RAISED THROUGH SALE OF  
SHARES**

New Delhi, July 10, 2014  
Asadha 19, 1936

The capital of banks will be raised by increasing the shareholding of the people in a phased manner through sale of shares largely through retail to common citizens of the country. Announcing this in his maiden Budget Speech in Lok Sabha today, the Finance Minister Shri Arun Jaitley said that there is a requirement to infuse Rs. 2,40,000 crores as equity by 2018 in the Public Sector Banks. To meet this huge capital requirement, additional resources have to be raised. By selling the shares through retail, the citizens will get direct shareholdings in these banks even as the Government will continue to have majority shareholding. Shri Jaitley said that Government will also examine the proposal to give autonomy to the banks while making them accountable.

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**PUBLIC SECTOR UNDERTAKINGS (PSUs) TO INVEST RS.2,47,941 CRORES IN THE  
CURRENT FISCAL**

New Delhi, July 10, 2014  
Asadha 19, 1936

Public Sector Undertakings (PSUs) will invest through capital investment a sum of Rs.2,47,941 crores in the current financial year to create a virtuous investment cycle. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that PSUs will also play their part constructively to give a thrust to investment in the economy.

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**E-VISA TO BE INTRODUCED AT NINE AIRPORTS**

New Delhi, July 10, 2014  
Asadha 19, 1936

The facility of Electronic Travel Authorisation (e-Visa) shall be introduced in a phased manner at nine airports in India. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that the necessary infrastructure would be put in place within the next six months. Shri Jaitley said that tourism is one of the largest job creators globally. The facility of e-Visa would give a major boost to tourism in India. The countries to which e-Visa facility would be extended would be identified in a phased manner. This would further facilitate the Visa-on-Arrival facility.

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**SEVERAL STEPS ANNOUNCED TO PROMOTE FOREIGN DIRECT INVESTMENT  
(FDI) IN SELECT SECTORS**

New Delhi, July 10, 2014  
Asadha 19, 1936

Government has announced several steps to promote Foreign Direct Investment(FDI) selectively in sectors where it helps the larger interest of the Indian economy. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that composite cap of foreign exchange is being raised from the existing 26 per cent FDI to 49 per cent in defence manufacturing with full Indian management and control through the FIPB route.

The composite cap in the insurance sector is being increased upto 49 per cent from the current level of 26 per cent with full Indian management and control through the FIPB route. Announcing this, Shri Jaitley said that the insurance sector is investment starved and several sectors of the insurance sector need an expansion.

To encourage development of Smart Cities, requirement of the built up area and capital conditions for FDI is being reduced from 50,000 square metres to 20,000 square metres and from USD 10 million to USD 5 million respectively with a three year post completion lock in.

To further encourage this, projects which commit at least 30 per cent of the total project cost for low cost affordable housing will be exempted from minimum built up area and capitalization requirements, with the condition of three year lock-in.

In the manufacturing sector, the Finance Minister announced that the manufacturing units will be allowed to sell its products through retail including e-commerce platforms without any additional approval. FDI in the manufacturing sector is today on the automatic route.

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**KISAN VIKAS PATRA (KVP) RE-INTRODUCED**

New Delhi, July 10, 2014  
Asadha 19, 1936

Kisan Vikas Patra (KVP) is being re-introduced to encourage people, who may have banked and unbanked savings to invest in this instrument. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that KVP was a very popular instrument among small savers and is being re-introduced to promote saving.

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**REAL ESTATE INVESTMENT TRUST AND INFRASTRUCTURE INVESTMENT  
TRUST TO BE INCENTIVISED**

New Delhi, July 10, 2014  
Asadha 19, 1936

Government has proposed incentives for Real Estate Investment Trusts(REITs) which will have pass through for the purpose of taxation. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that REITs have been successfully used as instruments for pooling of investments in several countries. As an innovation, a modified REITs type structure for infrastructure projects is also being announced as Infrastructure Investment Trusts(InvITs) which would have a similar tax efficient pass through status, for PPP and other infrastructure projects. These structures would reduce the pressure on the banking system while also making available fresh equity. Shri Jaitley exuded confidence that these two instruments would attract long term finance from foreign and domestic sources including the NRIs.

