

EVERYDAY CURRENT AFFAIRS – JULY 6 AND 7, 2019

TAMIL NADU

◆ **Tamil Nadu – to get an increase of ₹ 2,065.10 crore in tax revenue from the Centre compared to the previous year, as per the budget presented**

- ✓ As per the 14th Finance Commission, Tamil Nadu will get 4.023% as its share from the tax revenue collected by the Centre.
- ✓ Tamil Nadu should have received ₹ 33,978 crore from the Centre as per the interim budget presented in February
- ✓ However, it has now come down to ₹ 32,553.84 crore for the financial year 2019-20, with the reduction to the extent of ₹ 1,427 crore
- ✓ In the last financial year (2018-19), the state received ₹ 30,448 crore as its share from the taxes collected by the Centre

BIGGER SHARE

TN's tax revenue from the Centre (in ₹ crore)

Year	2018-19	2019-20
Corporate Tax	9,713	11,090
Income Tax	7,872.06	8,478.34
CGST	8,494.04	8,864.26
IGST	Nil	Nil
Customs	1,901.41	2,343.16
Excise Duty	1,517	1,775.08
Adjustments	991.27	Nil

- ✓ Tamil Nadu is expected to receive ₹ 11,090 crore from corporate taxes alone and compared to last financial year there is an increase of ₹ 1,377 crore in this segment.
- ✓ Similarly, the share of CGST will be ₹ 8,864 crore, which is ₹ 386 crore more than last year receipt.

◆ **The Tamil Nadu government - has decided to grant 10 days additional leave for its staff undergoing chemotherapy and radiotherapy**

- ✓ It was announced by D Jayakumar, state minister for fisheries, personnel and administrative reforms department in the assembly

◆ **Aavin products - will be exported to 14 foreign countries**

- ✓ This was announced in the assembly by K T Rajenthra Bhalaji, state minister for milk and dairy development
- ✓ From December 2017, the Tamil Nadu Milk Producers' Cooperative Federation Limited has been exporting milk and milk products to Singapore, Hong Kong and Qatar
- ✓ Realising the popularity of free home delivery of products, Aavin has also entered on a tie-up with online companies like Big Basket and Grofers

◆ **The Tamil Nadu government - announced ₹12.48 crore will be spent to subsidize inboard and outboard motors for fishermen's country boats to improve their livelihood.**

- ✓ As many as 2,600 traditional fishermen would benefit in this fiscal year.
- ✓ Each beneficiary would get a maximum of ₹48,000
- ✓ The government has announced ₹3.40 crore to give fibre boats to fishermen at subsidized rates
- ✓ The government would desilt and deepen the estuaries in Kanyakumari and Ramanathapuram districts at a cost of ₹8 crore.
- ✓ This would help the fishermen to go fishing without any hardship and improve the marine resource.
- ✓ The government has been planning to desilt and deepen all the 36 estuaries in the state in the next two years to improve the marine resource
- ✓ Fish aggregating devices would be put in 30 spots in Tiruvallur, Chennai and Kancheepuram districts

STATES

◆ **Madhya Pradesh cabinet - cleared the Bill to increase the OBC quota in state government jobs and educational institutions to 27%**

- ✓ The state government had also issued orders to implement 10% quota for economically weaker sections (EWS) in the general category.
- ✓ If the assembly passes the OBC quota Bill and/or implements the EWS quota, then MP will be the fifth state after Telangana, Tamil Nadu, Maharashtra and West Bengal to breach the Supreme Court cap on caste-based reservation at 50%.
- ✓ Currently, MP gives 20% reservation to STs, 16% to SCs and 14% to OBCs.
- ✓ With the hike in OBC quota and introduction of EWS quota, total reservation in the state is going to touch 73%.

