

Union Budget 2011-12 Highlights

- Critical institutional reforms set pace for double-digit growth
- Scaled up flow of resources infuses dynamism in rural economy
- GDP estimated to have grown at 8.6% in 2010-11
- Exports grown by 9.6%, imports by 17.6% in April-January 2010-11 over corresponding period last year
- Indian economy expected to grow at 9% in 2011-12.
- Five-fold strategy to deal with black money. Group of Ministers to suggest ways for tackling corruption
- Public Debt Management Agency of India Bill to come up next financial year
- Direct Tax Code (DTC) to be effective from April 01, 2012
- Phased move towards direct transfer cash subsidy to BPL people for better delivery of kerosene, LPG and fertilizer mooted
- Rs.40,000 crore to be raised through disinvestment in 2011-12
- FDI policy to be liberalized further
- SEBI registered mutual funds permitted to accept subscription from foreign investors who meet KYC requirement
- FII limit for investment in corporate bonds in infrastructure sector raised
- Additional banking license to private sector players proposed
- Rs.6000 crore to be provided in 2011-12 for maintaining minimum Tier I Capital to Risk Weighted Asset Ratio (CRAR) of 8% in public sector banks
- Rs.500 crore to be provided to regional rural banks to maintain 9% CRAR
- India Microfinance Equity Fund of Rs.100 crore to be created by SIDBI
- Rs. 500 crore Women SHG Development Fund to be created
- Micro Small and Medium Enterprises MSME gets boost as Rs. 5000 crore provided to SIDBI and Rs.3000 crore to NABARD
- Existing housing loan limit enhanced to Rs.25 lakh for dwelling units
- Provision under Rural housing Fund enhanced to Rs.3000 crore
- Allocation under Rashtriya Krishi Vikas yojna (RKVY) increased to Rs.7860 crore
- Allocation of Rs.300 crore to promote 60000 pulses villages in rainfed areas
- Rs. 300 crore vegetable initiative to achieve competitive prices
- Rs.300 crore to promote higher production of nutri-cereals
- Rs.300 crore to promote animal based protein
- Rs.300 crore Accelerated Fodder Development Programme to benefit farmers in 25000 villages
- Credit flow to farmers raised from Rs.3,75,000 crore to Rs.4,75,000 crore
- Rs.10,000 crore for NABARD's Short Term Rural Credit Fund for 2011-12

- 15 more mega food parks during 2011-12
- National food security bill to be introduced this year
- Capital investment in storage capacity to be eligible for viability gap funding
- 23.3% increase in allocation for infrastructure
- Tax-free bonds of Rs.30,000 crore proposed by government undertakings
- Environmental concerns relating to infrastructure projects to be considered by Group of Ministers
- National Mission for Hybrid and Electric Vehicles to be launched
- 7 Mega clusters for leather products to be set up
- Allocation for social sector increased by 17% amounting to 36.4% of total plan allocation
- Bharat Nirman allocation increased by Rs.10,000 crore
- Rural broadband connectivity to all 2.5 lakh panchayats in three years.
- Bill to amend Indian Stamp Act to introduce. Rs.300 crore scheme for modernization stamp and registration administration
- Significant increase in remuneration of Angawadi workers and helpers
- Allocation for education increased by 24%. Rs.21,000 crore allocated for Sarv Shikshya Abhiyan registering an increase of 40%
- 1500 institute of higher learning to be connected by March 2012 with Knowledge Knowledge Network.
- National Innovation Council set up. Additional Rs.500 crore for National Skill Development Fund
- Plan allocation for health stepped up by 20%
- Indira Gandhi National Old Age Pension Scheme liberalized further
- Rs.200 crore for Green India Mission
- Rs.200 crore for cleaning of rivers
- Rs.8000 crore provided for development needs of J&K
- 10 lakhs Aadhaar(UID) numbers to be generated everyday from 1st October
- Fiscal deficit kept at 4.6% of GDP for 2011-12
- Income Tax exemption limit for general category in individual tax payers enhanced from Rs.1,60,000 to Rs.1,80,000
- Qualifying age for senior citizens lowered to 60; senior citizen above 80 year to get Rs.5,00,000 IT exemption
- Surcharge on corporate lowered to 5%

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