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**MULTI SKILL PROGRAMME – SKILL INDIA TO BE LAUNCHED**

New Delhi, July 10, 2014  
Asadha 19, 1936

The Government has announced the launch of a national Multi-Skill programme called Skill India. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that this programme would skill the youth with an emphasis on employability and entrepreneur skills. It will also provide training and support for traditional professions like welders, carpenters, cobblers, masons, blacksmiths and weavers etc. Convergence of various schemes to attain this objective is also proposed.

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**PRADHAN MANTRI KRISHI SINCHAYEE YOJANA**

New Delhi, July 10, 2014  
Asadha 19, 1936

The Government has proposed to initiate the scheme “Pradhan Mantri Krishi Sinchayee Yojana”. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that there was a need to provide assured irrigation to mitigate risk to the farmer since bulk of the farm lands are rainfed and depend on monsoon. This scheme would facilitate access to irrigation. Shri Jaitley said that a sum of Rs.1,000 crores is being set aside for this scheme.

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**SWATCHH BHARAT ABHIYAN**

New Delhi, July 10, 2014  
Asadha 19, 1936

The Government intends to cover every household by total sanitation by the year 2019, the 150<sup>th</sup> year of the Birth Anniversary of Mahatma Gandhi . While presenting his maiden Budget in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that the need for sanitation is of utmost importance. The Central Government is providing sources within its means, but the task of total sanitation cannot be achieved without the support of all.

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**SHYAMA PRASAD MUKHERJI RURBAN MISSION**

New Delhi, July 10, 2014  
Asadha 19, 1936

Shyama Prasad Mukherji Rurban Mission will be launched to deliver integrated project based infrastructure in the rural areas. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that this will also included development of economic activities and skill development. The preferred mode of delivery would be through PPPs while using various scheme funds. Shri Jaitley cited the example of Gujarat that has demonstrated successfully the Rurban development model of urbanization of the rural areas, through which people living in the rural areas can get efficient civic infrastructure and associate services.

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**DEENDAYAL UPADHYAYA GRAM JYOTI YOJANA**

New Delhi, July 10, 2014  
Asadha 19, 1936

“Deendayal Upadhyaya Gram Jyoti Yojana” for feeder separation will be launched to augment power supply to the rural areas and for strengthening sub-transmission and distribution systems. Announcing this during his maiden Budget Speech in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that power is a vital input for economic growth and the Government is committed to providing 24x7 uninterrupted power supply to all homes. A sum of Rs. 500 crores has been set aside for this scheme.

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**Rs.200 CRORES ALLOCATED FOR THE STATUE OF UNITY**

New Delhi, July 10, 2014  
Asadha 19, 1936

An amount of Rs.200 crores has been allocated for the erection of Statue of Unity. Presenting his maiden Budget in the Lok Sabha today, the Finance Minister Shri Arun Jaitley said that Government of Gujarat has embarked upon the mission to build the largest statue of Sardar Vallabh Bhai Patel. Sardar Patel stands as a symbol of unity of the country. Shri Jaitley said that the sum of Rs. 200 crores is being set aside to support the Gujarat Government in this initiative.

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**NATIONAL INDUSTRIAL CORRIDOR AUTHORITY TO BE SET-UP**

**SMART CITIES ALONG INDUSTRIAL CORRIDORS PROPOSED**

**EXPORT PROMOTION MISSION TO BE SET-UP**

New Delhi: July 10, 2014  
Ashadha 19, 1936

The Union Finance Minister Shri Arun Jaitley while presenting his first Budget in Parliament today, announced that a National Industrial Corridor Authority, with its headquarter in Pune, is being set-up with an amount of Rs. 100 crore, to coordinate the development of industrial corridors with smart cities linked to transport connectivity. The Finance Minister has also announced that the Amritsar Kolkata Industrial Master Planning will be completed expeditiously for the establishment of Industrial Smart cities in seven States in this corridor.

