

SUMMARY OF UNION INTERIM BUDGET 2024-25



WHAT IS A BUDGET?

- As per **Article 112 of the Constitution**, Budget is known as **Annual Financial Statement** of the Government.
 - The term '**Budget**' is not mentioned in the Constitution.
 - It is the **statement of estimated receipts and expenditure of the Government** in a financial year.
- Union Budget is **classified into Revenue Budget** (including Tax and Non-Tax revenue receipts and expenditure of the government) and **Capital Budget** (including capital receipts and payments of the government).

Preparation of budget:

- **Department of Economic Affairs**, Ministry of Finance is the **nodal body** responsible for preparing of the Budget.
- Budget for a year is **prepared by the Budget Division of Department of Economic Affairs**.
- It is prepared broadly **on the basis of detailed estimates of expenditure and receipts received** from various Departments/Ministries and its own subordinate estimating authorities.
- Budget is **prepared on Cash Basis** (i.e. whatever is expected to be actually received or paid under proper sanction during a financial year).

Presentation of budget:

- **President in every financial year cause to be laid before both the Houses** of Parliament the annual financial statement.
- In the Parliament, the **budget is presented by the Union Finance Minister**, in two parts consisting of Part A and B.
- **Part A:** It is the **macroeconomic part** of the budget where various schemes and priorities of government are announced, and allocations are made to several sectors.



- ▷ **Part B:** It deals with **Finance Bill**, which contains taxation proposals such as income tax revisions and indirect taxes.
- ▷ **Major budget documents:** Apart from the Finance Minister's Budget Speech, following documents are presented to Parliament:
 - ▷ **Annual Financial Statement (under Article 112),**
 - ▷ **Demands for Grants (under Article 113),**
 - ▷ **Finance Bill (under article 110)**
 - ▷ **Fiscal Policy Statements mandated under FRBM Act -**
 - ▷ **Macro-Economic Framework Statement.**
 - ▷ **Medium-Term Fiscal Policy cum Fiscal Policy Strategy Statement.**
- ▷ **Other explanatory documents** are also presented like:
 - ▷ Expenditure Budget
 - ▷ Receipt Budget
 - ▷ Expenditure Profile
 - ▷ Budget at a Glance
 - ▷ Key Features of Budget 2024-25
 - ▷ Implementation of Budget Announcements, 2023-24

HISTORY OF BUDGET

Pre Independence:

- ▷ Budget was first **introduced on 7th April, 1860**, two years after the transfer of Indian administration from East-India Company to British Crown.
- ▷ The **first Finance Member**, who presented the Budget, was **James Wilson**.
- ▷ **Mr Liaquat Ali Khan**, member of the interim Government **presented the budget of 1947-48**.

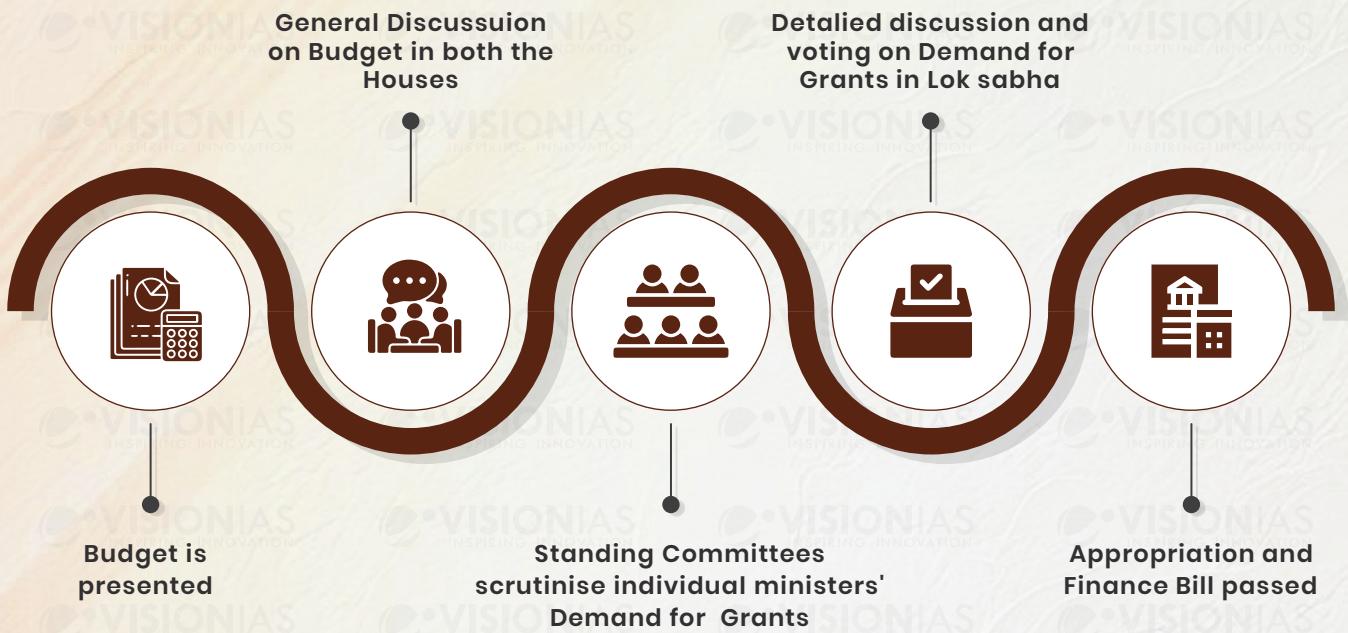
Post-Independence:

- ▷ India's first Finance Minister **Shri R.K. Shanmukham Chetty**, presented the **first Budget on 26th November, 1947**. Since then, the process of budget
- ▷ has evolved and emerged as a **crucial tool for Public Finance Management and reflect the strength of our democratic processes** in shaping our economy.



BUDGET PROCESS

THE ENTIRE PROCESS IS COMPLETED IN THE FOLLOWING STEPS-



INTERIM BUDGET 2024-25

- Since 2024 is an election year, instead of a normal budget, **an interim budget will be presented this year.**
- **Interim budget:** It is a **short-term financial plan** that covers government expenses until the elections.
 - Unlike a **normal budget**, which **covers every aspect of government finances**, including revenues, expenditures, allocations, and policy statements, **interim budget only outlines the government's anticipated revenues and expenses until the new government is formed.**
 - As part of Interim budget, the Parliament passes a vote-on-account.
- **Vote-on-account:** According to **Article 116** of the Constitution, a vote-on-account represents an **advance payment to the government from the Consolidated Fund of India**, for meeting immediate expenditure requirements.



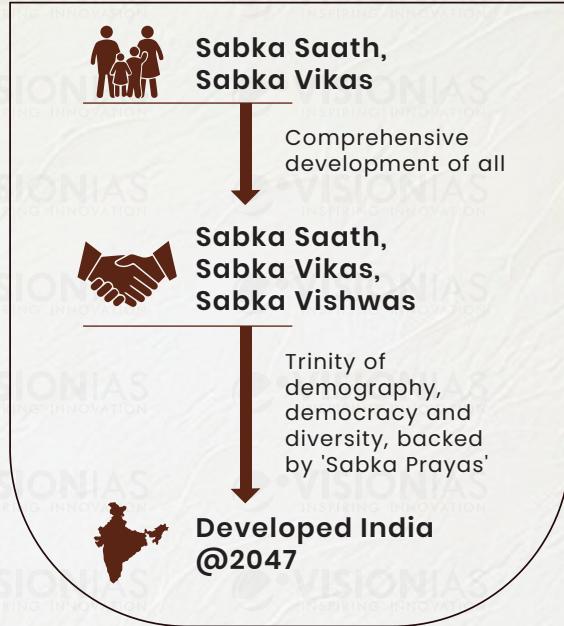
PART A

BUDGET 2024-25

Vision of Budget: **Viksit Bharat by 2047** "Prosperous Bharat in harmony with nature, modern infrastructure and opportunities for all"

Development Mantra of Budget: **Sabka Saath, Sabka Vikas, and Sabka Vishwas'** whole of nation' approach of 'Sabka Prayas'.

- Philosophy is **to cover all elements of inclusivity**.
 - **Social inclusivity**- through coverage of all strata of the society,
 - **Geographical inclusivity**- through development of all regions of the country.



