



**“Kalangathu Kanda Vinaikkan Thulangkathu
Thookkang Kadinthu Seyal”**

**(What clearly eye discerns as right, with steadfast will And mind
unslumbering, that should man fulfill)**

- Saint Tiruvalluvar

The Union finance minister Mr. P Chidambaram presented the Budget for the year 2013-14.



- **The Union Budget 2013-14 was Mr. P.Chidambaram's 8th budget and the 82nd for India, including interim and special-situation budgetary proposals, since the first one of independent India was presented by then Finance Minister Mr. R K Shanmukham Chetty on November 26, 1947.**
- **Finance minister P Chidambaram begins his Budget speech in the Parliament, says "no reason for pessimism."**
- **"Plan expenditure pegged at Rs 555,322 crore".**

Highlights Of Union Budget 2013-14:



- 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.
- We will evolve schemes for cities to take up waste to energy projects.
- Insurance companies will be empowered to open branches in Tier-II cities with approval of IRDA.
- First housing loan up to Rs 25 lakh would get additional deduction of interest of up to Rs 1 lakh in 2013-14.
- Concessional six per cent interest on loans to weavers.
- Rs 6,000 crore to be allocated for rural housing fund in 2013-14

- All Regional Rural Banks and cooperative banks to be e-linked by this year-end.
- National Housing Bank (NHB) to set up urban housing bank fund and Rs 2,000 crore will be allocated in this regard.
- Rs 14,000 crore capital infusion into public sector banks in 2013-14.
- PSU banks to have ATMs at all their branches by March 31, 2014.
- Rajiv Gandhi Equity Scheme will be liberalised to allow first time investor to invest in Mutual Fund and equity.



Highlights Of Union Budget 2013-14:



- Rs 5,284 crore to various Ministries for scholarships for SC/ST, OBC and minority students.
- Rs 13,215 crore to be provided for mid-day meal scheme.
- Rs 17,700 crore provided for Integrated Child Development Scheme.
- Rs 15,260 crore to be allocated to Ministry of Drinking Water and Sanitation.
- Rs 17,700 crore to be allocated for Integrated Child Development Scheme (ICDS)
- Rs 80,194 crore allocated for rural development schemes.
- Rs 110 crore to be allocated to the department of disability affairs.
- Rs 37,330 crore allocated for Ministry of Health & Family Welfare.

- Non plan expenditure pegged at Rs 11,09,975 crore for 2013-14.
- 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.
- Education cess to continue at 3 per cent.
- Modified GAAR norms to be introduced from April 1, 2016.



Highlights Of Union Budget 2013-14:



- Surcharge of 10 per cent for individuals whose taxable income is over Rs 1 crore.
- Duty on mobiles above Rs 2,000 raised from one to six percent, based on their maximum retail prices.
- Service tax to be levied on a/c restaurant
- Tax credit of Rs 2000 to be provided to every person to having income of up to Rs 5 lac, this will benefit 1.8 crore people.
- Import duty raised from 75 to 100 per cent on luxury vehicles.
- Duty free limit on gold raised to Rs 50,000 in case of male and Rs 100,000 in case of female.
- Import duty on rice bran oilcake withdrawn.
- Proposes to reduce securities transaction tax (STT) on equity futures to **.01% from .017%**
- Securities Transaction Tax (STT) reduced on mutual fund **.001%**
- Commodities transaction tax levied on non-agri commodities futures contracts at **0.01%**
- No change in slabs and rate for personal income tax.
- No change in basic customs duty rate of ten per cent and service tax rate of 12 per cent.
- No change in peak rate of customs duty for non-agriculture products.
- 5 to 10 per cent surcharge on domestic companies whose taxable income exceeds Rs 10 crore.
- Direct tax proposals to yield Rs 13,300 crore, indirect tax proposal to give Rs 4,700 crore.
- Specific excise duty on cigarettes and cigars raised by 18 per cent.
- No changes in Direct taxes.



VS



Mr. P. Chidambaram Union Budget Vs Stock Market

Year Of Budget	Date of Budget	Movements of Nifty-50	Nifty-50 Close
1996-1997	22nd July 1996	Market Holiday (Sunday)	Nil
1997-1998	28th Feb 1997	6 points gain (0.6%)	998
2004-2005	8th July 2004	48 points loss (-3.1%)	1518
2005-2006	28th Feb 2005	43 points gain (2%)	2103
2006-2007	28th Feb 2006	7 points gain (0.22%)	3074
2007-2008	28th Feb 2007	148 points loss (-3.8%)	3745
2008-2009	29th Feb 2008	62 points loss (-1.17%)	5223
2013-2014	28th Feb 2013	103 points loss (-1.77%)	5693

Addressing the Needs of Individual Investors and Planting the Seeds for a Secure Future

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