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Budget 2013 Live Highlights: Finance Minister P. Chidambaram says no review of income tax slabs, focus on infrastructure

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New Delhi : Budget 2013 Live Highlights: P. Chidambaram presents one of the most highly anticipated Indian budgets of recent years on Thursday, as the government looks to rein in a bloated fiscal deficit and restore confidence in Asia's third-largest economy.

The 2013/14 budget caps an intensive seven-month campaign by the energetic Chidambaram, who was appointed last August, to turn around India's fortunes after years of policy drift and global economic turmoil:

Highlights:

- * Duty free limit on gold raised to Rs 50,000 in case of male and Rs 100,000 in case of female
- * Duty on mobile phones above Rs 2,000 raised from one to six per cent, based on their maximum retail prices
- * Excise duty on SUVs to be increased to 30 per cent from 27 per cent, SUVs registered as taxis exempted.
- * Specific excise duty on cigarettes and cigars raised by 18 per cent.
- * Service tax to be levied on all a/c restaurants
- * Commodities transaction tax levied on non-agriculture commodities futures contracts at 0.01 per cent
- * No review of income tax slabs for this year, propose tax credit of Rs 2,000 for incomes up to Rs 5 lakh.
- * Surcharge of 10 per cent for individuals whose taxable income is over Rs 1 crore
- * 'Nirbhaya Fund' of Rs 1,000 crore to empower women and provide safety in the wake of the Delhi gangrape incident.
- * Investor with stake of 10 per cent or less will be treated as FII; any stake more than 10 per cent will be treated as FDI
- * FIIs will be allowed to participate in exchange traded currency derivatives
- * National Housing Bank (NHB) to set up urban housing bank fund and Rs 2,000 crore will be allocated in this regard, says FM.
- * Securities Transaction Tax (STT) reduced on equity future, mutual fund.
- * Education cess to continue at 3 per cent Investor Protection Fund set up by depositories will be exempt from tax
- * Contributions made to central and state government health scheme eligible to tax benefit.
- * Non plan expenditure pegged at Rs 11,09,975 crore for 2013-14.
- * Plan expenditure pegged at Rs 555,322 crore
- * Eligibility conditions for life insurance policies of persons suffering disabilities to be liberalised
- * Transactions on immovable properties usually undervalued.
- * TDS of one per cent on value of properties above Rs 50 lakh. Agriculture land exempted
- * Fiscal deficit will be 5.2 per cent in current year and 4.8 per cent in the next fiscal.

- * Will redeem our pledge to reduce fiscal deficit to 3 per cent by 2016-17 and revenue deficit to 1.5 per cent of GDP
- * Tax Administration Reform Commission to be set up to regularly review tax law applications
- * In 2011-12, tax-GDP ratio was 5.5 per cent for direct taxes and 4.6 per cent for indirect taxes.
- * Tax credit of Rs 2000 to be provided to every person to having income of up to Rs 5 lakh, this will benefit 1.8 crore people
- * 5 to 10 per cent surcharge on domestic companies whose taxable income exceeds Rs 10 crore
- * All Regional Rural Banks and cooperative banks to be e-linked by this year-end
- * Insurance companies will be empowered to open branches in Tier-II cities with approval of IRDA
- * KYC in banks sufficient for acquiring insurance policy.
- * PSU banks to have ATMs at all their branches by March 31, 2014.
- * Incubators set up by companies in academic institutions will qualify for Corporate Social Responsibility (CSR) activities
- * Financial Sector Legislative Reforms Commission (FSLRC) to submit its report next month
- * Standing Council of Experts in Ministry of Finance to examine transaction cost of doing business in India
- * Rs 14,000 crore capital infusion into public sector banks in 2013-14
- * First housing loan up to Rs 25 lakh would get additional deduction of interest of up to Rs 1 lakh in 2013-14
- * Policy on exploration of shale gas on the anvil; natural gas pricing policy will be reviewed and uncertainty removed
- * Govt to set up India's first women's bank as a public sector bank by October
- * Coal imports during Apr-Dec 2012 crossed 100 million tonnes and expected to go up to 185 million tonnes in 2016-17
- * Rajiv Gandhi Equity Scheme will be liberalised to allow first time investor to invest in Mutual Fund and equity
- * Rs 10,000 crore set aside for incremental cost for National Food Security Bill over and above food subsidy.
- * Four Infrastructure debt fund have been registered
- * Tax free bonds issue to be allowed up to Rs 50,000 crore in 2013-14 strictly on capacity to raise funds from the market,
- * Rs 5,000 crore will be made available to NABARD to finance construction of godowns and warehouses
- * To provide appropriate incentives for semiconductors industry including zero customs duty on plants and machineries
- * Government has decided to constitute a regulatory authority for the road sector
- * Many manufacturing projects stalled due to regulatory process
- * Green revolution in east India significant. Rice output increased in Assam, Odisha, Jharkhand and West Bengal; Rs 1,000 crore allocated for eastern states.
- * Rs 5,387 crore to be allocated for integrated watershed programme for farmers in 2013-14, an increase from Rs 3,050 crore in the current fiscal.
- * Indian Institute of Biotechnology will be set up at Ranchi.
- * Average annual agriculture and allied services growth rate estimated at 3.6 per cent in 2012-13 when 250 MT foodgrains was produced
- * Rs 27,049 crore allocation to the Agriculture Ministry in 2013-14