FOCUS AREAS



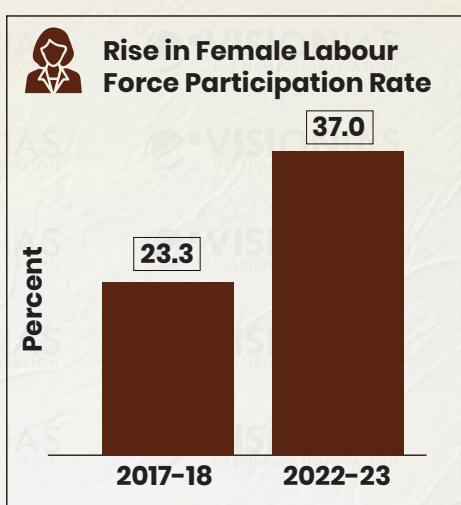
KEY ACHIEVEMENTS IN FOCUS AREAS:

➤ Garib (Poor)

- **Alleviation of poverty:** 25 crore people got freedom from multi-dimensional poverty.
- **Direct Benefit Transfer:** 34 lakh crore DBT using PM-Jan Dhan accounts has led to savings of 2.7 lakh crore for the Government.
- **PM-SVANidhi**
 - Credit assistance provided to 78 lakh street vendors.
 - 2.3 lakh have received credit for the third time.
- **PM-JANMAN Yojana:** Helped in reaching out to the particularly vulnerable tribal groups.
- **PM-Vishwakarma Yojana:** Provided end-to-end support to artisans and craftspeople engaged in 18 trades.

► Mahilayen (Women)

- **Thirty crore Mudra Yojana loans** have been given to women entrepreneurs.
- **Female enrolment in higher education** has gone up by twenty-eight per cent in ten years.
- In **STEM courses**, girls and women constitute **forty-three per cent of enrolment** - one of the highest in the world.
- **Enhancement of Women's dignity by**
- **Making 'Triple Talaq' illegal**
- **Reservation of one-third seats for women** in the Lok Sabha and State legislative assemblies
- **Giving over 70% houses under PM Awas Yojana** in rural areas to women as sole or joint owners.



► Yuva (Youth or Amrit Peedhi)

- **The National Education Policy 2020** is ushering in transformational reforms.
- **PM Schools for Rising India (PM SHRI)** delivering quality teaching, and nurturing holistic and well-rounded individuals.
- **The Skill India Mission:** Trained 1.4 crore youth, upskilled and reskilled 54 lakh youth, and established 3000 new ITIs.
- **New institutions of higher learning:** 7 IITs, 16 IIITs, 7 IIMs, 15 AIIMS and 390 universities have been set up.
- **PM Mudra Yojana-** Sanctioned 43 crore loans aggregating to 22.5 lakh crore.
- **Fund of Funds, Start Up India, and Start Up Credit Guarantee schemes:** Assisting youth and making them 'rozgaridata'.
- **Youth in Sports-**
 - The **highest ever medal tally in Asian Games and Asian Para Games** in 2023.
 - Chess prodigy Praggnanandhaa put up a stiff fight against the reigning **World Champion Magnus Carlsen in 2023**.
 - India has over 80 chess grandmasters compared to little over 20 in 2010.

► Annadata (Farmer)

- **PM-KISAN SAMMAN Yojana:** Direct financial assistance is provided to 11.8 crore farmers, including marginal and small farmers.
- **PM Fasal Bima Yojana:** Crop insurance is given to 4 crore farmers.
- **Electronic National Agriculture Market:** Integrated 1361 mandis, and providing services to 1.8 crore farmers with trading volume of Rs 3 lakh crore.
- Other measures like **farmer-centric policies, income support, coverage of risks through price and insurance support, promotion of technologies and innovations through start-ups**.



STRATEGY FOR AMRIT KAAL

Sustainable Development

- **Commitment to meet 'Net Zero' by 2070**
 - **Viability gap funding** for wind energy
 - Setting up of **coal gasification and liquefaction capacity**
 - **Phased mandatory blending** of CNG, PNG and compressed biogas
 - **Financial assistance** for procurement of biomass aggregation machinery
- **Rooftop solarization-**
 - **Up to 300 units of free electricity per month** for 1 crore households
- **Adoption of e-buses** for public transport network
- **Strengthening e-vehicle ecosystem** by supporting manufacturing and charging.
- **New scheme of biomanufacturing and bio- foundry to be launched** to support environment friendly alternatives.

