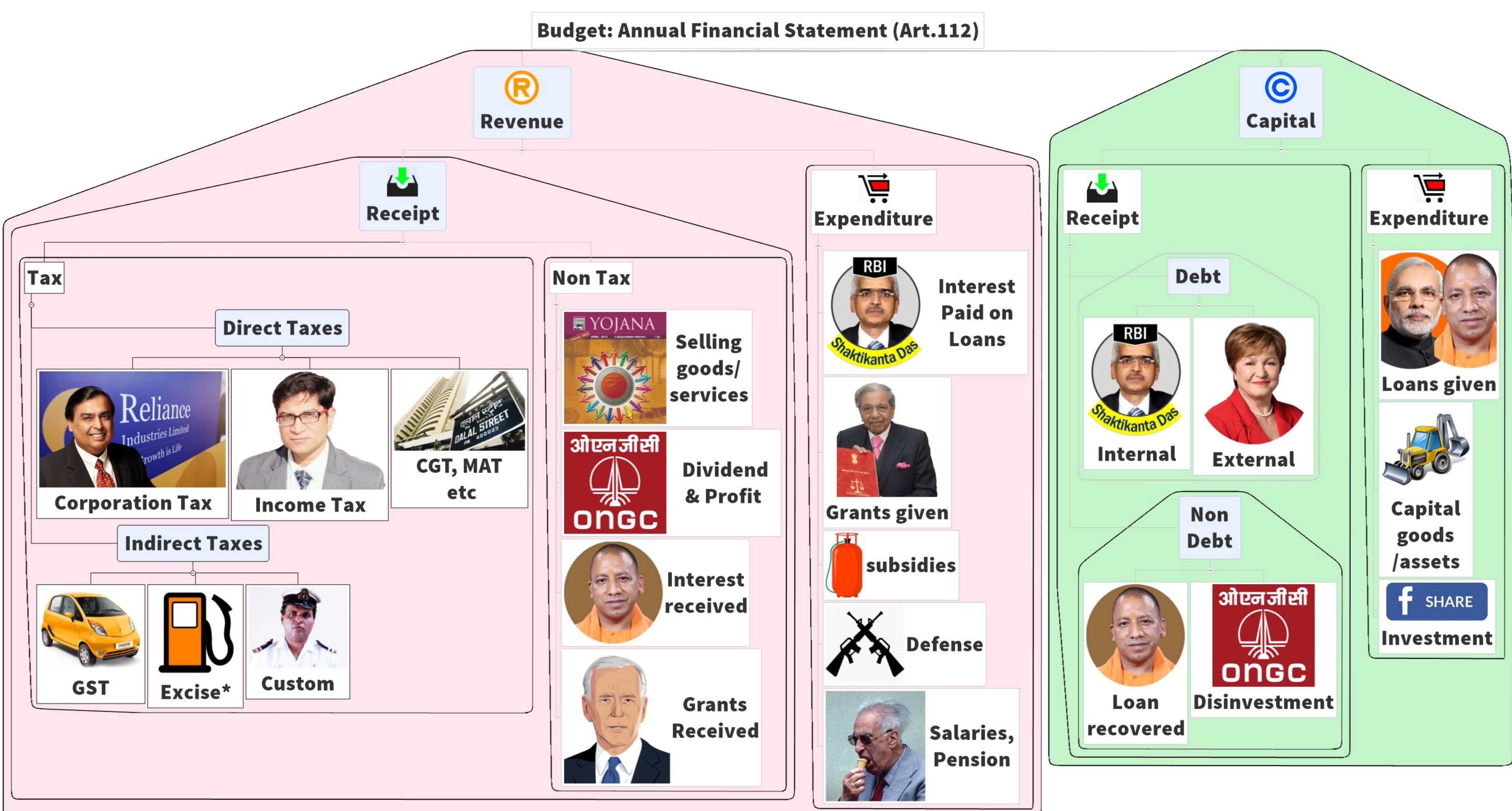


# Mrunal's Budget summary in 5 Minutes for competitive exams (#clickbait #farziwaada)

## Disclaimer & Prerequisites

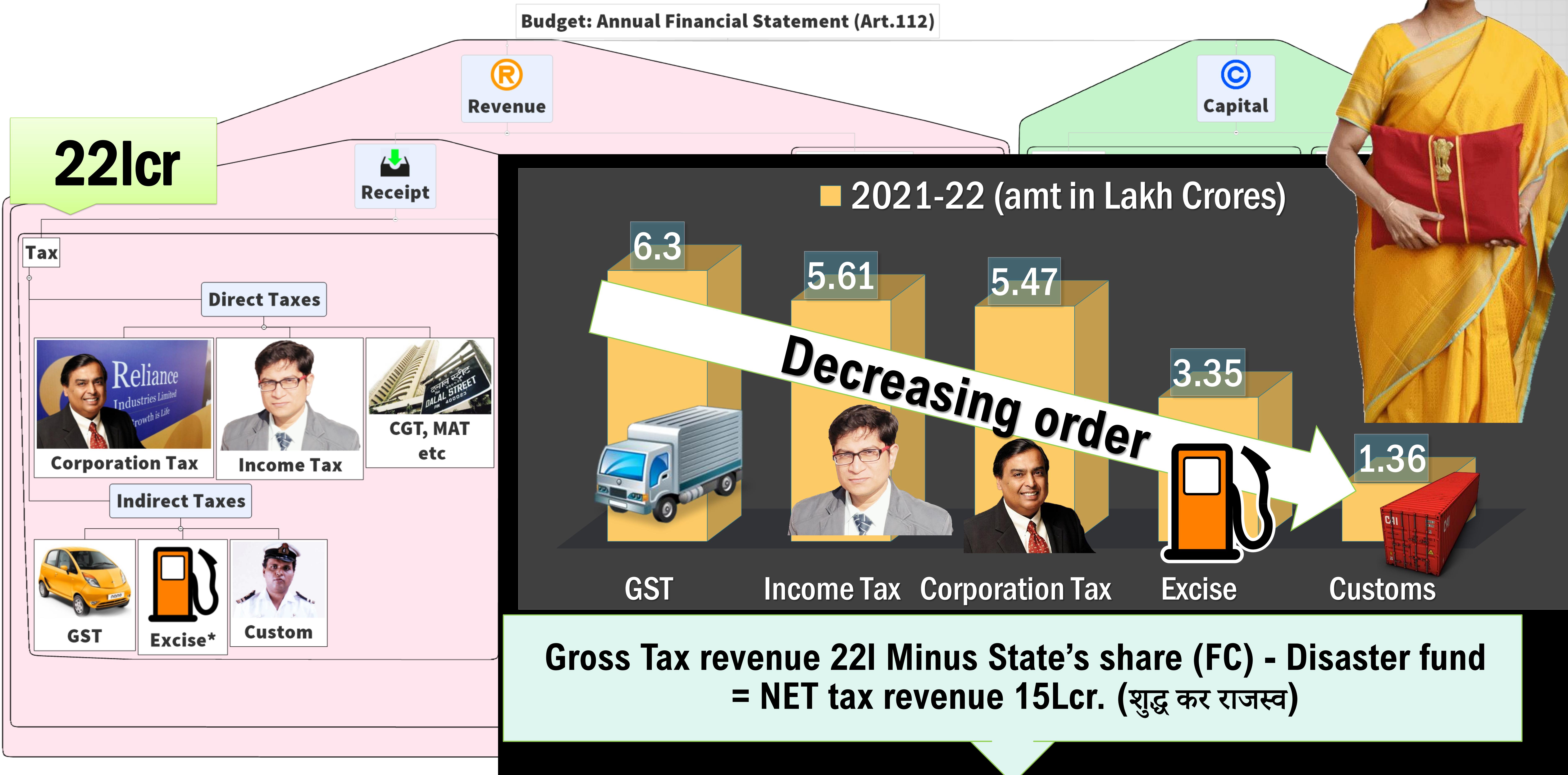
- 1) Target audience: officer rank competitive exam aspirants. 🤝 CA-Exam, 🤝 Clerical exam.
- 2) Some of the factoids may be half-correct / wrong- because of haste in making 5 Minutes #clickbait #farziwaada video 🤪
- 3) Assuming You've Self studied: Indian Polity by Laxmikanth ch.22 parliament, ch.45 FC, ch.51: CAG
- 4) Tamilnadu Class12 Economics Ch.9- Direct vs indirect taxes, Union vs State Taxes , fiscal deficit formulas etc [OR Alternatively attended Mrunal's Full Length Economy Course. (🔗 unlock code "Mrunal.org"))]
- 5) Assuming You've seen atleast last 5 years topic wise previous years question papers
- 6) 5 minute can't give justice to everything. Stay tuned for Win21CSP Series lecture, PPT & Handouts for more



PAUSE video &  
Read disclaimer  
अगर 5 मिनट में वीडियो  
खत्म करना हो तो मैं  
disclaimer नहीं पढ़  
सकता, वीडियो लम्बा हो  
जाएगा 😊



# Budget 2021 → Revenue → Receipt → Tax Receipt (कर प्राप्तियाँ)



Cess (उपकर) = Tax on (Tax + surcharge) उपकर की रकम केंद्र अपनी मर्जी से खर्च करेगी. वित्त आयोग चूं नहीं करेगा

50000  
Income Tax



CFI



10% Surcharge  
on tax (=50000  
ka 10% = 5k)



CFI



4% CESS (on  
tax+surcharge=  
55000 ka 4%)