The Finance Minister said that the Master planning of three new smart cities in the Chennai-Bengaluru Industrial Corridor region, viz., Ponneri in Tamil Nadu, Krishnapatnam in Andhra Pradesh and Tumkur in Karnataka will also be completed. The perspective plan for the Bengaluru Mumbai Economic Corridor (BMEC) and Vizag-Chennai corridor would be completed with the provision for 20 new industrial clusters.

The Finance Minister said that Kakinada, its adjoining areas and the port will be developed as the key drivers of economic growth in Andhra Pradesh with a special focus on hardware manufacturing.

The Finance Minister Shri Jaitley urged the States to play an active role in export promotion by providing good infrastructure and full facilitation. He proposed to establish an Export Promotion Mission to bring all stakeholders under one umbrella.

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**SPECIAL ECONOMIC ZONES WILL BE STRENGTHENED**

New Delhi: July 10, 2014  
Ashadha 19, 1936

The Union Finance Minister Shri Arun Jaitley while presenting the General Budget 2014-15 in Parliament today, has announced that the Government is committed to revive the Special Economic Zones (SEZs) and make them effective instruments of industrial production, economic growth, export promotion and employment generation.

The Finance Minister stated that effective steps would be undertaken to operationalize SEZs to revive investors' interest to develop better infrastructure and to effectively and efficiently use the available unutilized land.

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**MICRO, SMALL AND MEDIUM ENTERPRISES SECTOR WILL BE REVAMPED  
TECHNOLOGY CENTRE NETWORK TO BE ESTABLISHED**

New Delhi: July 10, 2014  
Ashadha 19, 1936

The Union Finance Minister Shri Arun Jaitley while presenting the General Budget 2014-15 in Parliament today said that the financial structure of Micro, Small and Medium Enterprises (MSME) sector, mainly owned or run by SCs, STs and OBCs which is of critical importance, has to be strengthened. For this purpose, he proposed to appoint a committee with representatives from Finance Ministry, Ministry of MSME and RBI to give concrete suggestions in three months.

The Finance Minister stated that the promotion of entrepreneurship and start-up companies remains a challenge. In order to create a conducive eco system for the venture capital in the MSME, he proposed to establish a Rs. 10,000 crore fund to act as a catalyst to attract private Capital by way of providing equity, quasi equity, soft loans and other risk capital for start-up companies.

The Finance Minister also announced to establish Technology Centre Network to promote innovation, entrepreneurship and agro-industry. He proposed in the Budget to set-up a corpus fund of Rs. 200 crore.

The Finance Minister has announced to develop an entrepreneur friendly legal bankruptcy framework for SMEs to enable easy exit. He said that a nationwide "District level Incubation and Accelerator Programme" would be taken up for incubation of new ideas and providing necessary support for accelerating entrepreneurship.

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**HANDLOOMS TRADE FACILITATION CENTRE AND CRAFTS MUSEUM WILL BE  
SET UP AT VARANASI**

New Delhi: July 10, 2014  
Ashadha 19, 1936

The Union Finance Minister Shri Arun Jaitley, while presenting the General Budget 2014-15 in Lok Sabha today, has proposed to provide Rs. 50 crore to set-up a Trade Facilitation Centre and a Crafts Museum to develop and promote handloom products and carry forward the rich tradition of handlooms of Varanasi.

The Finance Minister has announced to set-up eight Textile Mega Clusters at Varanasi, Bareilly, Lucknow, Surat, Kuttch, Bhagalpur, Mysore and one in Tamil Nadu with a sum of Rs. 200 crore.

The Finance Minister Shri Jaitley proposed to set-up a Hastkala Academy for the preservation, revival and documentation of the handloom/handicraft sector in PPP mode in Delhi with a sum of Rs. 30 crore. He also proposed to start a Pashmina Promotion Programme (P-3) and a programme for the development of other crafts of Jammu & Kashmir with a sum of Rs. 50 crore.