Achievements till now

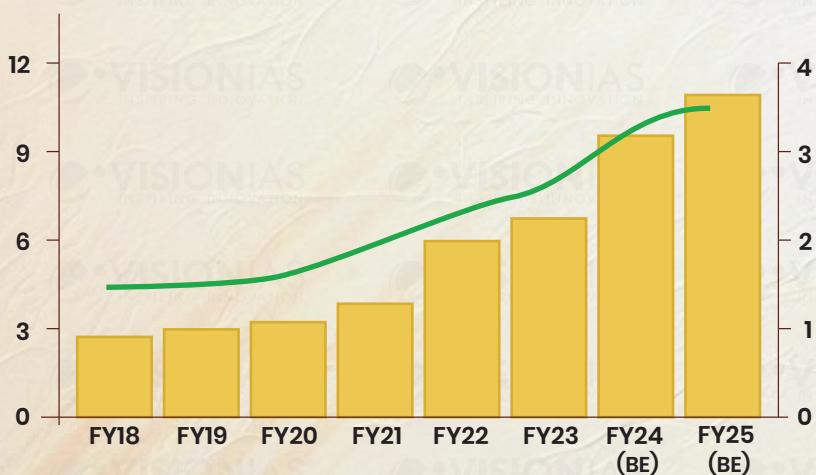
- **10 crore LPG connections** released under PMUY
- **36.9 crore LED bulbs, 72.2 lakh LED Tube lights**
- **23.6 lakh** Energy efficient fans distributed under UJALA
- **1.3 crore** LED Street Lights installed under SNLP
- Non-Fossil Fuel installed energy capacity increased from **30.4% in 2004 to 43.9% in 2023.**

Infrastructure and Investment

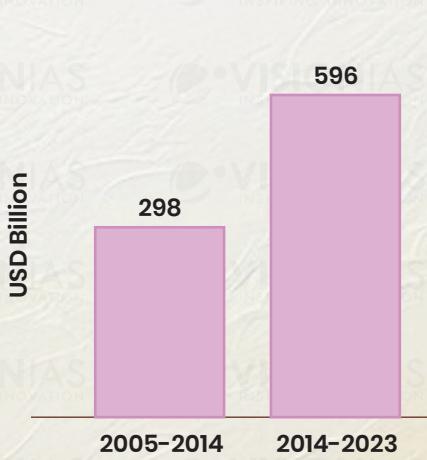
- **Implementation of 3 major railway corridor programmes** under PM Gati Shakti-to improve logistics efficiency and reduce cost.
 - **Promotion of foreign investment via bilateral investment treaties** to be negotiated.
 - **Expansion of existing airports** and comprehensive development of new airports under UDAN scheme.
 - **Promotion of urban transformation** via **Metro rail and NaMo Bharat.**