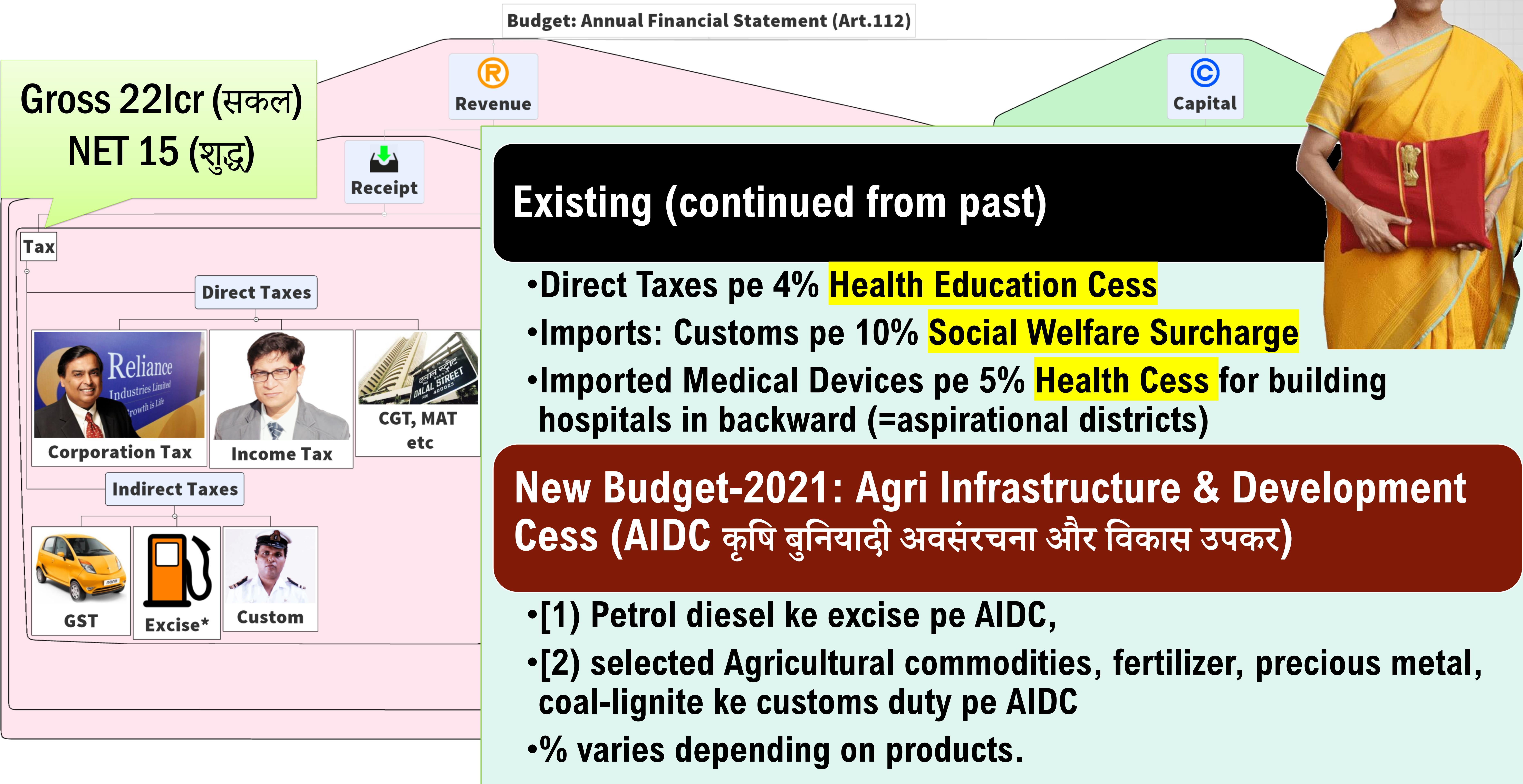


Public Account



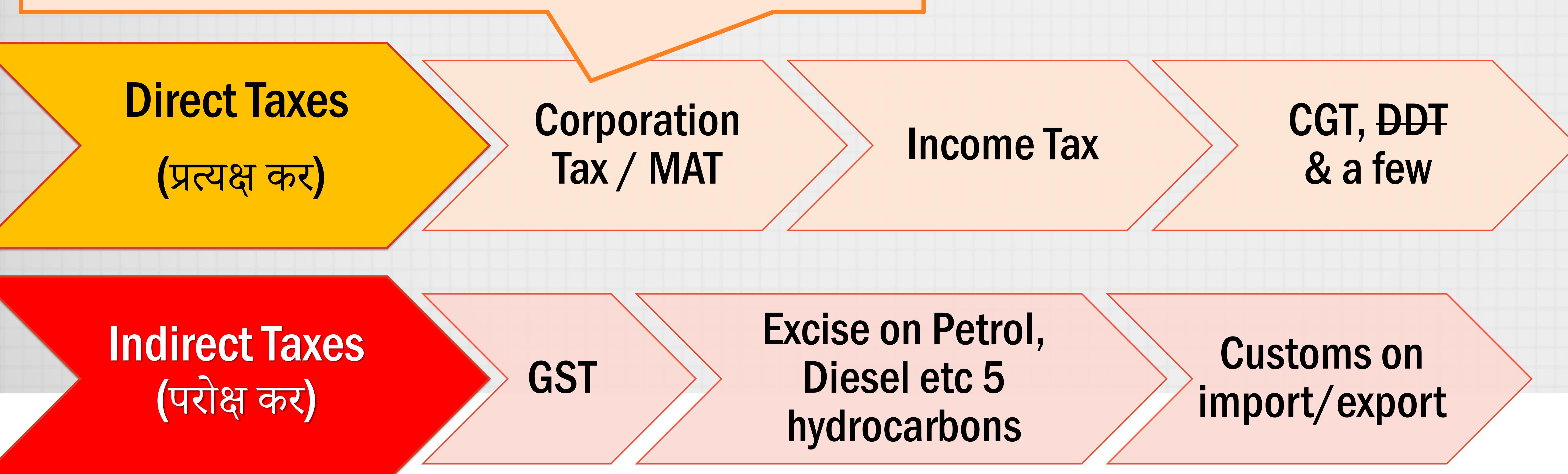
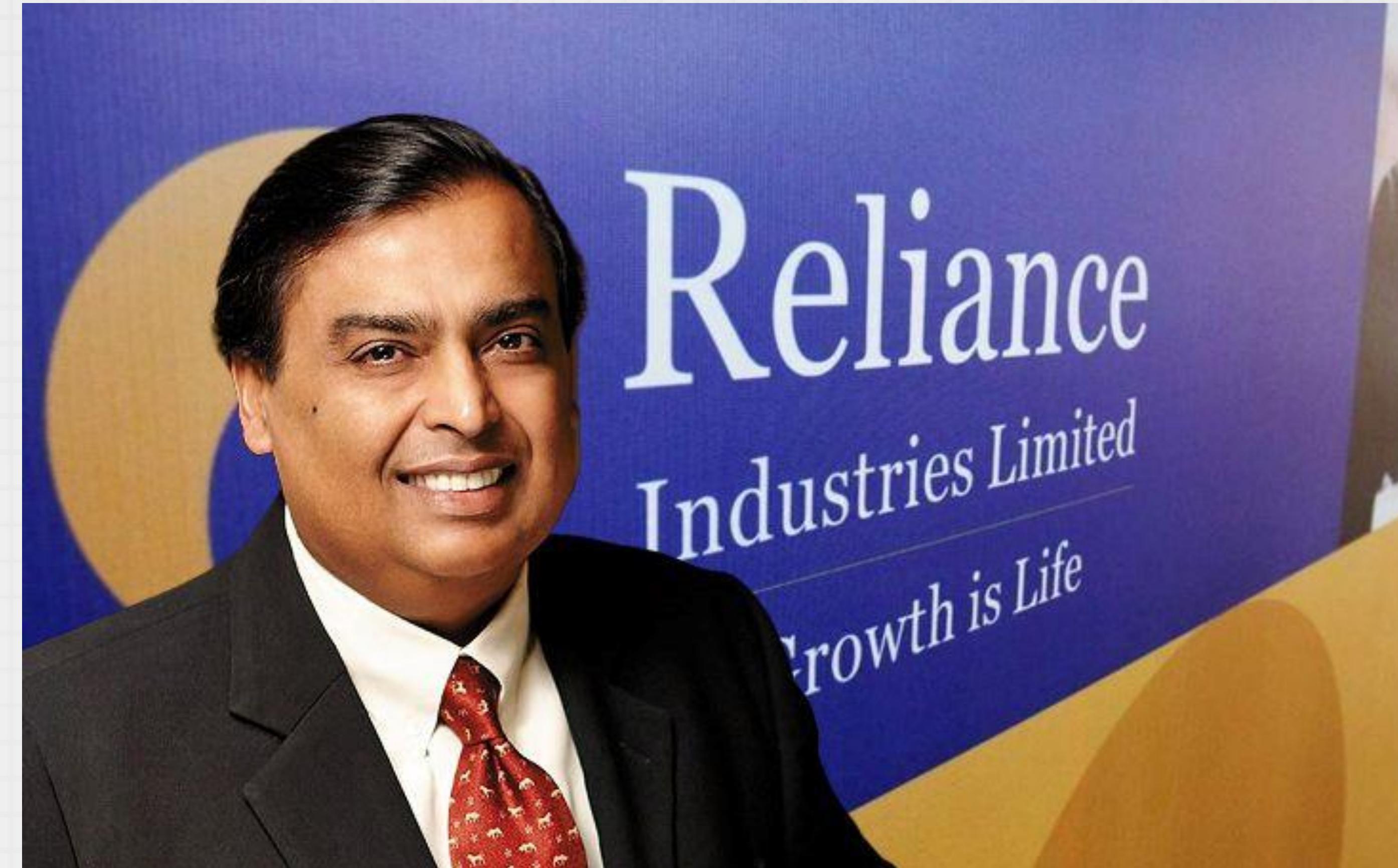
जो  
भी है

CFI: Consolidated Fund of India (एकत्रित या संचित निधि) ref: Laxmikanth ch22



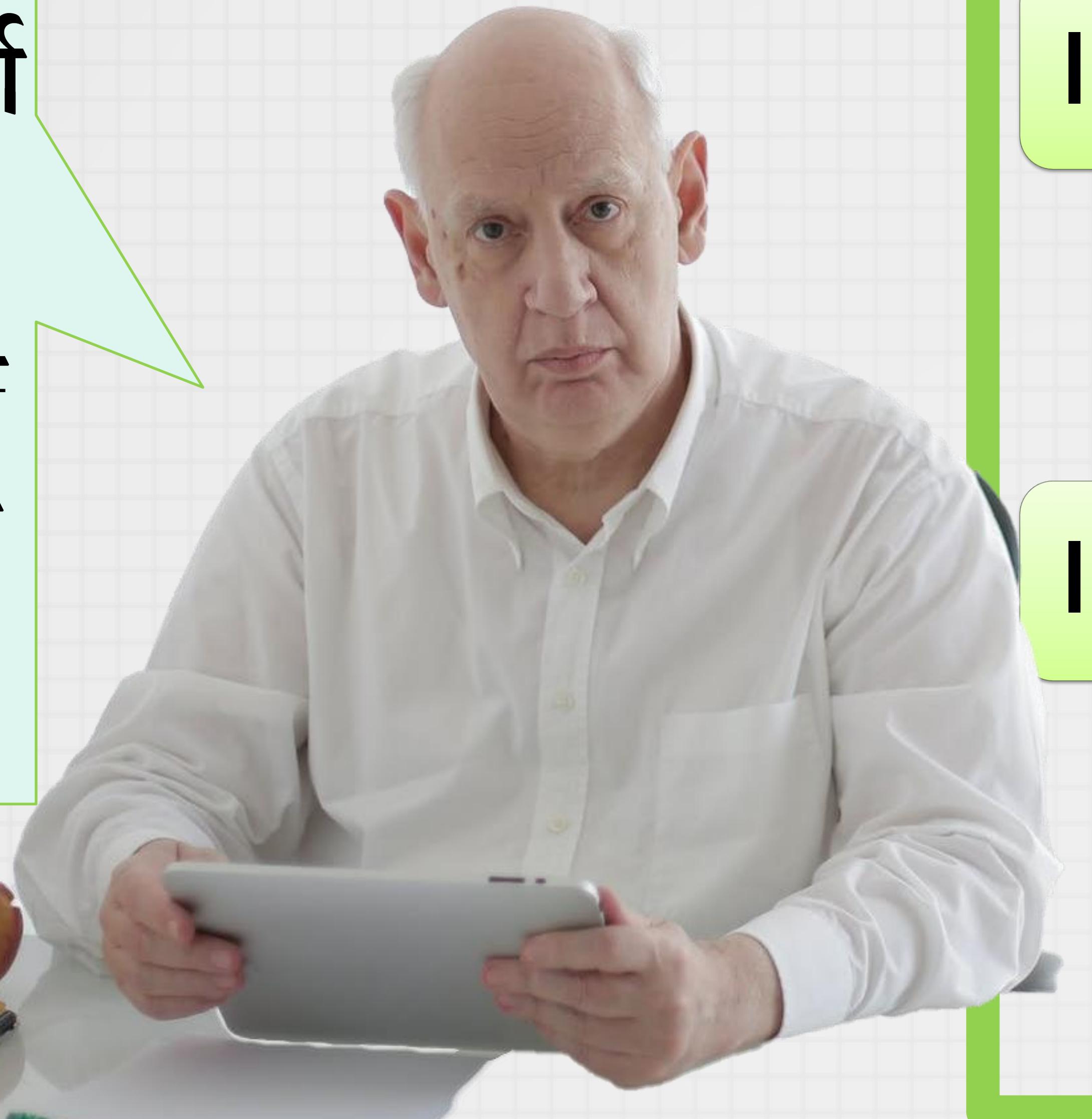
# Budget 2021: Tax Reforms

- Corporation Tax: 😊 some benefits to Startups, affordable housing, IFSC-Gift City etc
- 🔻 tax terrorism: 🔺 Audit limits for small companies, Faceless assessment appeal etc, dispute resolution Committee, relief to charitable trusts



# Budget 2021: Tax Reforms

मैं बहुत गरीब बुजुर्ग हु, मुझको इंडियन आइडल जितवा दो टैक्स की झंझट से मुक्ति दो



## Income Tax Slabs Unchanged:

- IT = 5-20-30% [depending on taxable income]
- (Optional) 5-10-15-20-25-30 (if claim no deduction- beneficial to upper middle class\*\*)

## Income Tax (New)

- senior citizen 75/> age - if only pension + interest income then ITR 😊
- Few modification in PPF, Home Loans etc CA-NOTIMP-for competition exams

Direct Taxes  
(प्रत्यक्ष कर)

Corporation  
Tax / MAT

Income Tax

CGT, DDT  
& a few

Indirect Taxes  
(परोक्ष कर)

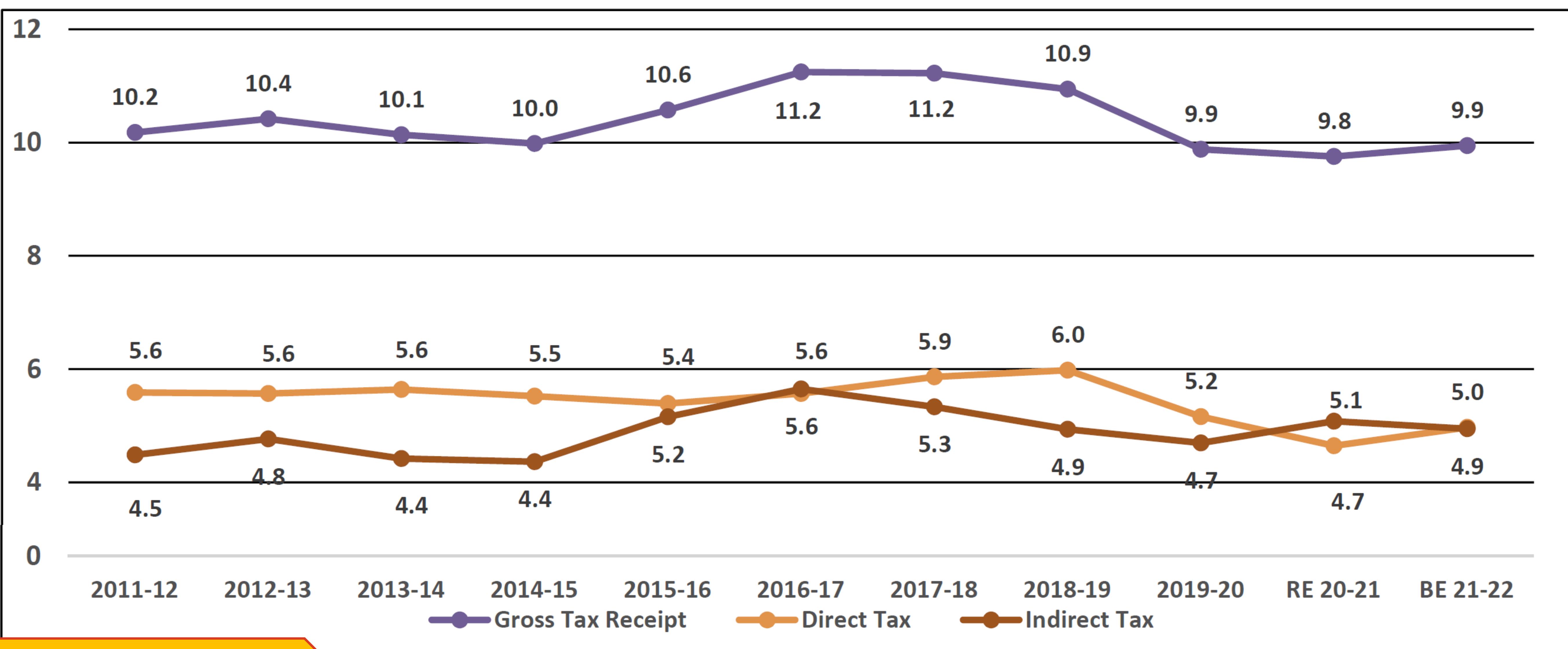
GST

Excise on Petrol,  
Diesel etc 5  
hydrocarbons

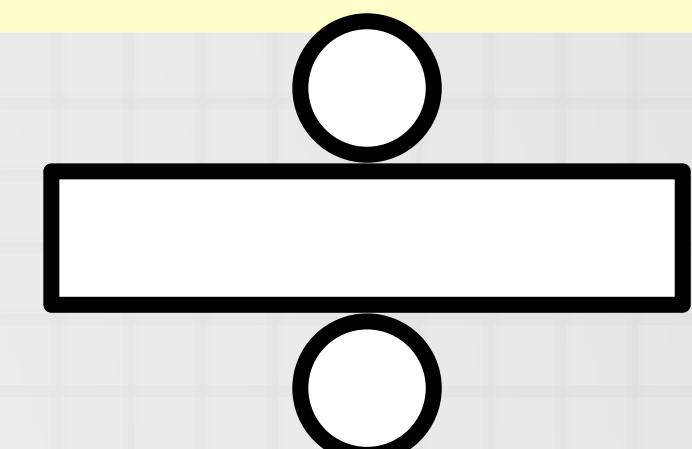
Customs on  
import/export

Rates / to  
boost domestic  
mfg & export  
(apply Common  
sense in MCQ)