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**INSTITUTION FOR MAINSTREAMING PPPs WILL BE SET-UP**

**SHIPPING, INLAND NAVIGATION, AIRPORTS AND ROADS SECTOR GIVEN  
PRIORITY**

New Delhi: July 10, 2014

Ashadha 19, 1936

The Union Finance Minister Shri Arun Jaitley, while presenting the General Budget 2014-15 in Parliament today, has proposed to set-up an institution to provide support to mainstreaming PPPs called 3P India with a sum of Rs. 500 crore. The institution will facilitate nuanced and sophisticated models of contracting and developing quick dispute redressal mechanism of PPPs.

**Shipping**

The Finance Minister announced sixteen new port projects to be awarded this year with a focus on port connectivity. An amount of Rs. 11,635 crore will be allocated for the development of Outer Harbour Project in Tuticorin for phase I. SEZs will also be developed in Kandla and JNPT. A comprehensive policy will also be announced to promote Indian ship building industry in the current financial year.

**Inland Navigation**

The Finance Minister Shri Jaitley also announced a project on the river Ganga called 'Jal Marg Vikas' (National Waterways-I) to be developed between Allahabad and Haldia to cover a distance of 1620 kms, which will be completed over a period of six years at an estimated cost of Rs. 4,200 crore.

**New Airports**

The Finance Minister has announced a scheme for development of new airports in Tier-I and Tier-II Cities to be launched for implementation through Airport Authority of India or PPPs.

**Roads**

The Finance Minister Shri Jaitley announced an amount of Rs. 37,880 crores for National Highways Authority of India and State Roads, out of which Rs. 3,000 crores will be spent in the North East. He announced that during current financial year, a target of construction of 8500 kms of National Highways will be achieved. He also announced initiation of work on select expressways in parallel to the development of industrial corridors.

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**ENERGY SECTOR GIVEN DUE IMPORTANCE IN BUDGET 2014-15**

**ULTRA-MODERN SUPER CRITICAL COAL BASED THERMAL POWER  
TECHNOLOGY SCHEME TO BE LAUNCHED**

**MEASURES TAKEN TO PROVIDE ADEQUATE QUANTITY OF COAL TO POWER  
PLANTS**

**ULTRA MEGA SOLAR POWER PROJECTS TO BE SET UP**

New Delhi: July 10, 2014  
Ashadha 19, 1936

The Union Finance Minister Shri Arun Jaitley, while presenting the General Budget 2014-15 in Parliament today, has announced several initiatives for strengthening energy sector.

**Power**

The Finance Minister has proposed to allocate an initial sum of Rs. 100 crore for preparatory work for a new scheme "Ultra-Modern Super Critical Coal Based Thermal Power Technology" to promote cleaner and more efficient thermal power.

**Coal**

The Finance Minister Shri Jaitley also announced comprehensive measures for enhancing domestic coal production with a stringent mechanism for quality control and environmental protection. Measures will be initiated to provide adequate quantity of coal to power plants which are already commissioned or would be commissioned by March, 2015 to unlock dead investments.

**New & Renewable Energy**

The Finance Minister Shri Jaitley has proposed to take up Ultra Mega Solar Power Projects in Rajasthan, Gujarat, Tamil Nadu and Laddakh in J&K. A sum of Rs. 500 crore is allocated for this purpose. He also allocated a sum of Rs. 400 crore for launching a scheme for Solar Power driven agricultural pump sets and water pumping stations. An additional amount of Rs. 100 core is set aside for the development of 1 MW Solar Parks on the banks of canals. Implementation of Green Energy Corridor Projects will be accelerated in this financial year to facilitate evacuation of renewable energy across the country.

**Petroleum & Natural Gas**

The Finance Minister has announced the initiation to accelerate production and exploitation of Coal Bed Methane reserves. The possibility of using modern technology to revive old or closed wells will also be explored to maximize the production.

The Finance Minister Shri Jaitley stated that the usage of Piped Natural Gas will be rapidly scaled-up in a mission mode as it is clean and efficient to deliver.