NATIONAL

- ◆ **The government – had spent Rs 8,966 crores over a period of three financial years for the 2019 Lok Sabha elections**

**LOK SABHA ELECTIONS 2019
COST TO EXCHEQUER**

Heads	2017-18	2018-19	2019-20	Total (of three years)
EVMs	1,478	3,927	25	5,430
Direct expenses	549	470	1,000	2,019
Voter ID cards	50	60	90	200
Other poll expenses	605	363	349	1,317

Total ₹8,966 crore

Note: All figures are in Rs crore. The data for 2017-18 is actual expenditure; The 2018-19 figures are as per revised Budget estimates and those for 2019-20 are as per Budget estimates
Source: Budget 2019-20

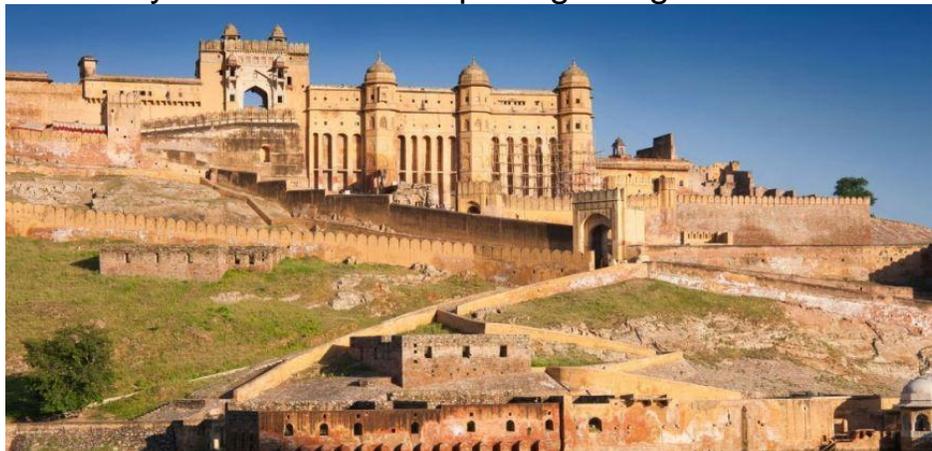
- ✓ Of the total amount, more than 60% has been spent towards procurement of EVMs and VVPAT (voter verifiable paper audit trail) units.
- ✓ The expenditure on EVMs includes procurement of ballot units, control units and VVPATs by the Election Commission.
- ✓ According to budget provisions for 2019-20, the government has allocated ₹1,000 crore in the current financial year for clearing pending bills for the expenditure incurred in the LS polls

- ◆ **The walled city of Jaipur, known globally as Pink City - has been announced as a Unesco world heritage site**

- ✓ It is the country's first planned city founded by the Kachwaha Rajput ruler of Amber, Sawai Jai Singh II in 1727
- ✓ It is only the second Indian city to feature on the prestigious global list.

OTHERS ON LIST

- Ahmedabad was the first Indian city to get world heritage site tag in July 2017
- Victorian and Art Deco ensembles of Mumbai (two precincts of Fort and Marine Drive) got the honour on June 30 last year
- There are now 38 world heritage sites (mostly monuments and wildlife sanctuaries) located in India



- ✓ Campaign for the 292-year-old Jaipur, designed by Bengali architect Vidyadhar Bhattacharya, had started in 2015 when it was first nominated.

- ✓ The decision was taken on July 6 in Azerbaijan's Baku at the 43rd session of the World Heritage Committee (WHC) that started on June 30 and will conclude on July 10.
- ✓ Jaipur is famous for its grid plan-based architecture and buildings of pink façades
- ✓ The city was established on the plains and built according to a grid plan interpreted in the light of Vedic architecture
- ✓ The International Council on Monuments and Sites had inspected the city in 2018.
- ✓ In 2017, old Ahmedabad was India's first city to win the 'heritage city' tag.
- ✓ In 2018, sites in Mumbai — the Victorian and Art Deco Ensembles straddling two heritage precincts of Fort and Marine Drive — were chosen as world heritage sites

◆ **For the first time ever - the finance minister replaced the usual budget briefcase with a "bahi khata", a red fabric folder (cloth bag) traditionally used as an accountbook in parts of India.**