Achievements till now

Increase in Capital Expenditure



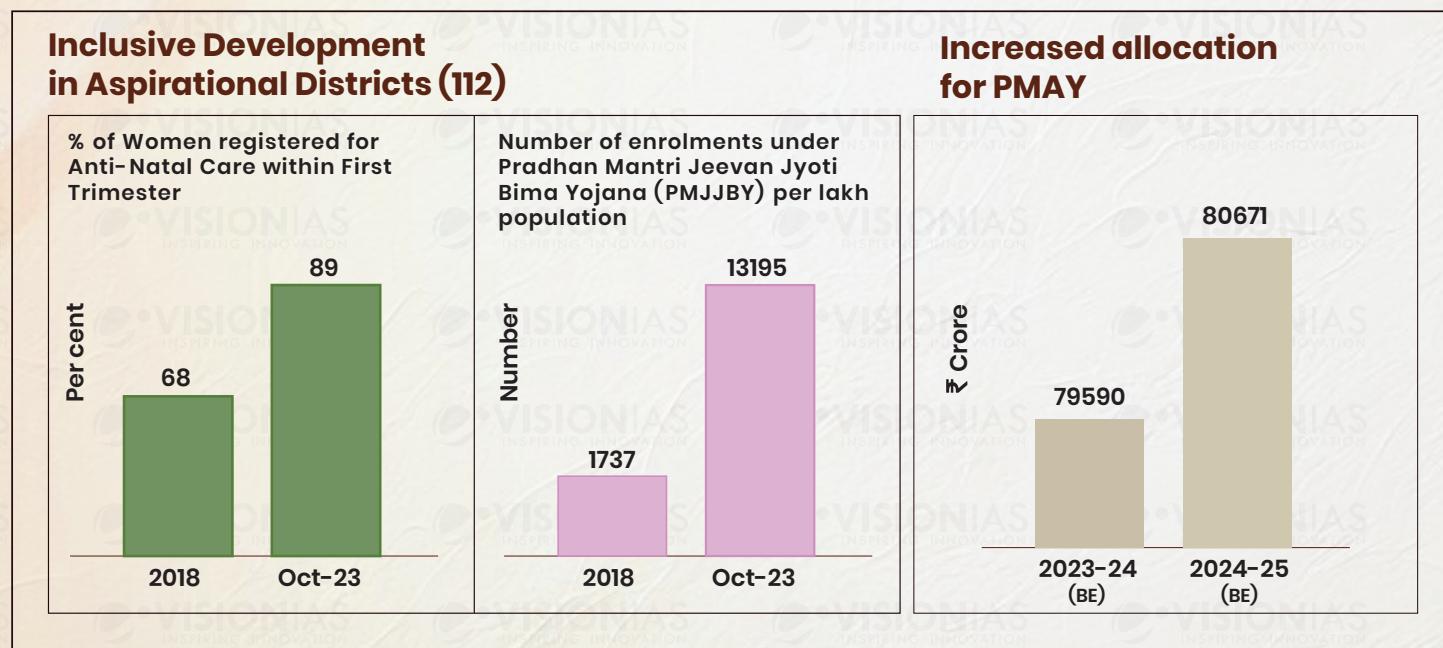
Doubling of FDI Inflow



Inclusive Development

- **Aspirational Districts Programme** to assist States in faster development and employment generation.
- **Development of the East** To make the eastern region and its people a powerful driver of India's growth.
- **Additional 2 crore houses targeted for next 5 years under PM Awas Yojana (Grameen)**
- **Housing for middle class scheme to be launched** to promote middle class to buy/built their own houses.
- **More medical colleges will be set up** by utilizing the existing hospital infrastructure.
- **Cervical Cancer Vaccination** for girls in age group of 9 to 14 years.
- **Maternal and child health care-** Various schemes to be brought under one comprehensive programme for synergy in implementation.
- **Upgradation of anganwadi centres under "Saksham Anganwadi and Poshan 2.0"** will be expedited for improved nutrition delivery, early childhood care and development.
- **U-WIN platform will be rolled out** for managing immunization and intensified efforts of Mission Indradhanush.
- **Extension of Ayushman Bharat scheme** to all ASHA workers, Anganwadi Workers and Helpers.

Achievements till now



Agriculture and Food Processing

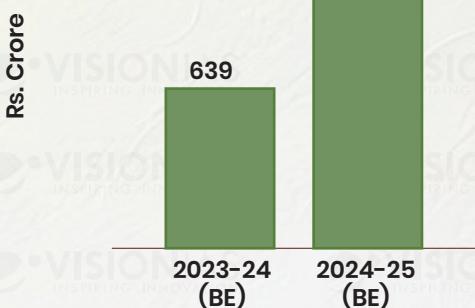
- **Promoting private and public investment in Post-harvest activities** like aggregation, modern storage, efficient supply chains, primary and secondary processing and marketing and branding.
- **Application of Nano DAP on various crops will be expanded** in all agro-climatic zones.
- **Atmanirbhar Oilseeds Abhiyaan-Strategy** to be formulated to achieve atmanirbharta for oilseeds.
- **Comprehensive programme for dairy development** to be formulated to control foot and mouth disease and increase productivity of milch animals.
- **Stepping up the implementation of Pradhan Mantri Matsaya Sampada Yojana** to enhance aquaculture productivity, double exports and generate more employment opportunities
 - 5 Integrated Aquaparks to be set up.
- **Promoting Blue Economy 2.0:** a scheme for restoration and adaptation measures, and coastal aquaculture and mariculture with integrated and multi-sectoral approach will be launched

Achievements till now

Increased allocation for Blue Revolution



Increased allocation for PM- Formalisation of Micro Food Processing Enterprises scheme



Tourism

- **States will be encouraged to take up comprehensive development of iconic tourist centres**, branding and marketing them at global scale.
- **A framework for rating of the centres** based on quality of facilities and services will be established.
- **Long-term interest free loans will be provided to States** for financing such development on matching basis.
- **Projects for port connectivity, tourism infrastructure, and amenities** will be taken up for islands, including Lakshadweep.