Pause the video: peacefully look at graph



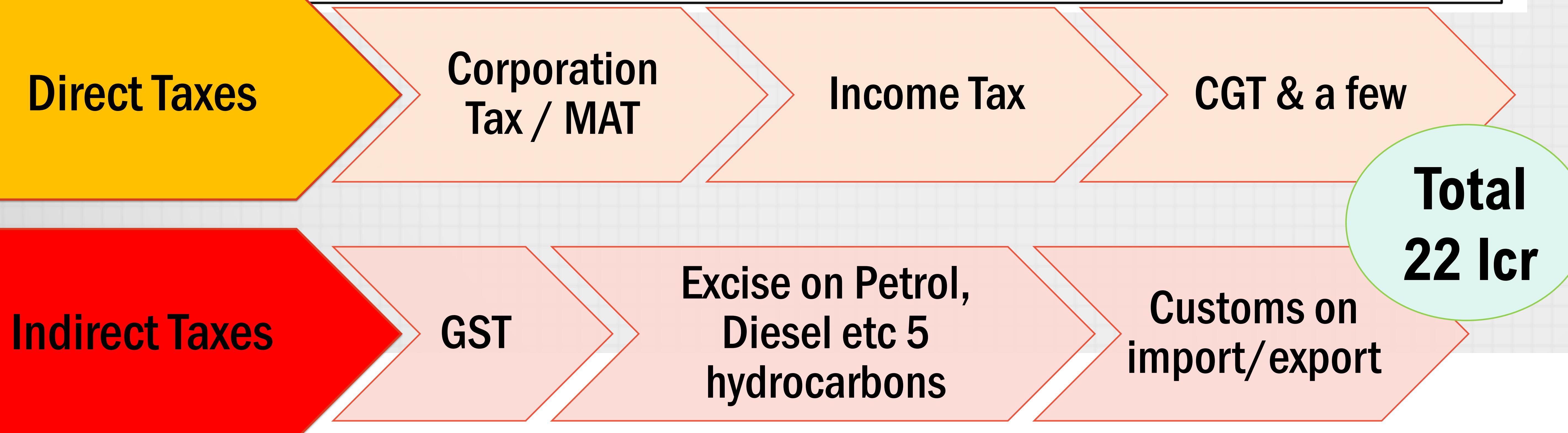
22. \*\* Lcr gross tax revenue



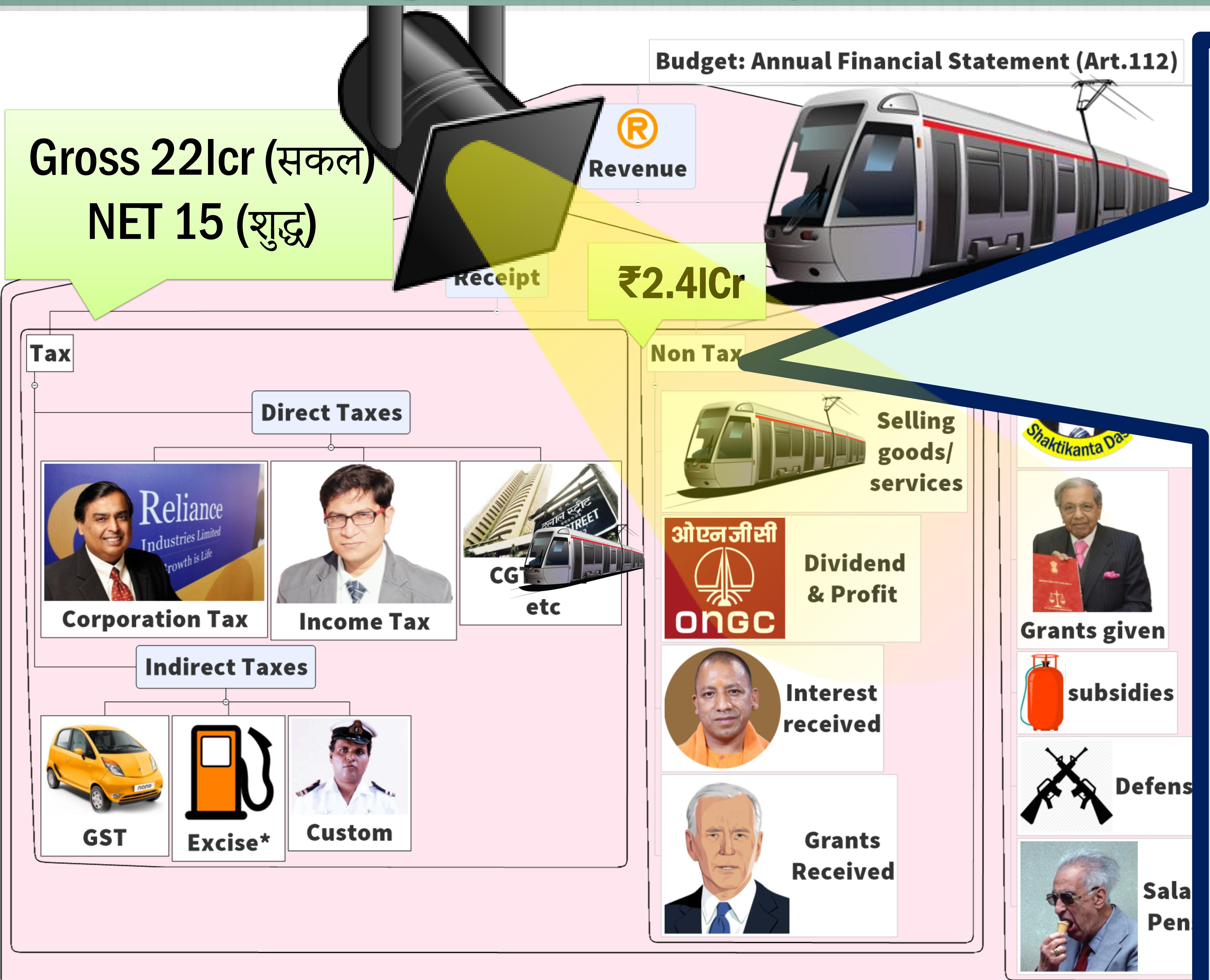
222. \*\* Lcr nominal GDP (without adjusting with inflation)



9.9%  
Tax to GDP  
2021



# Mrunal's Budget-2021 summary: Revenue → Non-Tax receipt (कर भिन्न प्राप्तियाँ)

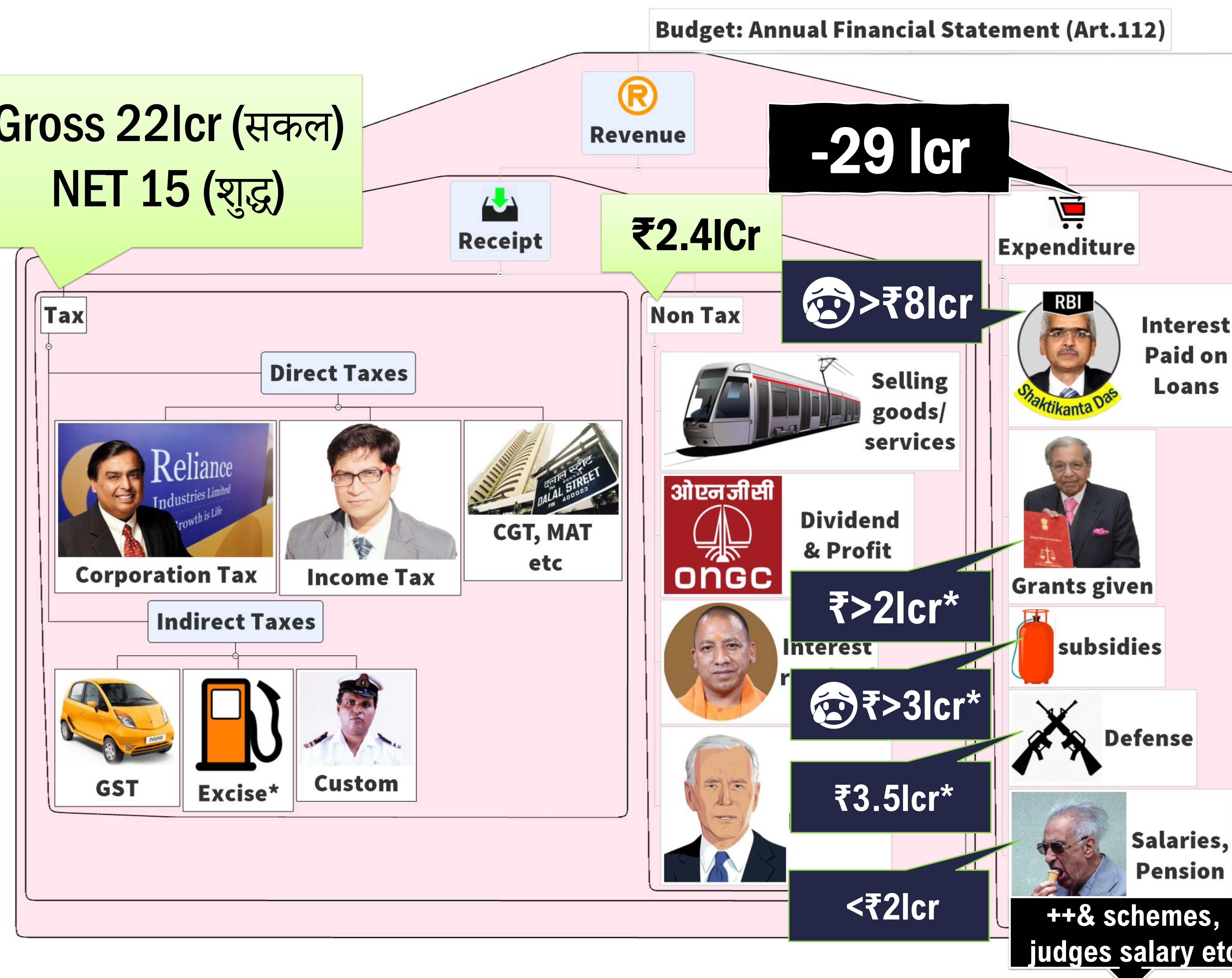


## Rail Reforms

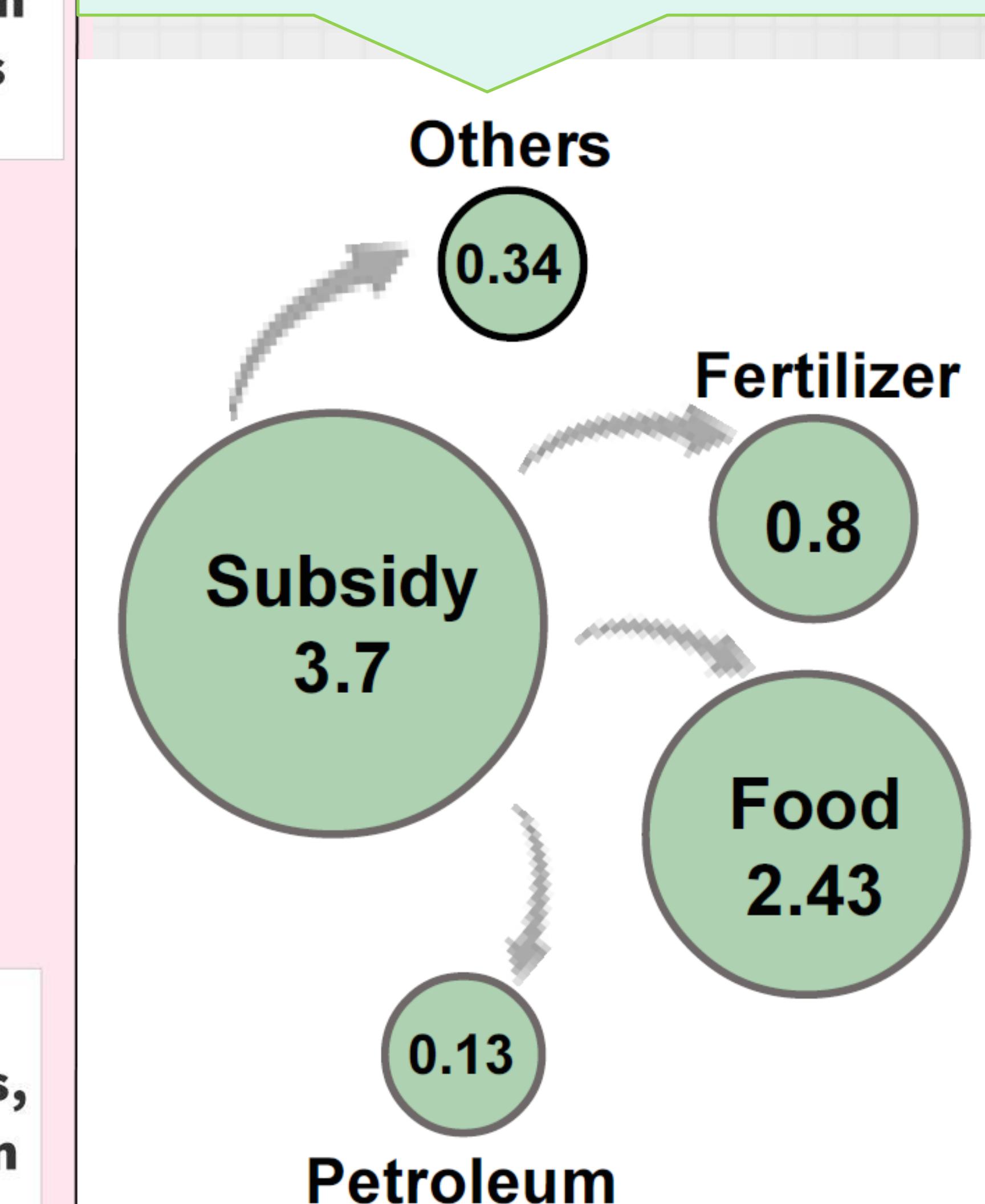
- ‘MetroLite’ and ‘MetroNeo’ Technology for low cost metro system in small cities
- 2022: Dedicated Freight Corridor (DFC)
- 2023: 100% electrification of Broad-Gauge routes
- 2030: National Rail Plan for India
- **New train routes not asked in officer exams**
- **Rail safety ki bolbachchan**