- ✓ The red budget box was first used in 1860 in Britain by the then chancellor of the exchequer, William Gladstone
- ✓ It has been used ever since the tenure of R K Shanmukham Chetty, the country's first finance minister, though it became a leather briefcase later
- ✓ In 1999, Yashwant Sinha changed the timing of the presentation from 5 pm to 11 am and in 2016, Arun Jaitley moved the date from the last day of February to the first.
- ✓ Many countries carried on with the British tradition - Singapore founder Lee Kuan Yew famously used a red briefcase
- ✓ In a first, the Finance Minister skipped reading the allocations to different Ministries, or the macroeconomic numbers like projected revenues or expenditure.
- ✓ Interestingly, while reading out the Budget, the Finance Minister didn't pause even to have a glass of water
- ✓ The speech of the finance minister was replete with Tamil, Urdu, Hindi and Sanskrit verses
- ✓ Nirmala Sitharaman is the first female finance minister of the country, since Indira Gandhi
- ✓ Indira Gandhi was the first woman to present a Budget in 1970, when she was the Prime Minister
- ✓ Her Finance Minister Morarji Desai had resigned from the Cabinet, prompting her to retain the Finance portfolio for a year

INTERNATIONAL

- ◆ **Tunisian PM Youssef Chahed - has banned the wearing of the niqab, the full face veil, in public institutions for security reasons**



- ✓ The decision follows a suicide bombing in Tunis by a wanted militant, who was disguised in a niqab
- ✓ It was the third such incident within a week
- ✓ Islamic State has claimed all three attacks
- ✓ Tunisia allowed women to wear the hijab and niqab in 2011

ECONOMY

- ◆ **Punjab National Bank (PNB) - reported a fraud of over ₹ 3,800 crore by Bhushan Power and Steel, which is a non-performing asset for lenders and is facing insolvency action**

3 BRANCHES HIT

- PNB's large corporate branch in Chandigarh had an exposure of close to ₹3,200cr to Bhushan Power and Steel
- Bank says there was an overseas exposure of ₹345 crore through its branch in Dubai
- ₹268 crore was extended to the company by PNB's Hong Kong branch

- ✓ The intimation to the RBI follows a forensic audit investigation by the CBI, which has filed an FIR against the company and its directors, alleging diversion of funds
- ✓ Earlier, PNB was the centre of ₹ 14,000-crore fraud by diamond merchants Nirav Modi and Mehul Choksi detected in early 2018.
- ✓ Nirav Modi is wanted in India as the main accused in the \$2-billion PNB fraud and money laundering case
- ✓ The public sector lender has been reported losses in four of the last five quarters.

APPOINTMENTS

◆ Union external affairs minister S Jaishankar – elected to the Rajya Sabha from Gujarat



- ✓ While Jaishankar got 104 votes, the second BJP candidate, Jugalji Thakor, got 105 votes.
- ✓ Out of the 175 valid votes, Jaishankar got 104 votes against the required 89
- ✓ With this victory, BJP's tally in the 245-member Rajya Sabha has reached 78

SPORTS

◆ Indian athletes won six medals, including three gold - on the first day of the G Kosanov Memorial Meet in Almaty, Kazakhstan on July 6

- ✓ Mohammed Afsal won the men's 800m gold
- ✓ Gagandeep Singh added another gold in men's discus throw, while discus thrower Navjeet Kaur Dhillon won the third place in women's event



- ✓ India also won the men's discus silver through S. Mithravarun (49.54m) while Jyothi (58.69m) and Anita (55.38) took silver and bronze in women's hammer throw

UNION BUDGET 2019-20 – A DETAILED REPORT

◆ Union Finance Minister Nirmala Sitharaman - presented the Union budget on July 5, 2019



- ✓ This budget was the first since Prime Minister Narendra Modi returned to power for a second time.
- ✓ The country's first full-time Woman Finance Minister, Nirmala Sitharaman delivered one of longest budget speeches at 2 hours 17 minutes.
- ✓ The budget has been presented with a 10-year vision in mind.

BUDGET 2019

VISION FOR THE DECADE

- Building physical and social infrastructure.
- Building Team India with Jan Bhagidari: Minimum Government Maximum Governance.
- Achieving green Mother Earth and Blue Skies through a pollution-free India.
- Making Digital India reach every sector of the economy.
- Launching Gaganyaan, Chandrayan, other Space and Satellite programmes.
- Water, water management, clean rivers.
- Blue Economy.
- Self-sufficiency and export of food-grains, pulses, oilseeds, fruits and vegetables.
- Achieving a healthy society via Ayushman Bharat, well-nourished women & children, safety of citizens.
- Emphasis on MSMEs, Start-ups, defence manufacturing, automobiles, electronics, fabs and batteries, and medical devices under Make in India.