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**BUDGET ESTIMATES FOR 2014-15 PROJECT FISCAL DEFICIT OF 4.1%  
AND REVENUE DEFICIT OF 2.9% OF GDP**

**GROSS TAX RECEIPTS OF RS. 13,64,524 CRORE ESTIMATED**

**RS. 5,75,000 CRORE PLAN EXPENDITURE – AN INCREASE OF 26.9 PER  
CENT OVER ACTUALS OF 2013-14**

New Delhi: 10 July, 2014  
19 Ashadha, 1936

The Finance Minister Shri Arun Jaitley said that the Modi Government has mandate to fulfill for the people provision for the essential items without compromising fiscal consolidation. Making his maiden Budget Speech in Lok Sabha today, the Finance Minister Shri Jaitley announced the Budget estimates with Non-plan Expenditure for the financial year estimated at Rs. 12,19,892 crore with additional provision for fertilizer subsidy and capital expenditure for Armed forces.

Rs.5,75,000 crore have been allocated towards Plan expenditure, marking an increase of 26.9 per cent over actuals of 2013-14 (Rs. 4,53,085 crore). Plan increase is targeted towards agriculture, capacity creation in health and education, rural roads and National Highways Infrastructure, railways network expansion, clean energy initiatives, development of water resources and river conservation plans, the Finance Minister added.

Total expenditure estimates thus stands at Rs.17,94,892 crore. To finance this expenditure, Gross Tax receipts of Rs. 13,64,524 crore have been estimated. In his maiden Budget Speech Shri Jaitley said that the net share of centre will be Rs. 9,77,258 crore. Non Tax Revenue for the current financial year will be Rs. 2,12,505 crore and capital receipts other than borrowings will be Rs. 73,952 crore.

Thus, Fiscal deficit will be 4.1 per cent of Gross Domestic Product (GDP) and Revenue deficit will be 2.9 per cent of GDP, Shri Jaitley added.

The Finance Minister recalled in his Budget Speech that the previous NDA Government under Shri Atal Bihari Vajpayee, had initiated a compulsory non-lapsable 10 per cent allocation of plan funds for North Eastern Region. Shri Arun Jaitley said that from the current Budget a New Statement will separately show plan allocation made for North Eastern Region. In the current financial year, an allocation of Rs. 53,706 crore has been made for North Eastern Region.

He announced an allocation of Rs. 98,030 crore for women and of Rs. 81,075 crore for children welfare in General Budget 2014-15 presented in Lok Sabha today.

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**FINANCE MINISTER PROPOSES RS. 200 CRORE FOR POWER REFORMS AND RS. 500 CRORE FOR WATER REFORMS TO MAKE DELHI A WORLD CLASS CITY**

New Delhi: 10 July, 2014  
19 Ashadha, 1936

The Union Finance Minister Shri Arun Jaitley proposes Rs. 200 crore for power reforms and Rs. 500 crore for water reforms to make Delhi a truly World Class City. Making his maiden Budget Speech in Lok Sabha today, the Finance Minister announced that Rs. 50 crore is being provided to solve the long term water supply issues to the capital region. For that construction of long pending Renuka Dam would be taken up on priority, the Minister added.

For Andaman and Nicobar Island, Shri Jaitley announced that Rs. 150 crore are being provided to tide over communication related problems of the Island. Rs. 188 crore has been set aside for Puducherry for meeting commitments for Disaster preparedness, he added.

Announcing proposals for Kashmiri people, the Finance Minister highlighted in his budget speech that Rs 500 crore will be provided to support Kashmiri migrants for rebuilding their lives.

Also in the current financial year, an initial outlay of Rs 100 crore has been provided to set-up a National Centre for Himalayan Studies in Uttarakhand to increase the capacity in the country for Himalayan Studies, the Finance Minister announced.

Shri Jaitley also announced during his maiden Budget Speech that it is proposed to set up the National Academy for Customs and Excise at Hindupur in Andhra Pradesh.

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**RS. 100 CRORE FOR DEVELOPMENT OF ORGANIC FARMING AND RS. 1000  
CRORE FOR DEVELOPMENT OF RAIL CONNECTIVITY IN THE NORTH  
EASTERN REGION**

New Delhi: 10 July, 2014  
19 Ashadha, 1936

The Finance Minister Shri Arun Jaitley announced some major initiatives for North Eastern States and the States of Andhra Pradesh and Telangana while presenting the General Budget for 2014-15 in Lok Sabha today. In his maiden budget speech FM Shri Jaitley said, Rs. 100 crore is being provided for development of organic farming in North Eastern States in the current financial year. With a growing global demand for organic food, North Eastern States will benefit from development of commercial organic farming, the Minister added.