- * Rs 7 lakh crore target fixed for agri credit for 2013-14 compared to Rs 5.75 lakh crore in the current year.
- * Eastern Indian states to get Rs 1,000 crore allocation for improving agricultural production.
- * Rs 500 crore allocated for programme on crop diversification
- * P. Chidambaram says India is facing many challenges, tags China as the biggest competitor
- * Average economic growth rate in 11th Plan period is 8 per cent, highest ever in any Plan period
- * Job of FM is to find the resources to fund the efforts to bring minorities, the poor and others left behind in the race to make India to wealthier and a more equitable country.
- * Current year's economic growth rate will be below India's potential growth rate of 8 per cent
- * Economic space constraints due to high fiscal deficit, lower savings and investment and tight monetary policy
- * Current account deficit continues to be high due to excessive dependence on oil, coal and gold imports and slowdown in exports
- * India does not have choice between welcoming and spurning foreign investment; it is an imperative
- * Battle against inflation must be fought at all fronts
- * Faced with huge fiscal deficit, I have no choice but to rationalise expenditure
- * We have brought down headline WPI inflation to 7 per cent and core inflation to 4.2 per cent. Food inflation is worrying
- * Plan expenditure in 12th Five Year Plan revised to Rs 14,30,825 crore or 96 per cent of budgeted expenditure.
- * Budget expenditure is Rs 16,65,297 crore and Plan expenditure Rs 5,55, 322 crore:
- * The revised expenditure target is Rs 14,30,825 crore or 96 per cent of Budget estimate for this fiscal. In 2013-14, the budget estimate is Rs 16,65,297 crore.
- * One overarching goal to provide education and skills to youth for securing jobs in the 2013-14, says FM.
- * FM allocates Rs 41,561 crore for SC sub-plan; Rs 24,598 crore for tribal sub plan.
- * Additional sum of Rs 200 crore to Women and Child Welfare Ministry to address issues of vulnerable women.
- * Rs 3511 crore allocated to Minority Affairs Ministry which is 60 per cent of the revised estimates.
- * Rs 110 crore to be allocated to the department of disability affairs, says FM.
- * Rs 37,330 crore allocated for Ministry of Health & Family Welfare.
- * Rs 4,727 crore to be allocated for medical education and research.
- * Rs 1,069 crore to be given to Department of Ayush.
- * Rs. 65,867 crore allocated to Ministry of HRD in 2013-14
- * Medical colleges in six more AIIMS-like institutions to start functioning this year; Rs 1650 crore allocated for the purpose.
- * Rs 5,284 crore to various Ministries for scholarships for SC/ST, OBC and minority students.
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- * Rs 13,215 crore to be provided for mid-day meal scheme
- * Rs 17,700 crore provided for Integrated Child Development Scheme
- * Rs 17,700 crore to be allocated for Integrated Child Development Scheme (ICDS)
- * Rs 15,260 crore to be allocated to Ministry of Drinking Water and Sanitation
- * Rs 80,194 crore allocation for Ministry of Rural Development in 2013-14. About Rs 33,000 crore for MGNREGA
- * Rs 80,194 crore allocated for rural development schemes