- ✓ The budget is for a New India, which has a roadmap to transform the agriculture sector of the country

Highlights of the Budget

- ✓ Fully automated GST Refund module shall be implemented - multiple tax ledgers to be replaced by one - invoice details to be captured in a central system

- ✓ Import of defence equipment not manufactured in India is being exempted from basic customs duty.
- ✓ The government increased customs duty on gold - According to the Budget proposals, import duty to be hiked on gold and precious metals to 12.5%, from current level of 10%.
- ✓ Special additional excise duty and road and infrastructure cess increased each one by 1 rupee a litre on petrol and diesel. (Totally Rs 2/litre)
- ✓ To provide further impetus to affordable housing, additional deduction of 1.5 lakh rupees on interest paid on loans borrowed upto 31 March 2020 for purchase of house up to ₹45 lakh.
- ✓ Additional income tax deduction of 1.5 lakh rupees on the interest paid on the loans taken to purchase electric vehicles.
- ✓ To discourage the practice of making business payments in cash, the government proposes to levy TDS of 2% on cash withdrawal exceeding ₹1 crore in a year from a bank account.
- ✓ PAN and Aadhaar now interchangeable and the government allows those who don't have PAN to file returns by simply quoting Aadhar number and use it wherever they require to use PAN.
- ✓ Public sector banks to be provided 70,000 crore rupees to boost capital and improve credit
- ✓ No income tax for less than 5 lakh income per annum

In effect, India has more than four tax slabs for first time since 1985

INCOME	PEAK TAX RATE (%)	
	EXISTING	PROPOSED
Up to 2.5 lakh	0	0%
2.5L to 5L	5.20	5.20%*
5L-10L	20.80	20.80%
10L-50L	30.20	31.20%
50L-1 cr	34.32	34.32%
1cr-2cr	35.88	35.88%
2cr-5cr	35.88	39.00%
Above 5cr	35.88	42.74%

*₹12,500 rebate for income up to ₹5 lakh

INCOME	SURCHARGE
50L-1cr	10%
1cr-2cr	15%
2cr-5cr	25%
>5cr	37%

4% health and education cess applies to all slabs



- ✓ There will be an enhancement of surcharge on individuals having income of 2-5 crores and 5 crores and above by 3% and 7% respectively.
- ✓ Angel tax on start-ups removed
- ✓ 25% corporate tax slab is widened to companies with 400 crore annual turnover (from the current 200 crore) which accounts for 99.3% of all companies
- ✓ A new series of coins of Re 1, ₹2, ₹5, ₹10, ₹20 easily identifiable to the visually impaired were released by the PM on 7th March 2019.
- ✓ Four new embassies to be opened in 2019-20, to improve footprint of India's overseas presence and to provide better public services to local Indian communities
- ✓ Regulation authority over housing finance sector to be returned from National Housing Bank to RBI.
- ✓ The government proposed an over 15% increase in health outlay to the tune of Rs 64,559 crore
- ✓ Allocation for Ayushman Bharat increased by a two and a half times from Rs 2,400 crore in 2018-19 to Rs 6,400 crore in 2019-20
- ✓ Envisioning India as a global hub for education, the government proposes to allocate Rs 400 crore to create 'world class institutions' and attract foreign students under the 'study in India' mission
- ✓ One of the key proposal is the creation of National Research Foundation to fund, coordinate and promote research in the country
- ✓ To further encourage women entrepreneurship, Women Self Help Group (SHG) Interest Subvention Programme to be expanded to all districts in India.