# Budget 2021→ Revenue → Expenditure (राजस्व खर्च)

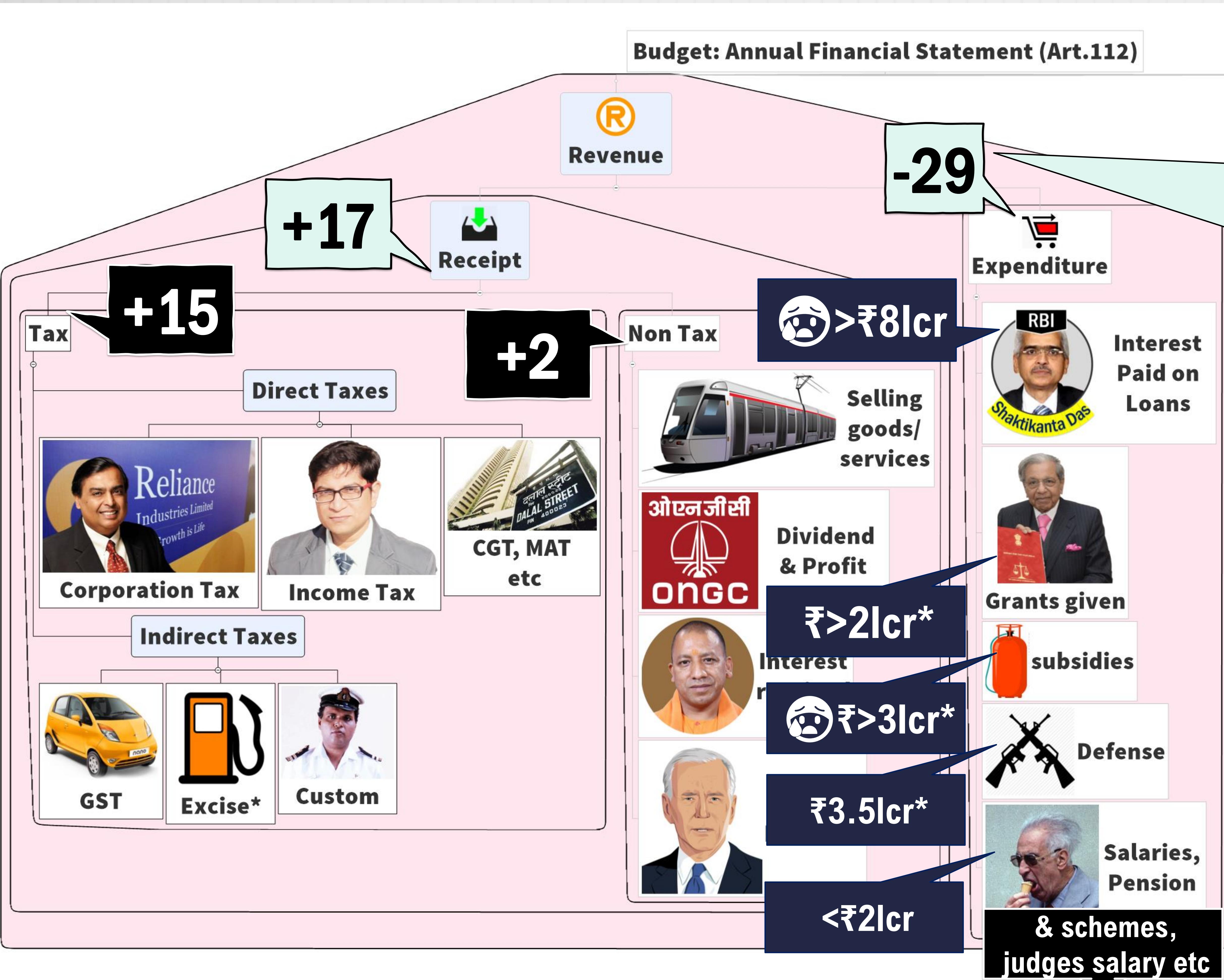
Gross 22lcr (सकल)  
NET 15 (शुद्ध)



- 🙏🏻 🎂 2020: Corona Atma-Nirbhar= subsidy was nearly 1.5-2x this amount
- 💼 2021: ↓↓ than last yr



# Budget 2021→ Revenue → Deficit? (राजस्व घाटा)



**REVENUE Deficit (2021)**  
 $=+17.** - 29.**$   
 $=₹~11.** \text{ Lcr (approx.)}$

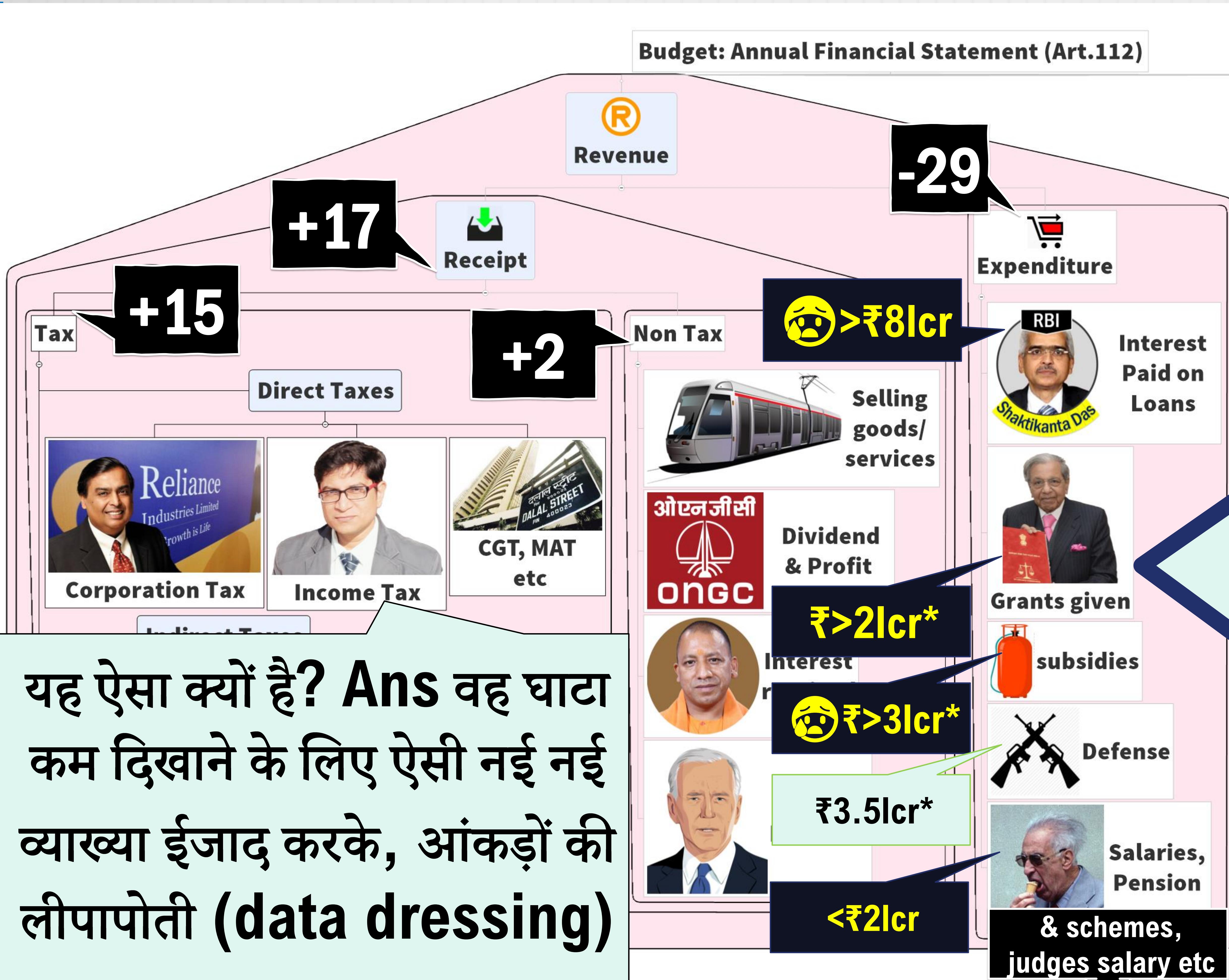
11.\*\* Lcr

5.1%  
Of  
GDP

222.\*\* Lcr  
nominal GDP  
(without  
adjusting  
with inflation)

Revenue  
Deficit  
(राजस्व घाटा)

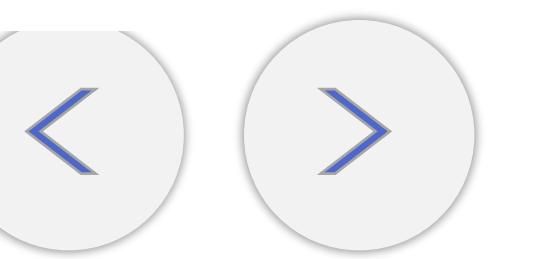
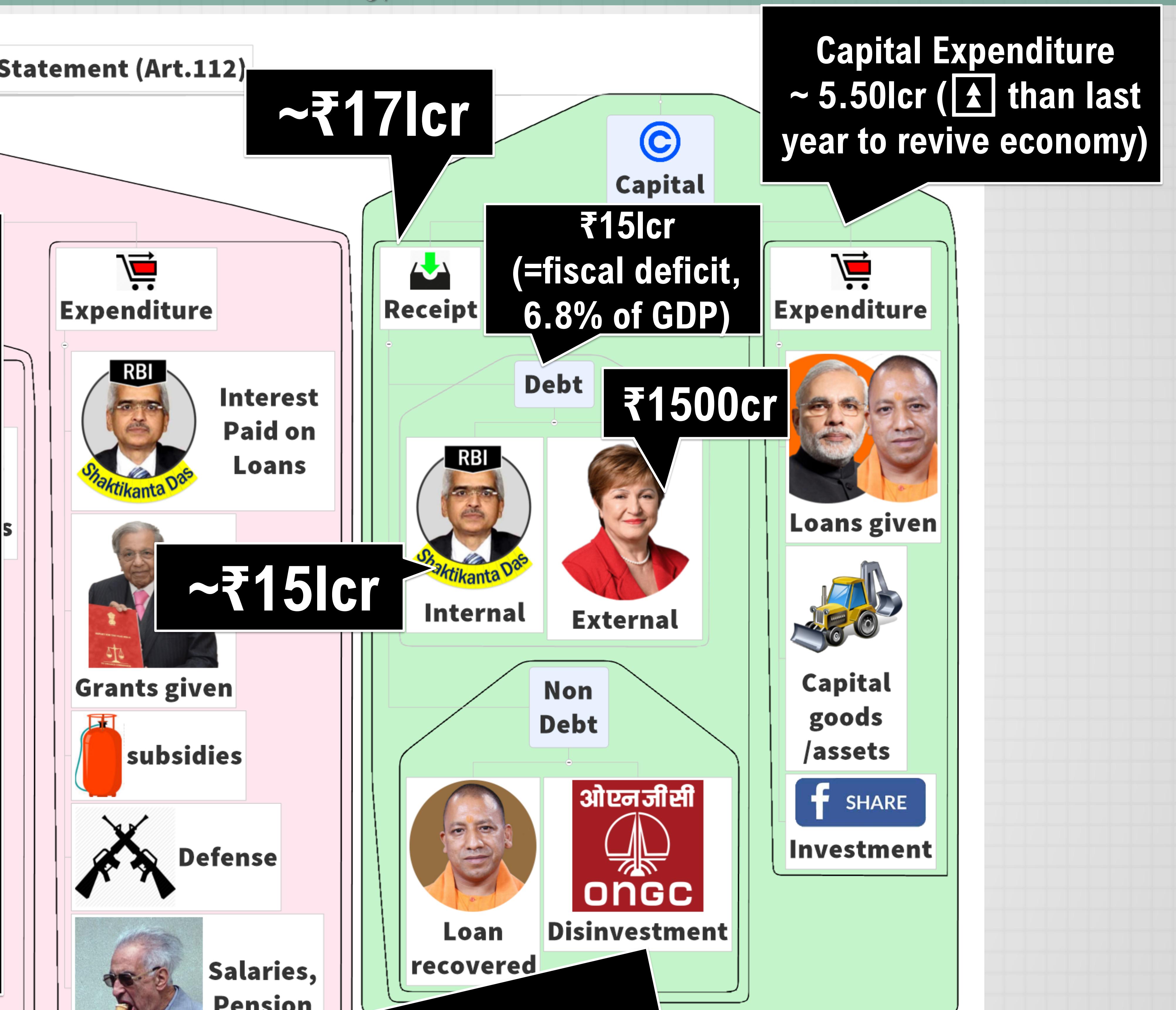
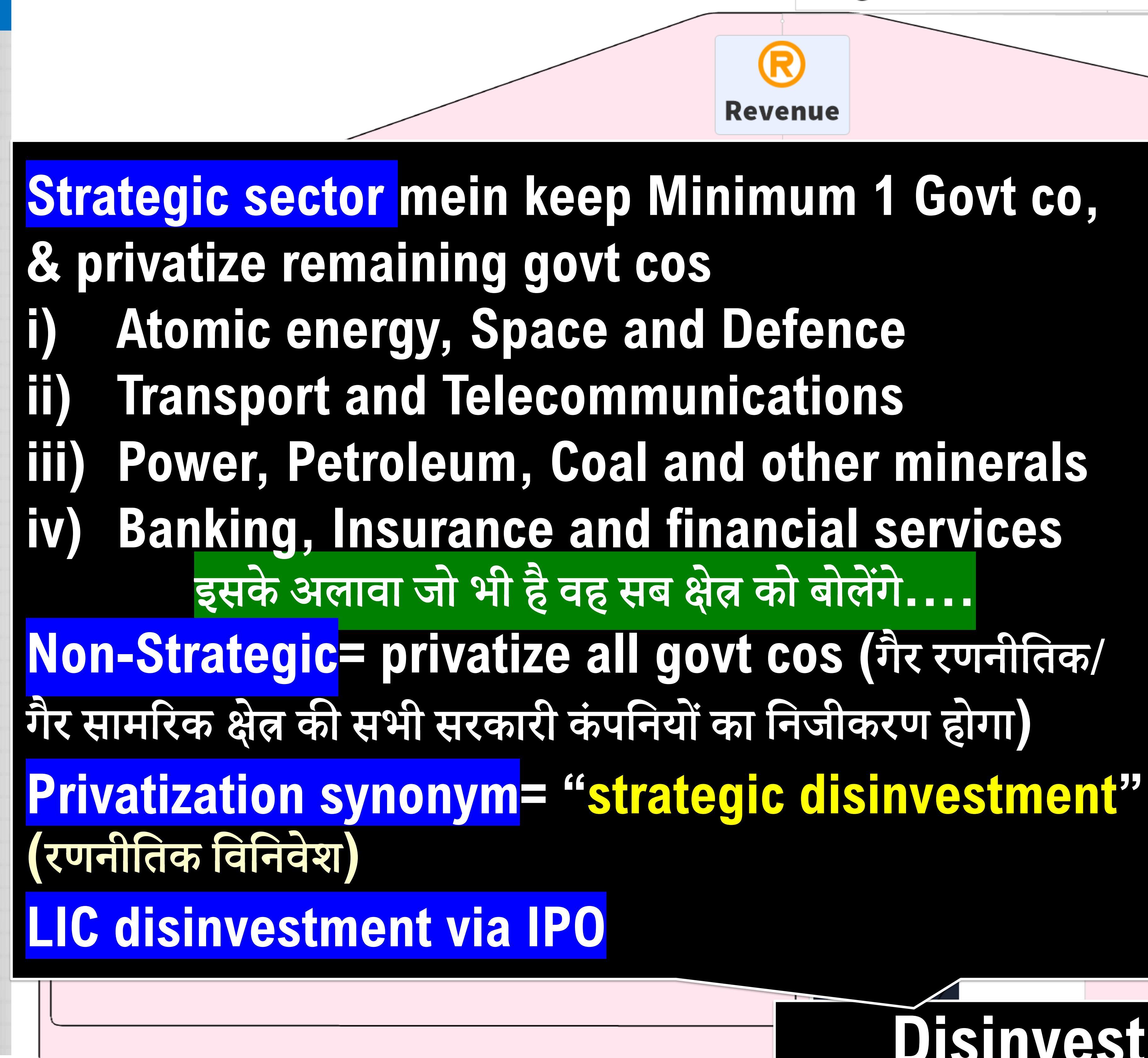
# Budget 2021→ Revenue → Deficit?



