

# Infra boost good for real estate



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More farmers are brought under the security net, so they can better deal with losses

The new health insurance scheme will cushion the rising medical inflation

The Union Budget presented by the finance minister addresses the important issue of financial inclusion. Not only is it a pro-rural and pro-farmer Budget, with the announcement of rural aid schemes as well as plans for digital literacy in rural areas, but is also concurrent with the growth and development aspirations of the country. The optimum description of the Budget presented by Arun Jaitley is one which is well balanced with a dual focus on urban and industrial growth and rural development. Increased expenditure towards the agriculture insurance scheme, pradhan mantri fasal bima yojana, and the new health protection plan with a higher sum insured for the under privileged would provide the poor and economically weak families a strong sense of economic security.

The government's strong focus on protecting farmers' interest in the Budget could be seen in the proposal to re-

organise the agricultural policy to double farmers' incomes in five years as well as the increased allocation towards the crop insurance scheme. It would bring more farmers under the security net, thereby enabling them to cope with losses caused by the vagaries of nature and ensuring that any financial damage does not put them back by many years. Unforeseen health emergencies push many Indian households below the poverty line. The new health insurance scheme with a higher sum insured would address this issue and provide a cushion against rising medical inflation. Further, these initiatives would improve insurance penetration and enable adequate risk coverage. They would also give the much required boost to the reach and awareness of this financial tool in the country. Further, the finance minister struck the right chords by announcing the following initiatives:

- Focus on manufacturing and ease of doing business in the country
- Major push to infrastructure with a greater emphasis on road and rail infrastructure, optimising the use of natural resources and greenfield projects in aviation and ports
- Keeping the service tax rates unchanged
- Relief for small tax and individual rent payers

A reassuring aspect is the Budget proposal to contain the fiscal deficit target at 3.5 per cent of the GDP in the next financial year, which is in line with government's emphasis on fiscal prudence and economic growth. This would bring cheer to investors and market.