NAARI TU NARAYANI



From women-centric-policy to women-led initiative

 Women SHG interest subvention programme in all districts

 Overdraft of ₹5,000 for every verified women SHG member having a Jan Dhan Bank Account

 One woman in every SHG to be eligible for a loan up to ₹1 lakh under the MUDRA Scheme



- ✓ To popularise sports at all levels, National Sports Education Board for development of sportspersons to be set up under Khelo India
- ✓ Exclusive TV programme exclusively for startups to be started, channel will be designed and executed by startups themselves.
- ✓ Aadhaar Card for Non Resident Indians (NRIs) with Indian passports to be issued after their arrival in India without waiting for the mandatory 180 days
- ✓ New National Educational Policy to be brought in to transform Indian educational system with major changes in higher and school education system
- ✓ India will be made open defecation free on 2 October 2019, as per the dream of Prime Minister Narendra Modi
- ✓ 9.6 crore toilets have been constructed since 2 October 2014 with more than 5.6 lakh villages have become open defecation free
- ✓ Swachh Bharat mission to undertake sustainable solid waste management in every village
- ✓ Jal Shakti Ministry will look at the mgmt of our water resources and water supply in an integrated and holistic manner and will work with states to ensure 'Har Ghar Jal', to all rural households by 2024 under 'Jal Jeevan Mission'

JAL JEEVAN MISSION

- Piped water supply to all rural households by 2024
- Integrated demand and supply side management of water at the local level
- Will converge with other Central and State Government Schemes
- Creation of local infrastructure for rainwater harvesting, groundwater recharge and management of household waste water for reuse in agriculture

- ✓ To harness India's space ability commercially, a public sector enterprise, New Space India Limited (NSIL) has been incorporated to tap the benefits of ISRO

NEW SPACE INDIA LIMITED

NSIL - a Public Sector Enterprise - incorporated as new commercial arm of Department of Space

To harness India's space power commercially

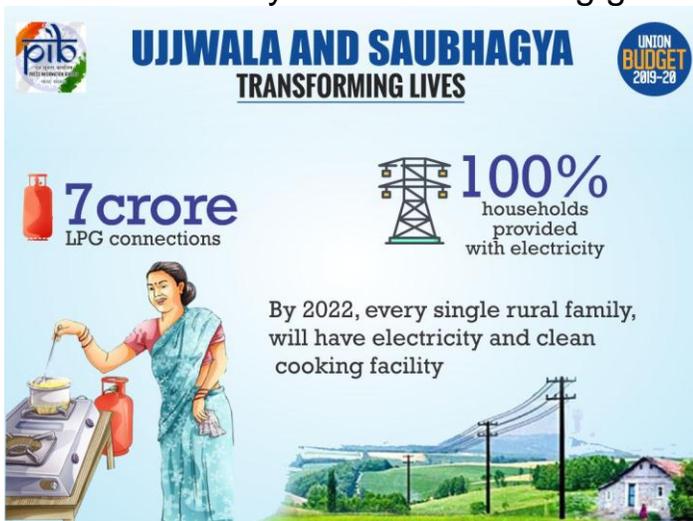
To spearhead commercialization of space products including production of launch vehicles, transfer to technologies and marketing of space products

To tap the benefits of R & D carried out by ISRO

Pradhan Mantri Awas Yojana (Urban)

81 lakh houses worth ₹ 4.83 lakh crore sanctioned	Construction started in 47 lakh houses	Over 26 lakh houses completed and 24 lakh delivered	Over 13 lakh houses so far constructed using new technologies
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- ✓ Every rural family, except those who are unwilling to take the connection will have electricity and clean cooking gas.



- ✓ In the second phase of PMAY, 1.95 crore houses are proposed to the beneficiaries
- ✓ Government will invite suggestions for further opening up of FDI in aviation sector, media, animation AVGC and insurance sectors in consultation with all stakeholders. 100% FDI will be permitted for insurance intermediaries.
- ✓ Pension benefit to be extended to around 3 crore retail traders and shopkeepers with an annual turnover less than ₹1.5 crore under Pradhan Mantri Karam Yogi Man Dhan Scheme
- ✓ Only advanced-battery-operated and registered e-vehicles to be incentivized under FAME Scheme
- ✓ Outlay of Rs. 10,000 crore for 3 years approved for Phase-II of FAME Scheme.
- ✓ Power at affordable rates to states ensured under 'One Nation, One Grid'.
- ✓ 100 new clusters to be setup during 2019-20 with special focus on Bamboo, Honey and Khadi, enabling 50,000 artisans to join the economic value chain
- ✓ Scheme of Fund for Upgradation and Regeneration of Traditional Industries' (SFURTI)
- ✓ Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship' (ASPIRE) consolidated
- ✓ Target of connecting the eligible and feasible habitations by PM Gram sadak yojana advanced from 2022 to 2019 with 97% of such habitations already being provided with all weather connectivity.
- ✓ 30,000 kilometers of PMGSY roads have been built using Green Technology, Waste Plastic and Cold Mix Technology, thereby reducing carbon footprint
- ✓ 657 kilometers of Metro Rail network has become operational across the country
- ✓ Comprehensive restructuring of National Highways Programme will be done, to ensure the creation of National Highways Grid of desirable capacity.
- ✓ Railway infrastructure would need an investment of 50 lakh crores between 2018 and 2030 - PPP to be used to unleash faster development and delivery of passenger freight services