**REVENUE Deficit (2021)**  
 =+17.\*\*-29.\*\*  
 =₹~11-12 Lcr (approx.)  
 = 5.1% GDP

**Effective Revenue Deficit (प्रभावी राजस्व घाटा)**  
 =RD – grants for capital assets  
 =11.\*\*-2.\*\*  
 =₹9Lcr  
 =4.1% of GDP

# Budget → Capital → Receipt (पूजी प्राप्ति)



# Govt Schemes (May have Revenue Expenditure, Capital Expenditure or both)

Schemes



A) Central Sector  
Schemes:  
100% Union

B) Centrally Sponsored  
Schemes (State may  
have to contribute)

केंद्र द्वारा प्रायोजित  
योजनाएं (~₹4lcr)

## Budget-2021 new schemes

- 1) PM AtmaNirbhar Swasth Bharat Yojana → Health infrastructure
- 2) Jal Jeevan Mission (Urban): Universal water supply to all cities
- 3) Urban Swachh Bharat Mission 2.0: Additional focus on plastic air pollution construction waste etc [+ a few more but unable to cover in 5 min-clickbaiting]

केंद्रीय क्षेत्र की योजनाएं ~₹11lcr

e.g Urea Subsidy, PM-KISAN ₹6k/pa

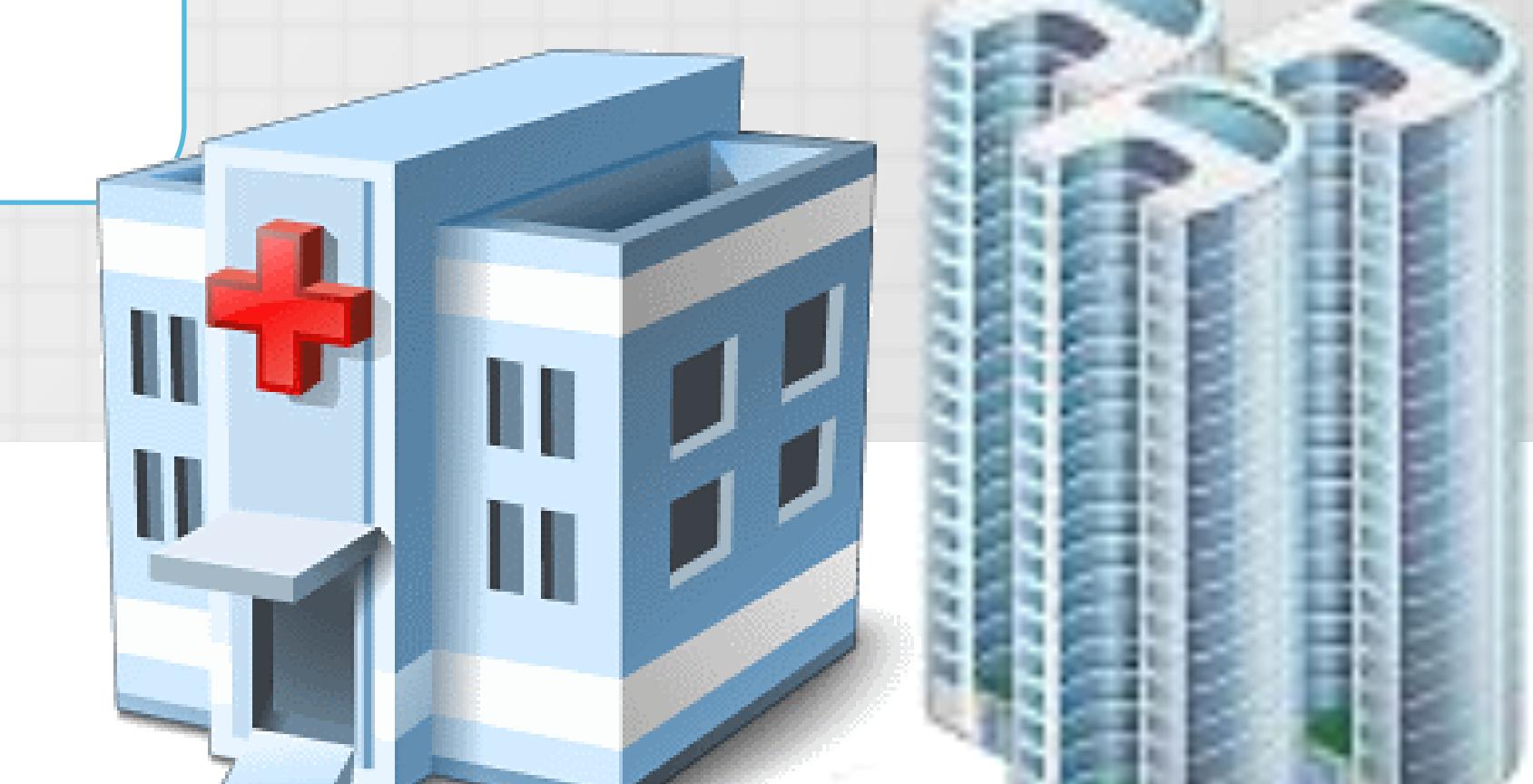
B1) Core of the Core:  
MNREGA, SC/ST,  
Minorities...



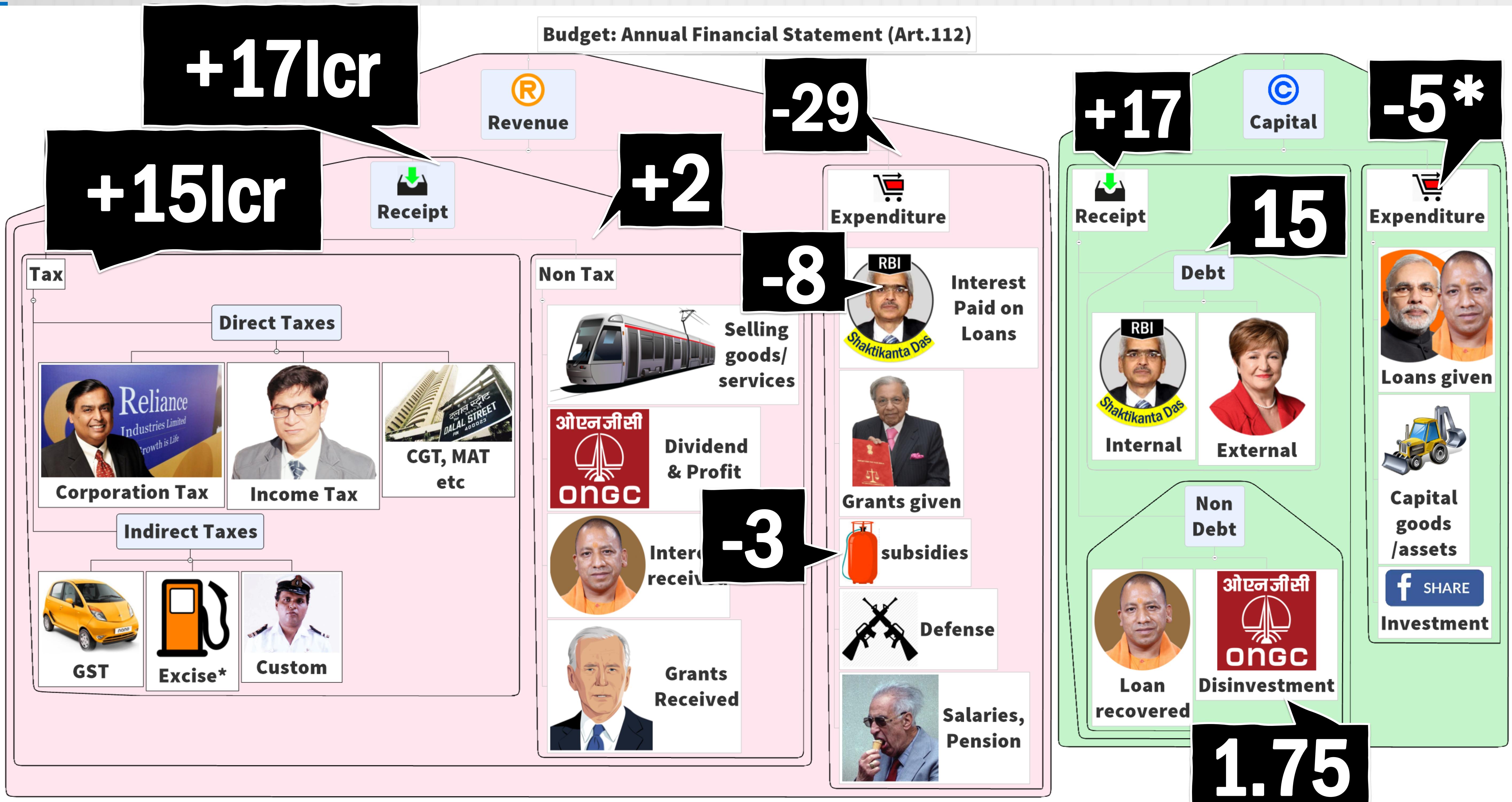
अति महत्वपूर्ण  
योजनाएं ~₹1lcr

B2) Core Scheme:  
AMRUT, Smart Cities,  
Fasal Bima, PM-JAY 5I  
Health insurance

महत्वपूर्ण योजनाएं  
~₹3lcr



# Deficits



15.\*\* Lcr

222.\*\* Lcr nominal  
GDP (without  
adjusting with  
inflation)