The Finance Minister proposed a sum of Rs. 1000 crore for development of rail connectivity in the North Eastern Region over and above the amount provided for in the interim budget.

Shri Jaitley said, in order to provide a strong platform to rich cultural and linguistic identity of the North-East, a new 24x7 channel called “ArunPrabha” will be launched for the expression of cultural identity and for creating greater awareness of the richness of the diversity of our country.

The Finance Minister Shri Arun Jaitley also announced that his Government is committed to addressing the issues relating to development of Andhra Pradesh and Telangana in the AP Re-organization Act, 2014. Provision has been made by various Ministries/Departments to fulfil the obligation of Union Government for both the states.

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**BASIC CUSTOM DUTIES REDUCED ON CERTAIN ITEMS TO ENCOURAGE  
INVESTMENT AND DOMESTIC PRODUCTION**New Delhi, 10<sup>th</sup> July, 2014

Ashadha 19, 1936

To boost domestic manufacture and to address the issue of inverted duties, the General budget 2014-15 has reduced basic customs duty (BCD) on certain items. To encourage new investment and capacity addition in the chemicals and petrochemicals sector, basic customs duty has been reduced. This was announced by the Union Finance Minister Shri Arun Jaitley while making his maiden Budget speech in Lok Sabha here today. The Finance Minister said that steps have been taken to boost domestic production of electronic items and reduce our dependence on imports. These includes imposition of basic customs duty on certain items outside the purview of IT Agreement, exemption for inputs/components in PC manufacturing from SAD, imposition of education cess on imported electronic products for parity etc.

Colour picture tubes have been exempted from basic customs duty to make cathode ray TVs cheaper and more affordable to weaker sections. To encourage production of LCD and LED TVs below 19 inches in India, basic customs duty on LCD and LED TV panels of below 19 inches has been reduced from 10 percent to Nil.

To give an impetus to industry, the finance Minister said that the basic customs duty on imported flat-rolled products of stainless steel increased from 5 percent to 7.5 percent, Concessional basic customs duty of 5 percent extended to machinery and equipment required for setting up of a project for solar energy production, he added.

The budget proposes reduction in the basic customs duty from 10 percent to 5 percent on forged steel rings, used in the manufacture of bearings of wind operated electricity generators. Concessional basic customs duty of 5 percent has been proposed on machinery and equipment required for setting up of compressed biogas plants (Bio-CNG).

Basic customs duty on metallurgical coke has been increased from Nil to 2.5 percent in line with the duty on coking coal.

The budget proposes increase in duty free entitlement for import of trimmings, embellishments and other specified items from 3 percent to 5 percent of the value of their export for readymade garments.

Export duty on bauxite increased from 10 percent to 20 percent. For passenger facilitation, free baggage allowance has been increased from Rs.35,000 to Rs.45,000.

To incentivize expansion of processing capacity, excise duty on specified food processing and packaging machinery has been reduced from 10 percent to 6 percent.

Concessional excise duty of 2 percent without Cenvat benefit and 6 percent with Cenvat benefit on sports gloves and the excise duty has been increased from 12 percent to 16 percent on pan masala, from 50 percent to 55 percent on unmanufactured tobacco and from 60 percent to 70 percent on gutkha and chewing tobacco and also levy an additional duty of excise at 5 percent on aerated waters containing added sugar.

To finance Clean Environment initiatives, the Clean Energy Cess has been increased from Rs.50 per tonne to Rs.100 per tonne.

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**MORE SERVICES BOUGHT IN THE SERVICE TAX NET, INDIRECT TAXES TO  
YIELD RS.7525 CRORE**

New Delhi, 10<sup>th</sup> July, 2014  
Ashadha 19, 1936

To broaden the tax base in Service Tax, sale of space or time for advertisements in broadcast media has been extended to cover such sales on other segments like online and mobile advertising. Announcing the tax proposals, the Finance Minister Shri Arun Jaitley said during his maiden budget speech that sale of space for advertisements in print media however would remain excluded from service tax. However services provided by radio-taxis have been brought under service tax. The Finance Minister said that the tax proposals on the indirect taxes side are estimated to yield Rs.7525 crore during 2014-15.