- ✓ Navigational capacity of Ganga to be enhanced via multi modal terminals at Sahibganj and Haldia and a navigational lock at Farakka by 2019-20, under Jal Marg Vikas Project
- ✓ The government's allocation to the 'National Ganga Plan and Ghat works' is only ₹750 crore for 2019-2020, a sharp fall from ₹2,250 crore allotted last year.
- ✓ The government has allocated ₹45 crore for India's building activities in the crucial port of Chabahar in Iran, a reduction from the previous year's allocation of ₹150 crore.
- ✓ However, Bhutan received the major chunk of allocation from the country to the tune of Rs 2,801.79 crore against Nepal and Mauritius with ₹1,050 crore and ₹1,100 crore respectively
- ✓ The government imposed 10% import duty on newsprint and 5% import duty on printed books to encourage domestic publishing and printing industry
- ✓ It had also introduced the levying of 2% tax deducted at source on cash withdrawals exceeding ₹1 crore in a year from a bank account to promote digital payments
- ✓ India's first indigenously developed payment ecosystem for transport, based on National Common Mobility Card (NCMC) standards, launched in March 2019
- ✓ The 'Stand-up India' scheme to be continued for the entire period coinciding with the 15th finance commission from 2020 to 2025
- ✓ Current rental laws are archaic and hence a modern tenancy law would be finalised and forwarded to states
- ✓ The creation of Indian Development Assistance Scheme (IDEAS) to enable India to provide concessional financing for development projects in the immediate and near neighbourhood
- ✓ 100 lakh crore investment in the first 5 years has been made a government commitment as part of the Budget - and that scale of investment single handedly defines the agenda for growth as well as employment generation
- ✓ The sectors where Investment is needed – Infrastructure, Digital economy, Job creation in small and medium firms, Initiatives to be proposed for kick-starting the virtuous cycle of investments and Common man's life changed through MUDRA loans for ease of doing business
- ✓ The Indian economy will grow to become a \$3 trillion economy in the current year itself - It is now the sixth largest in the world - 5 years ago it was at the 11th position.
- ✓ Vision for the decade - From 1.85 trillion dollars in 2014, the economy has reached 2.7 trillion US dollars within five years and India is well within capacity to reach \$5 trillion economy by 2024-25

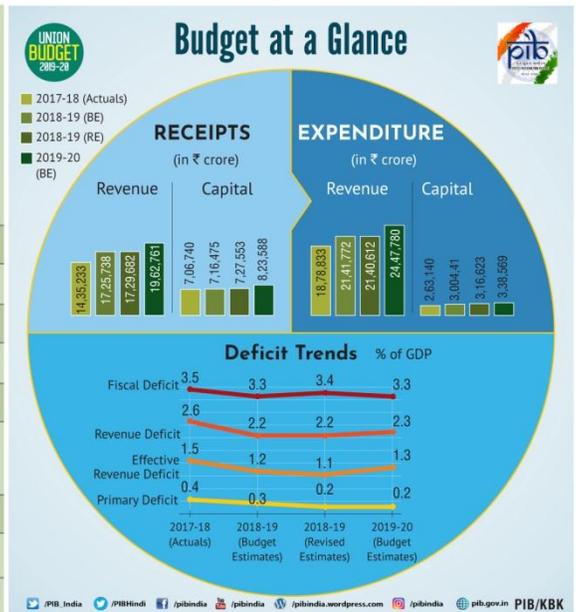
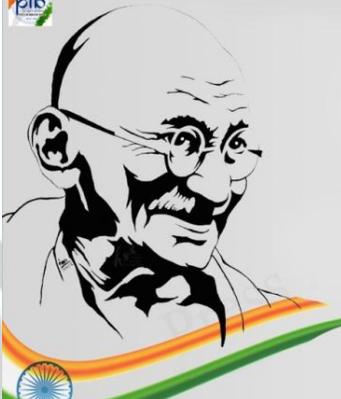
Budget in Pictures