6.8%  
Of GDP  
Fiscal  
deficit

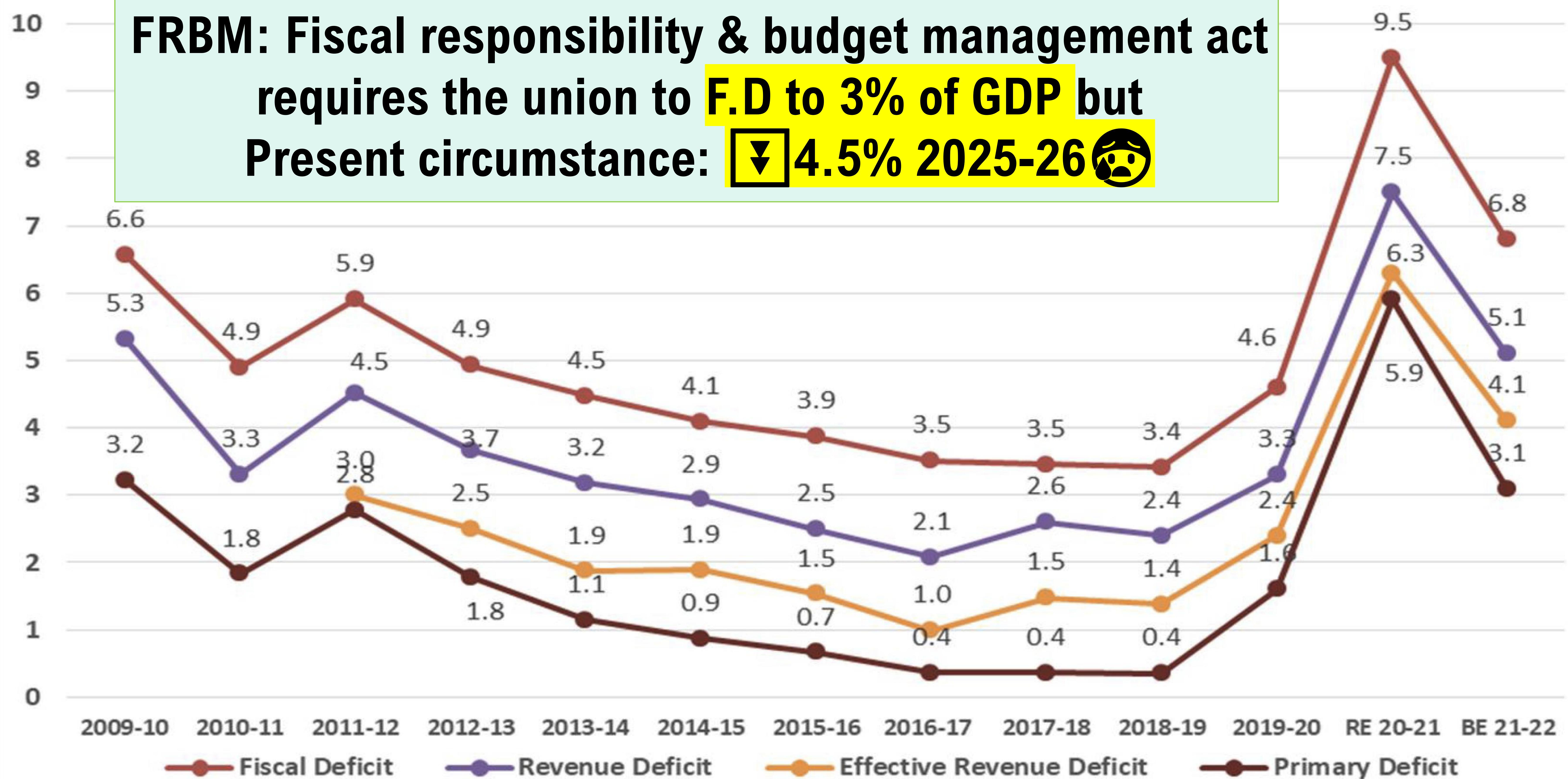
$$\text{Budget Deficit} = 17 - 29 + 17 - 5 = 0$$

$$\text{Fiscal Deficit} = \text{Budget deficit} + \text{Debt Borrowing} = 0 + 15 = 15 \text{lcr} = 6.8\% \text{ of GDP}$$

$$\text{Primary Deficit} = \text{Fiscal deficit} - \text{interest on past loans} = 15 - 8 = 7 \text{lcr} = 3.1\%$$

Pause the video & peacefully look at this graph

**FRBM: Fiscal responsibility & budget management act requires the union to F.D to 3% of GDP but Present circumstance: ⬇️ 4.5% 2025-26 😱**



# Budget 2021- Other Announcements



## Banking / Loans

- Farmer loan: ₹16 lakh cr (किसानों को ढेर सारा पैसा लोन में देंगे)
- Asset Reconstruction Company ltd & Asset Management Company to Take over bad loans from public sector bank (सरकारी बैंकों कि अनर्जक परिसंपत्तियों का निपटान करने के लिए नई संस्था बनाएंगे)
- Recapitalization of PSBs for BASEL-III norms (पुनः पूर्जीकरण)



## Finance / Share market (सेबी/ शेयर बाजार से संलग्न ढेर सारे कानूनों का एकीकरण)

- New law "Securities Markets Code" (प्रतिभूति बाजार संहिता)
- to consolidate SEBI Act, 1992, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956 and Government Securities Act, 2007



## Insurance (बीमा क्षेत्र में प्रत्यक्ष विदेशी निवेश को बढ़ावतरी)

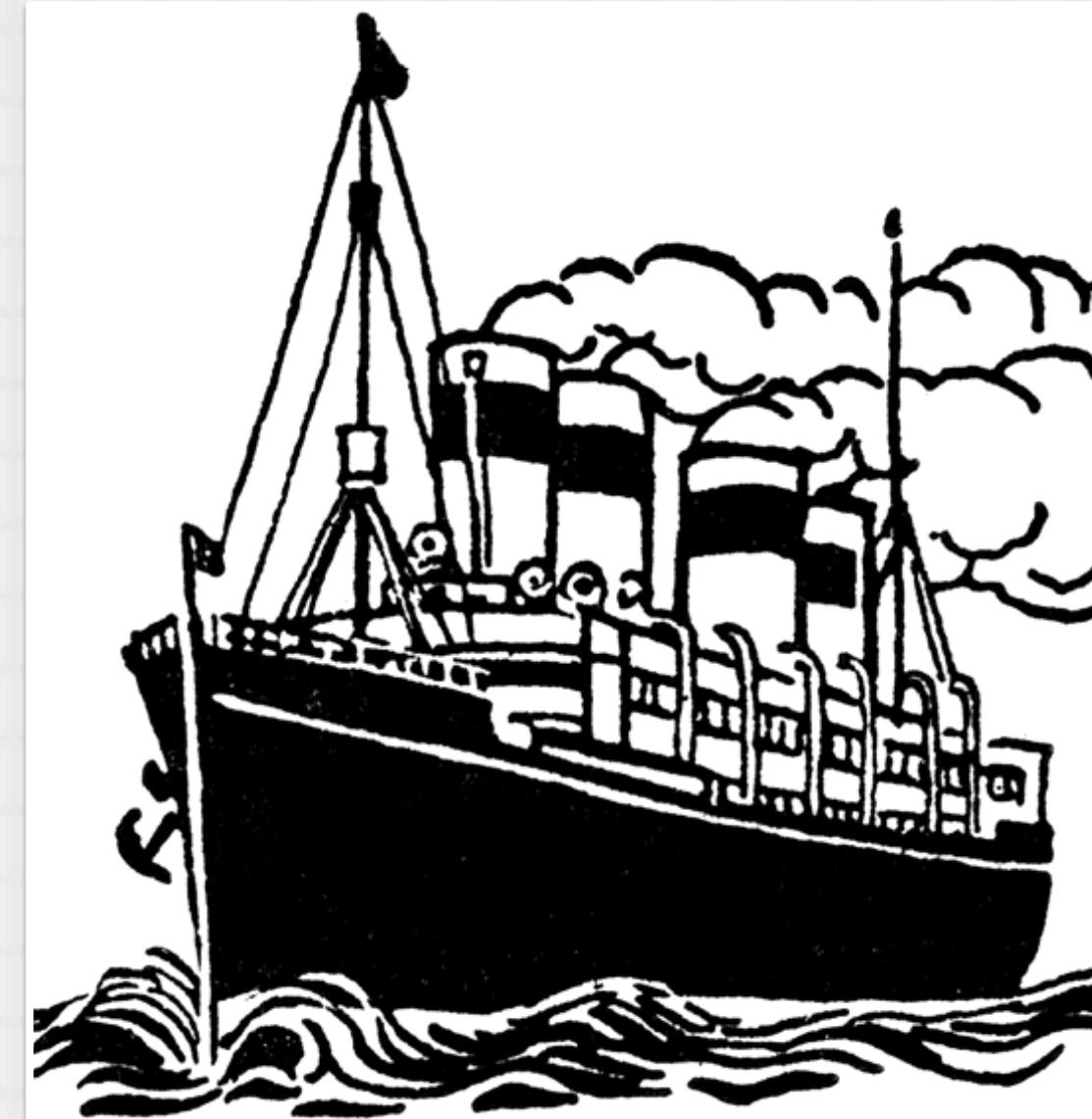
- insurance FDI limit from 49% to 74%
- LIC ka IPO



# Budget 2021- Other Announcements → Infrastructure (बुनियादी अवसंरचना)



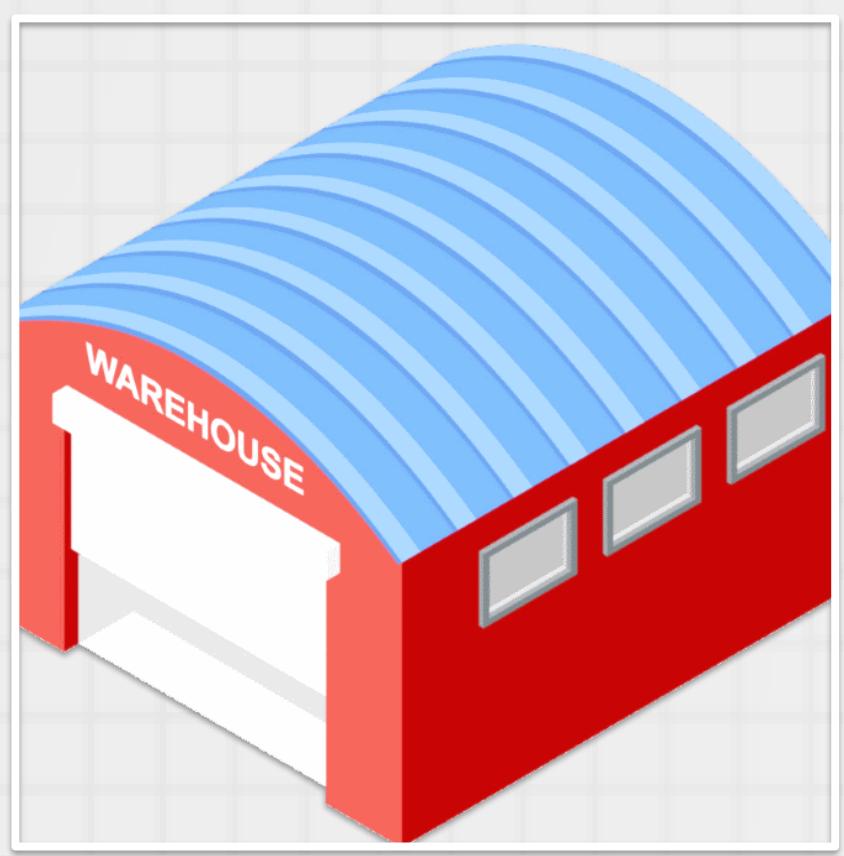
**NABARD Micro Irrigation Fund**



**Public Private Partnership in Bus transport, major shipping ports etc**

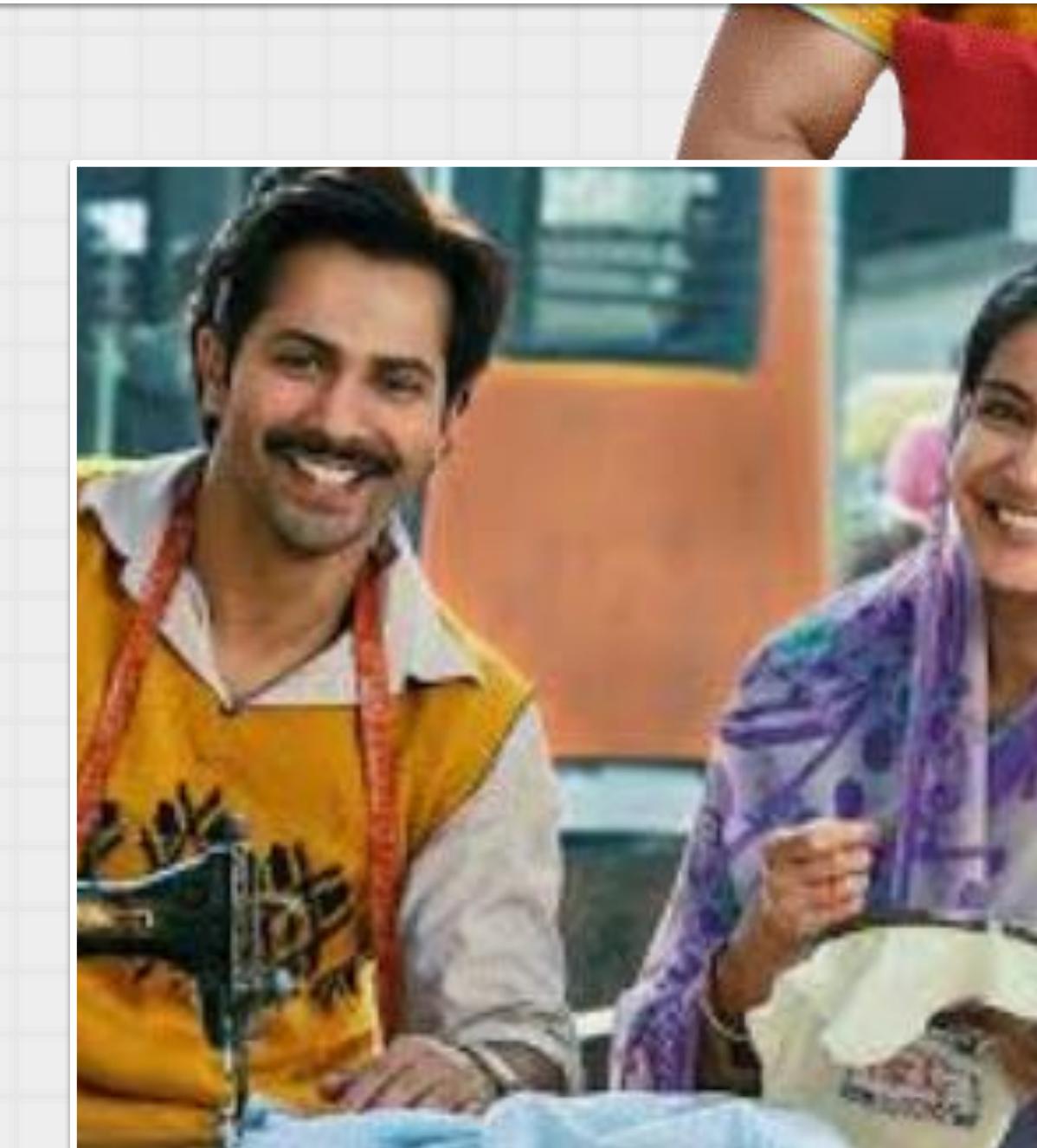


**Agri Infrastructure Fund ke liye ₹ (via New CESS)**



**Development Financial Institution (DFI) via new law**

**Mega Investment Textiles Parks (MITRA)**



**Zero coupon bonds for Infra**



**+ many things**  
**Stay tuned for Mrunal's Win21CSP Series 5 मिनट clickbait video**  
mein सब तो कैसे कवर कर सकते हैं 😊



# Whether this budget is good or bad ?

यह बजट अच्छा है या बुरा? = Opinion NOT IMP4EXAM

- personal opinion walle qualifier statements not important for the prelims (mcq) and mains (descriptive).
- Factual Qs / salient feature type asked.