The Finance Minister announced that the services by air-conditioned contract carriages and technical testing of newly developed drugs on human participants have been brought under service tax. Services provided by Indian tour operators to foreign tourists in relation to a tour wholly conducted outside India will be taken out of the tax net and Cenvat credit for services of rent-a-cab and tour operators will be allowed to promote tourism.

Shri Jaitley said that services provided by the Employees' State Insurance Corporation for the period prior to 1<sup>st</sup> July 2012 have been exempted from service tax. Exemption available for specified micro insurance schemes has been expanded to cover all life micro-insurance schemes where the sum assured does not exceed Rs.50, 000 per life insured.

24X7 customs clearance facility will be extended to 13 more airports in respect of all export goods and to 14 more sea ports in respect of specified import and export goods to facilitate cargo clearance. 'Indian Customs Single Window Project to facilitate trade will be implemented.

Customs and Central Excise Acts will be amended to expedite the process of disposal of appeals. The Finance Minister Shri Jaitley said that the Government is committed to implement GST at the earliest and the issues raised by the states will be resolved soon.

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**PERSONAL TAX EXEMPTION LIMIT RAISED BY RS. 50,000/- ; NO CHANGE IN THE RATE OF SURCHARGE; 15% INVESTMENT ALLOWANCE TO MANUFACTURING COMPANIES, TO INCENTIVIZE SMALL ENTREPRENEURS AND INCOME FROM FOREIGN PORTFOLIO INVESTORS TO BE TREATED AS CAPITAL GAINS.**New Delhi, 10<sup>th</sup> July, 2014

Ashadha 19, 1936

The General Budget 2014-15 presented by the Union Finance Minister Shri Arun Jaitley has raised the personal income-tax exemption limit by Rs. 50,000/- that is, from Rs. 2 lakh to Rs. 2.5 lakh in the case of individual taxpayers, below the age of 60 years. Exemption limit raised from Rs. 2.5 lakh to Rs. 3 lakh in the case of senior citizens. However there is no change in the rate of surcharge either for the corporates or the individuals, HUFs, firms etc. The budget proposes to continue education cess at 3 percent.

Investment limit under section 80C of the Income-tax Act has also been raised from Rs. 1 lakh to Rs. 1.5 lakh and Deduction limit on account of interest on loan in respect of self occupied house property raised from Rs.1.5 lakh to Rs.2 lakh. To incentivize small entrepreneurs an Investment allowance at the rate of 15 percent to a manufacturing company that invests more than Rs. 25 crore in any year in new plant and machinery. The benefit to be available for three years i.e. for investments upto 31.03.2017. Investment allowance to manufacturing company investing more than Rs.100 crore announced last year to continue in parallel till 31.03.2015.

To bring greater certainty and to encourage fund manager to shift to India, income arising to foreign portfolio investors from transaction in securities will be treated as capital gains. Concessional rate of 15 percent on foreign dividends without any sunset date will be continued.

To augment low cost long term foreign borrowings for Indian companies, the eligible date of borrowing in foreign currency has been extended from 31.03.2015 to 31.03.2017 for a concessional tax rate of 5 percent on interest payments. Tax incentive extended to all types of bonds instead of only infrastructure bonds.

The budget proposes introduction of a “Roll Back” provision in the Advanced Pricing Agreement (APA) scheme so that an APA entered into for future transactions is also applicable to international transactions undertaken in previous four years in specified circumstances. To remove tax arbitrage, rate of tax on long term capital gains has been increased from 10 percent to 20 percent on transfer of units of Mutual funds, other than equity oriented funds.

60 more Ayakar Seva Kendras will be opened during the current financial year to promote excellence in service delivery. Net effect of the direct tax proposals will result in revenue loss of Rs.22,200 crore.

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