- * States which have completed Pradhan Mantri Gramin Sadak Yojana will be eligible for PMGSY-II, others will continue with PMGSY-I.
- * Rs 14,873 crore for JNNURM for urban transportation in 2013-14 against Rs 7,880 crore in the current fiscal
- * Foodgrain production in 2012-13 will be over 250 million tons
- * Govt to construct power transmission system from Srinagar to Leh at the cost of Rs 1,840 crore, Rs 226 crore provided in current Budget
- * DIPP and Japan's JICA preparing plan for Chennai-Bengaluru Industrial corridor
- * Two new major ports to be set up in West Bengal and Andhra Pradesh, says FM.
- * Oil and gas exploration policy will be reviewed and moved from profit sharing to revenue sharing
- * 5 million tons Dabhol LNG import terminal to be operate at full capacity in 2013-14.
- * FM asks state governments to prepare financial restructuring plan for power distribution companies at the earliest.
- * SIDBI's re-financing facility to MSMEs to be doubled to Rs 10,000 crore, says FM
- * Rs 500 crore would be allocated for addressing environmental issues faced by textile industry
- * Concessional six per cent interest on loans to weavers
- * Rs 6,000 crore to be allocated for rural housing fund in 2013-14.
- * Public sector general insurance companies to set up adalats to clear disputes related to claims
- * Rashtriya Swasthya Bima Yojana benefit will be extended to rickshaw pullers, auto and taxi drivers and sanitation workers
- * Comprehensive social security package being evolved by convergence of several schemes run by various ministries
- * We will evolve schemes for cities to take up waste to energy projects
- * Small and medium companies to be allowed to listed on MSME exchange without making a public offer
- * Low interest rate funds to be provided from Clean Energy Fund for green projects for a period of five years
- * Generation based incentives to wind energy projects reintroduced, Rs 800 crore provided for the purpose to Ministry of New & Renewable Energy
- * Constraints will not come in the way for providing additional funds for security of the nation
- * Rs 2,03,672 crore, including Rs 86,741 crore capital expenditure to Defence in 2013-14.
- * Grant of Rs 100 crore each to AMU (Aligarh), BHU (Varanasi) and TISS (Guwahati) and INTACH
- * National Institute for Sports to train coaches to be set up at Patiala at a cost of Rs 250 crore.
- * Rs 532 crore to make post offices part of core banking.
- * Rs 5,87,082 crore to be transferred to states under share of taxes and non plan grants in 2013-14
- * 11 lakh beneficiaries have received benefit under Direct Benefit Transfer scheme
- * Modified GAAR norms to be introduced from April 1, 2016.
- * No change in peak rate of customs duty for non-agriculture products.
- * Direct Taxes Code (DTC) bill to be introduced in current Parliament session
- * No change in basic customs duty rate of ten per cent and service tax rate of 12 per cent.
- * Import duty on rice bran oilcake withdrawn.
- * Series of concessions granted to Maintenance, Repair and Overhaul (MRO) business in the aviation sector.

- * Import duty raised on set-top boxes from 5 to 10 per cent to safeguard interest of domestic producers
- * 10 per cent customs duty to be levied on unprocessed illuminate
- * Import duty raised from 75 to 100 per cent on luxury vehicles
- * No countervailing duty on ships and vessels. Vocational courses offered by state-affiliated institutes to be exempted from services tax.
- * One time voluntary compliance scheme for service tax defaulters to be introduced. Interest and penalties to be waived.
- * Direct tax proposals to yield Rs 13,300 crore, indirect tax proposal to give Rs 4,700 crore