## Interview prep:

- Keep appreciative tone :
- tax terrorism , EoD , local mfg , infra etc.
- challenges? Tax:GDP,FD

To download Farzi Powerpoint

[Mrunal.org/download](http://Mrunal.org/download)

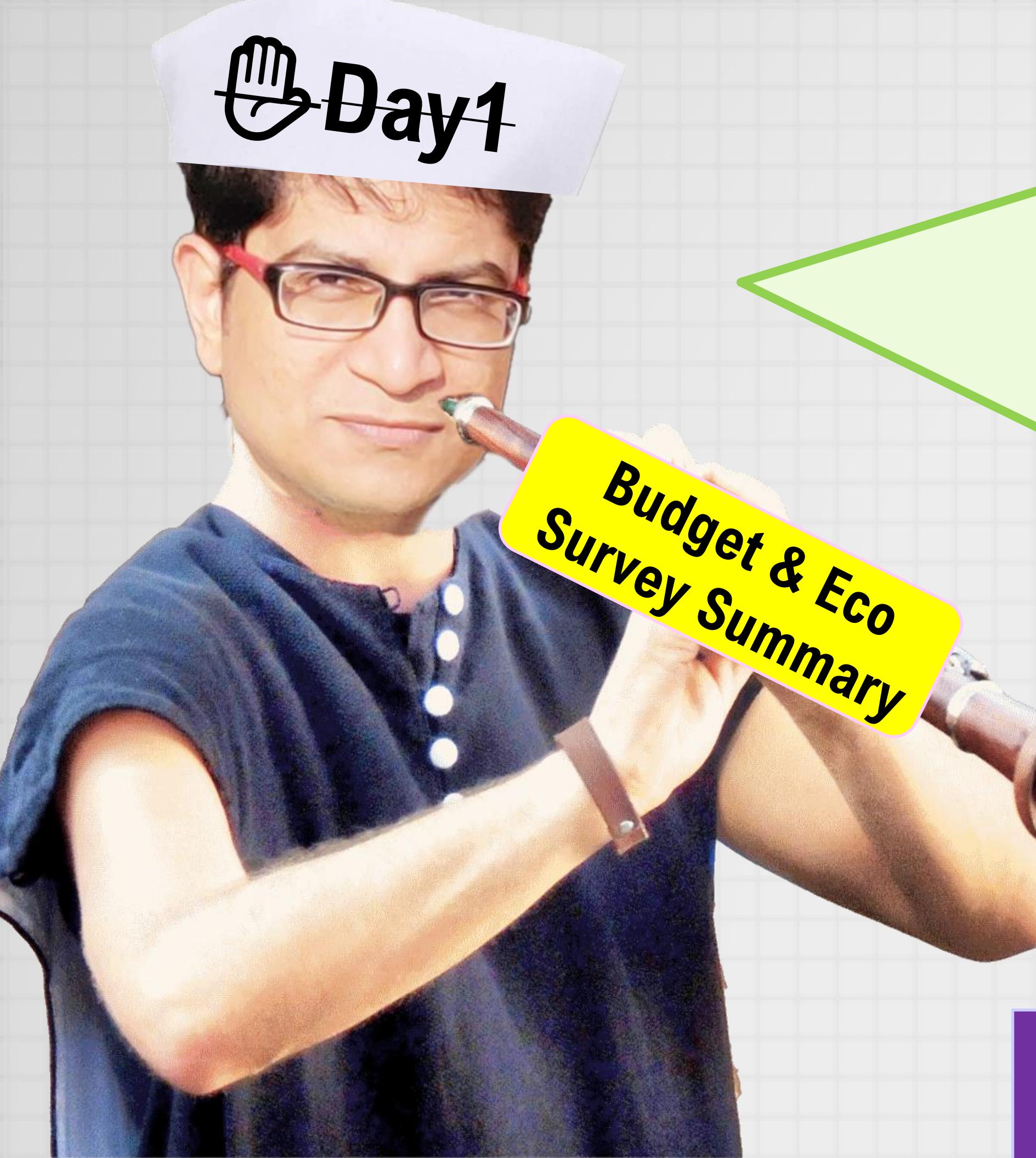
[Telegram.me/MrunalOrg](https://Telegram.me/MrunalOrg)

वैसे तो मैं Daily Current Affairs Video बनाता हूं लेकिन आज नहीं बना रहा हूं क्योंकि newspaper मैं यही सब शोरगुल चल रहा है. जो कि exam के लिए एक हद से ज्यादा काम का नहीं



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/theMrunalPatel



- **👉 UPSC Prelims is NOT on 2/feb/2021 morning 6AM**
- It's on week4 of June 2021
- Finish Budget + ES for “Prelim-Cum-Mains POV” one time. Since very little time for Mains (Sept) after Prelims (June).
- Post-Prelim, I'll again study from Mains POV= Babu SHONA👉
- To create proper summary in Win21CSP= I'll need to study 500page ka Economic Survey, 70 page ki Budget speech & associated docx, 25-30 noted people's columns= takes time.

## Mrunal.org/Download

Budgets &  
Eco Survey  
of 2019



Budget &  
Eco Survey  
of 2020



Economy  
Current  
2019-May to  
2020-Sept



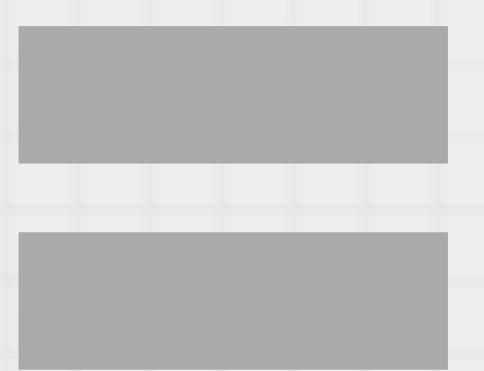
FREE  
Win20CSP  
Series

This done &  
relevant for  
2021 Exam  
cycle.

Budget & Eco  
Survey of  
2021



(Conti)  
Economy  
Current  
2020-Oct to  
2021-May



FREE  
Win21CSP  
Series

This will start from mid-Feb 2021 onwards

**Free PDF Handout:**  
[Mrunal.org/download](http://Mrunal.org/download)

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Unacademy Plus Platform → Live Lectures: & watch recorded, if missed

PAN and GSTIN	UID (=Aadhar Card)
- Goods & Service Tax Acts in 2017. Primary objective of these id-numbers is to reduce tax evasion by tracking the transactions.	2016 ("आधार कर्ट 2016") Primary objective is to eliminate bogus beneficiaries in government schemes & reduce subsidy leakage. Auxiliary benefits: Identifying dead bodies, tracking criminals, mobile number ownership, tax evasion etc.
- Their format contains both numbers and alphabets. Issued for individual humans, HUH/firms/companies/trusts".	Unique Identification number (UID) or Aadhaar is a 12 digit number. No alphabets. Only for living resident HUMANS of India. Not given for companies. Resident is defined as person who lived in India for 182 days/in last 12 months.
	Full Budget 2019: we'll consider giving immediate Aadhar card to NRIs with Indian Passport so they don't have to wait till ~180 days. It'll help them get through KYC bank/share market transaction.
One HUMAN → one PAN number only. No age limit. Minors can also join. - ~₹110 Fees to get PAN card. - No fees to get GSTIN	same No fees to get Aadhar. ग्राम से जिलता है.
Compulsory to enroll (जल्दी हो नीचे), if your income or turnover is beyond "X" rupees**	Voluntary to enroll. जल्दी होने का कानून स्वीकृत है. अपनानी / बदलकर नहीं है.
They contain	Demographic info:

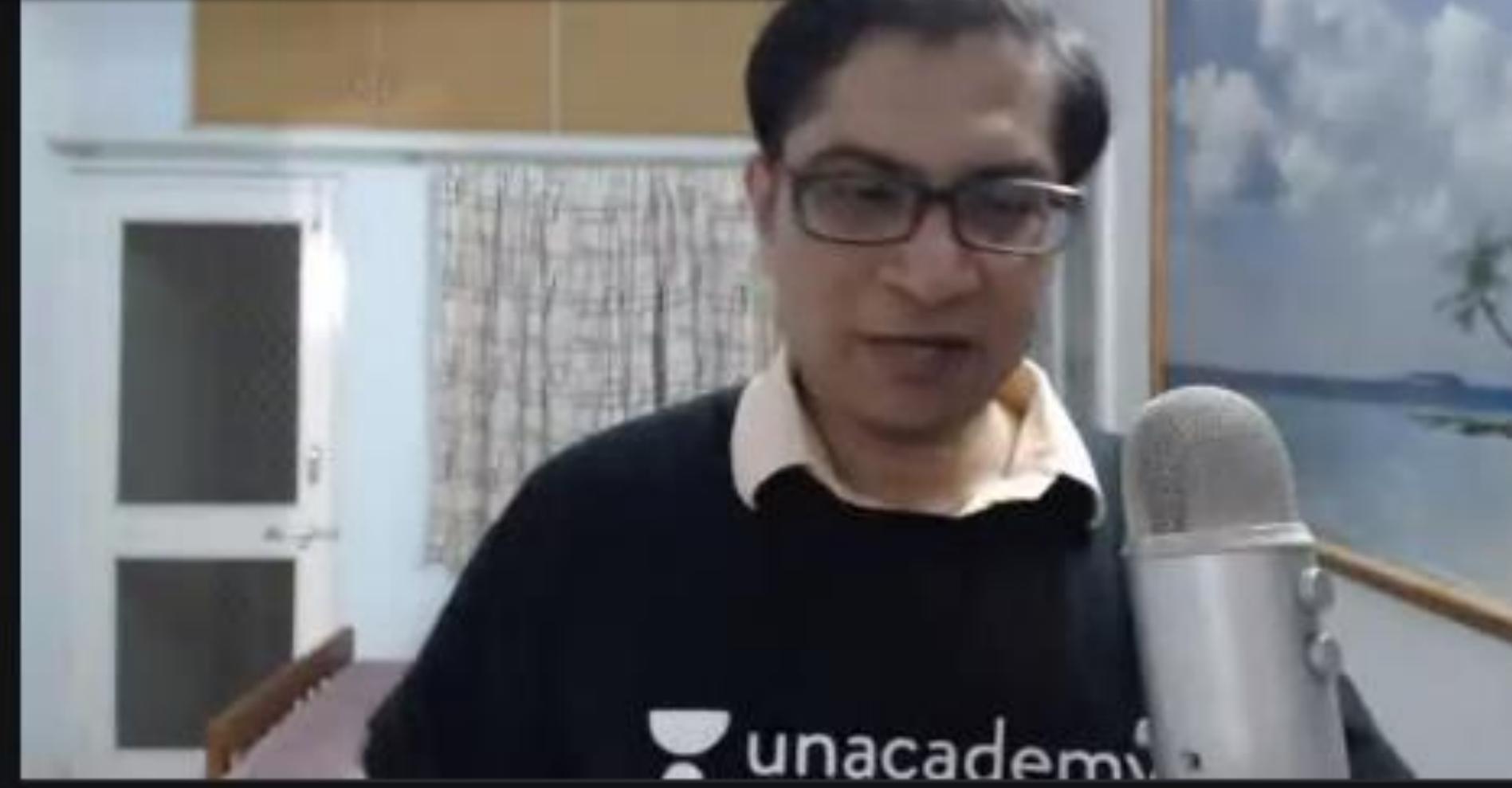
**Generic benefits. Self-explanatory.**

Budget 2019 included technical reforms in this process. Self-Study? Right to Privacy debate / judgement; Aadhaar virtual ID etc.

**22.21** **GST: BENEFITS (ज्ञान)**

- GST covers both goods and services, with standard rates, minimal number of cesses/surcharges. राजनगर दर, ज्ञान दर योजी पर उत्तम विकास दरमा है.
- GST online portal and e-way bill system assesses, thereby reducing UBD (Ease of doing business) (ज्ञान).

**Page 236**



# My Live Classes

## @Night 9PM



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# Weekly Quiz with Ranking System to test yourself against others

## Mrunal's Weekly Quiz 1D Mudra to 2A Before GST

Conducted on 29th Jul, 2020 at 9:00 PM



45 mins



40 marks



40 questions

### Question 11

There are occasions when government may have to meet urgent unforeseen expenditure pending authorisation from Parliament. Which of the following fund is created for this purpose?

Emergency Fund of India

Contingency Fund of India

Public Accounts

Consolidated Fund of India

### Question 12

Which of the following statement/s is / are correct?

1. Expenditure 'made' upon the Consolidated Fund of India can be discussed in Parliament but does not require a vote.
2. Expenditure 'charged' from Consolidated Fund of India can be discussed and voted in Parliament.