Key Numbers

(in ₹ crore)

	2017-18 (Actuals)	2018-19 (Budget Estimates)	2018-19 (Revised Estimates)	2019-20 (Budget Estimates)
Revenue Receipts	14,35,233	17,25,738	17,29,682	19,62,761
Capital Receipts	7,06,740	7,16,475	7,27,553	8,23,588
Total Receipts	21,41,973	24,42,213	24,57,235	27,86,349
Total Expenditure	21,41,973	24,42,213	24,57,235	27,86,349
Revenue Deficit	4,43,600	4,16,034	4,10,930	4,85,019
Effective Revenue Deficit	2,52,566	2,20,689	2,10,630	2,77,686
Fiscal Deficit	5,91,062	6,24,276	6,34,398	7,03,760
Primary Deficit	62,110	48,481	46,828	43,289

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150th birth anniversary of Mahatma Gandhi

India will be Open Defecation Free by 2nd October 2019

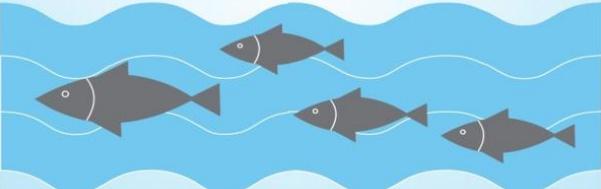
Rashtriya Swachhta Kendra will be inaugurated at Gandhi Darshan, Rajghat

Gandhipedia to sensitize youth and society about positive Gandhian values being developed by National Council for Science Museums

Pradhan Mantri Matsya Sampada Yojana

Establishment of a robust fisheries management framework

To address critical gaps in the value chain, including infrastructure, modernization, post-harvest management and quality control.

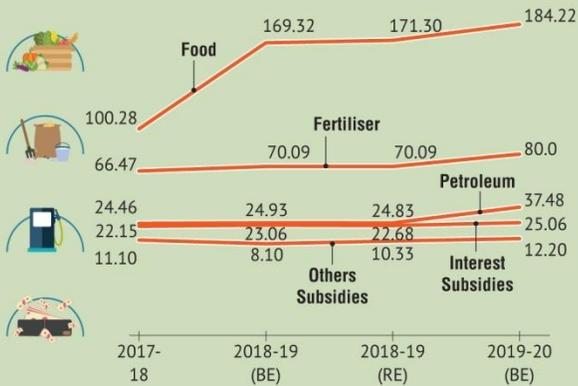


Subsidies

(in ₹ '000 crore)

Grand Total

2017-18 (Actuals)	2018-19 (BE)	2018-19 (RE)	2019-20 (BE)
224.46	295.51	299.22	338.95



Trends in Tax Receipts

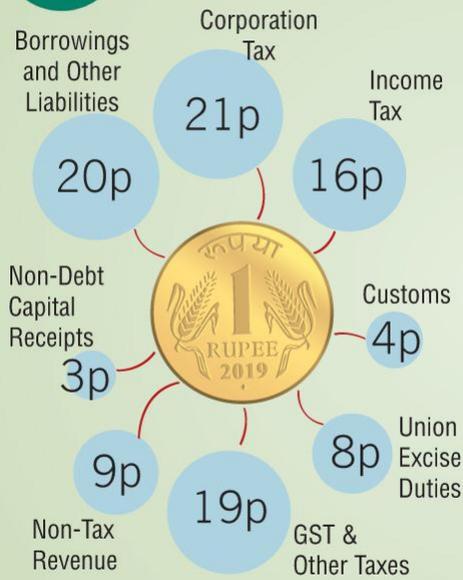
% of GDP



Gross Tax Receipts



Rupee comes from



Rupee goes to