Only 1

Only 2

1 & 2 both

None of the above

1 2 3 4 5

6 7 8 9 10

11 12 13 14 15

16 17 18 19 20

21 22 23 24 25

26 27 28 29 30

31 32 33 34 35

36 37 38 39 40

189 Dhruvika Tiwari

34/40 scored, 30 minutes

190 Nataraja

34/40 scored, 30 minutes

191 Sandeep Kumar

34/40 scored, 31 minutes

192 Siddharth

34/40 scored, 31 minutes

193 Nivedithasree Pendli

34/40 scored, 32 minutes

194 Neeraj sharma

34/40 scored, 32 minutes

195 9 Shivam Kumar

34/40 scored, 32 minutes

196 Alok K

34/40 scored, 34 minutes

197 Antriksh rothi

34/40 scored, 34 minutes

198 Shreya

34/40 scored, 34 minutes

199 Prasar

34/40 scored, 34 minutes

200 Neeraj

34/40 scored, 34 minutes

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# Mrunal's Course: UPSC Prelims & Mains General Studies → Economy



## Course Timing (कब होगी क्लास)

- Live classes @9PM Night
- so even working professional can attend
- Recording available, if class missed
- Access via Mobile, Tablet, Laptop, PC
- Weekly Quiz with RANKING

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## Course Medium (माध्यम)

- Teaching: English + Hindi
- PPT & PDF: English. With important terminologies in Hindi to save time of vernacular medium mains-candidates

**Rapid revision handouts!**

## 21.5 📈⌚️₹ MINIMUM ALTERNATE TAX (MAT: न्यूनतम वैकल्पिक कर)



Figure 4: मेरा मुनाफा शून्य है! मुझे बछा दो मालिक! IT Dept: तुमको तो बिल्कुल ही नहीं बछाऊँगे!! 😅😅

- Some industrialists use tax-deduction-exemptions-deprecations and accounting tricks to become “Zero Profit Companies” & escape paying Corporation Tax. So,
- Budget-1996 (Chidambaram) introduced 18.5% MAT on book profit using a different type of formula. (What was the formula, not important).

Zero profit Company's location	%MAT on its book-profit
Outside GIFT city International Financial Services Centre (IFSC) (More in Pill#3)	15%
Inside GIFT city	9%

- AMT (Alternative Minimum Tax): Concept similar to MAT but for Non-Corporate assesses e.g. Individual or Hindu Undivided Family (HUF) or Cooperative Society who are earning more than ₹“xx” lakh but not paying direct tax. Howmuch/why/NOTIMP
- Both MAT and AMT subjected to + surcharge + cess.

## 21.6 📈⌚️₹ DIVIDEND DISTRIBUTION TAX (DDT: लाभांश वितरण कर)



- 1997: FM Chidambaram started to levy DDT on a shareholder's dividend income. In reality, company (=source) will cut that much ₹ ₹ portion from shareholders' dividend, & directly deposit that ₹ ₹ to the govt, as DDT.
- Shareholder did not have to pay Income tax on it.
- DDT Rate: 15% + cess + surcharge = 20.56% on dividend paid.

# Unacademy Plus: One Subscription UNLOCKS All the Courses!



Sudarshan Gurjar

(•) 3M live minutes



Mrunal Patel

(•) 3M live minutes



Pratik Nayak

(•) 624k live minutes



Mudit Gupta

(•) 641k live minutes



Mohammad Rizwan

Ahmed

(•) 488k live minutes



Prakash Kumar

(•) 484k live minutes



Ayush Sanghi

(•) 431k live minutes



Sunil Singh

(•) 431k live minutes

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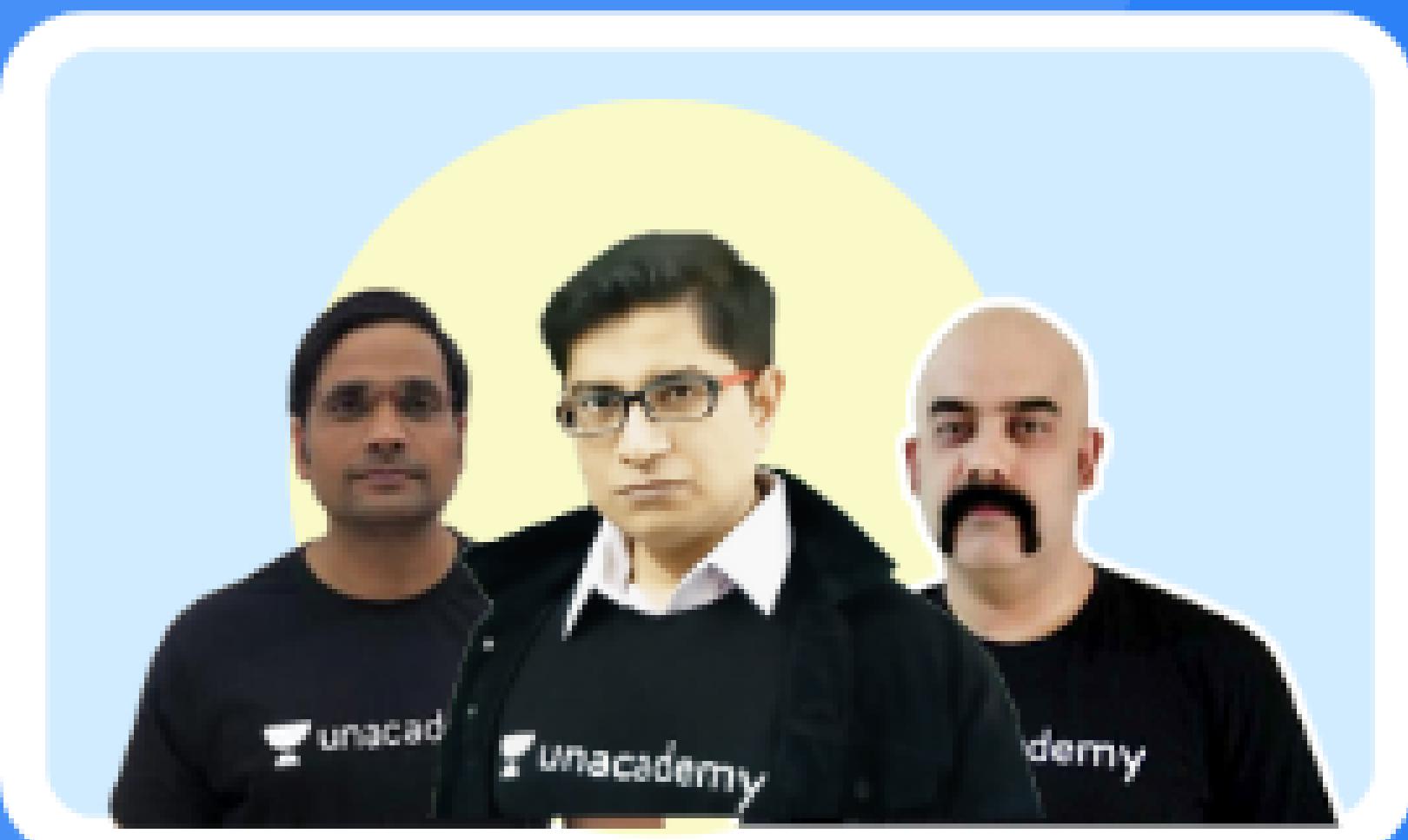
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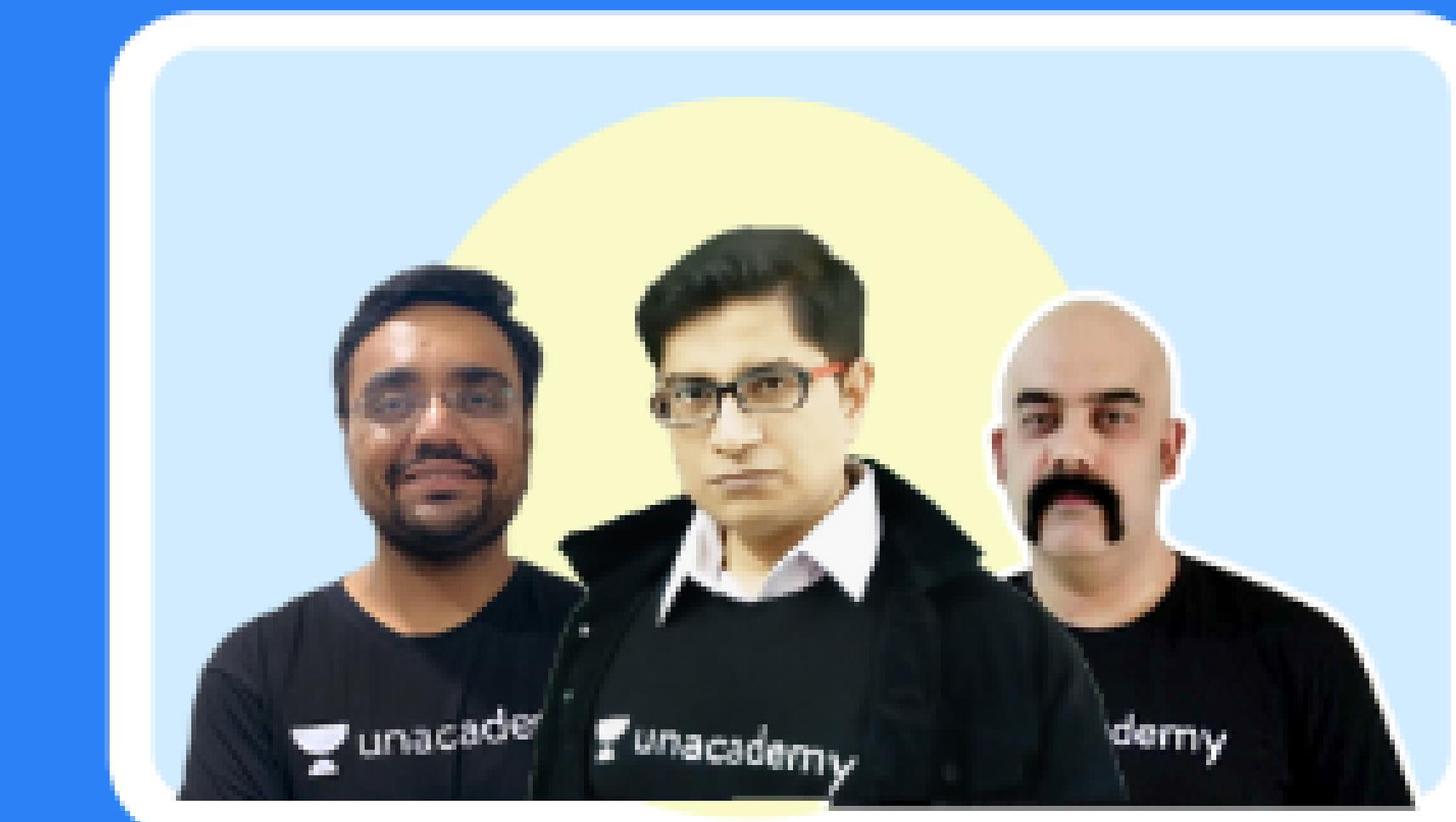
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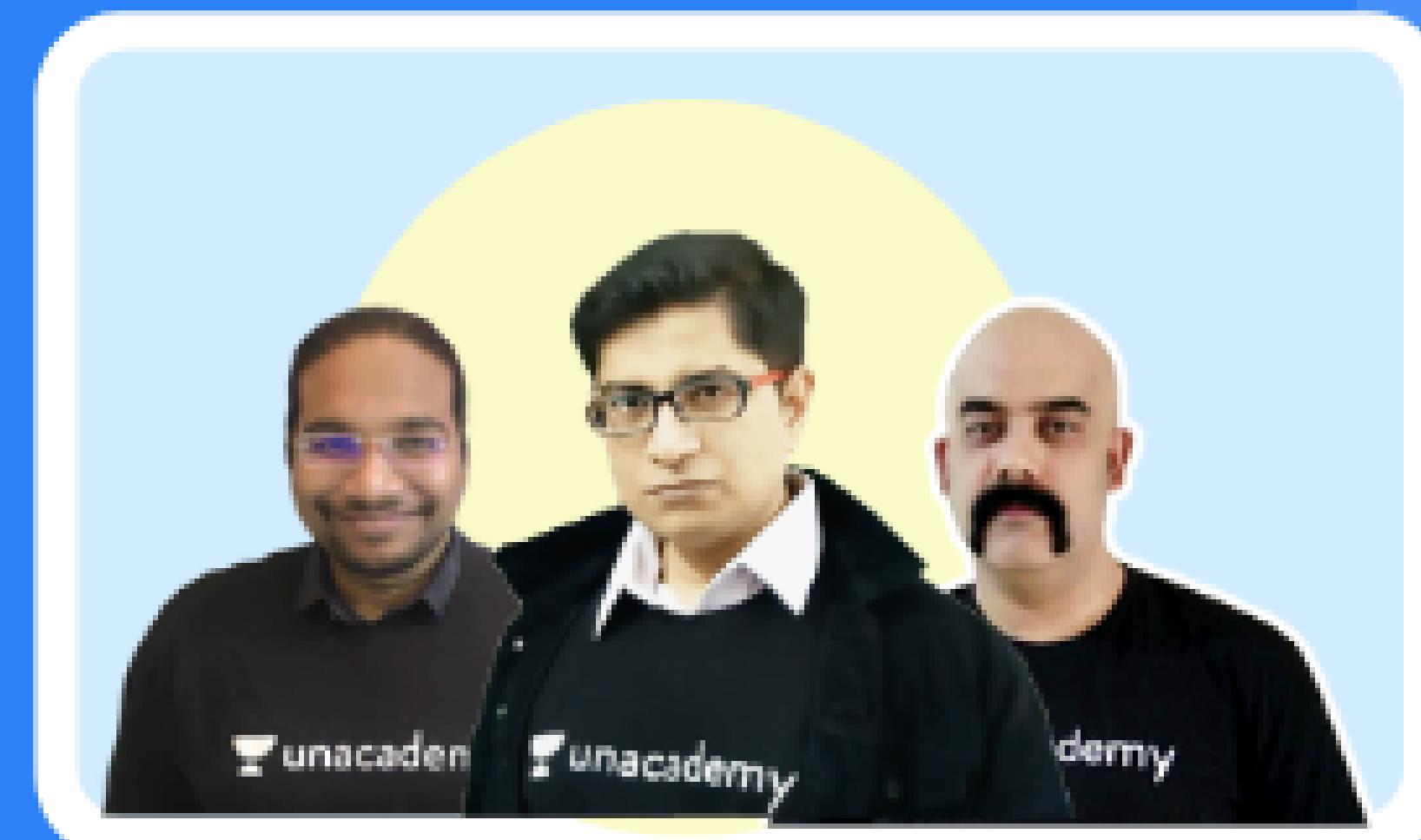
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