Other Measures

- **To enhance the target for Lakhpatti Didi** from 2 crore to 3 crore.
Lakhpatti Didi refers to women members of Self Help Groups (SHGs) who earn a sustainable income of at least Rs 1 lakh per year per household.
- **Promoting Research and Innovation**
A corpus of rupees one lakh crore will be established with **fifty-year interest free loan**.
A new scheme will be launched for strengthening **deep-tech technologies for defence purposes** and expediting 'atmanirbharta'.
- **Reforms in the States for 'Viksit Bharat'**: A provision of **seventy-five thousand crore rupees as fifty-year interest free loan** is proposed to support milestone-linked reforms by the State Governments.
- **Addressing Societal Challenges**: A high-powered committee will be formed to address challenges due to fast population growth and demographic changes and achieve the goal of 'Viksit Bharat'.

PART B

DIRECT AND INDIRECT TAXES

Direct Tax

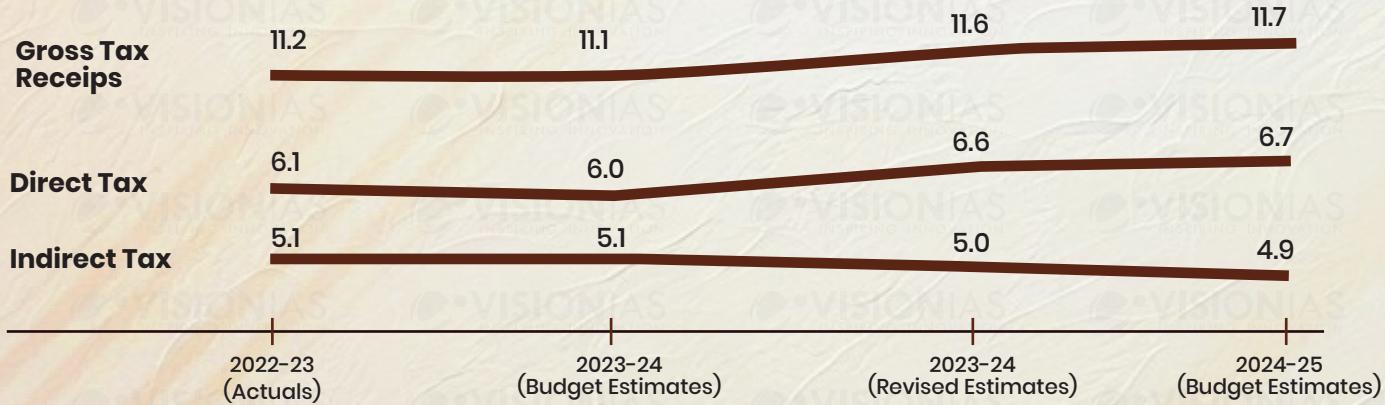
- **Tax Collections more than trebled** in last 10 years.
- **Number of return filers swelled** to 2.4 times.
- **Reduction in average processing time of returns** from 93 days in 2013-14 to 10 days in 2023-24.
- **New Tax regime resulted in reduced and rationalized tax rates**
 - Taxpayers with **income up to ₹7 lakh have no tax liability**
 - The **threshold for presumptive taxation for retail businesses raised** from ₹2 crore to ₹3 crore.
 - **Corporate tax rate decreased** from 30% to 22% for existing companies and 15% for new manufacturing companies.
- **Improvement in tax-payer services** through
 - **Faceless Assessment and Appeal**
 - **New Form 26AS** and prefiling of tax returns.

Indirect Tax

- **Average monthly Gross GST collections doubled** to 21.66 lakh crore in FY24.
- Increase in tax buoyancy of State**
- **revenue** from 0.72 (2012-16) to 1.22 in the post-GST period (2017-23)
- Reduction in logistics cost and prices of**
 - most goods and services
- Decline in import release time since**
 - 2019
 - 47 per cent at Inland Container
 - Depots
 - 28 per cent at Air Cargo
 - complexes
 - 27 per cent at Sea Ports
- **Supply Chain Optimization** by eliminating tax arbitrage and octroi.



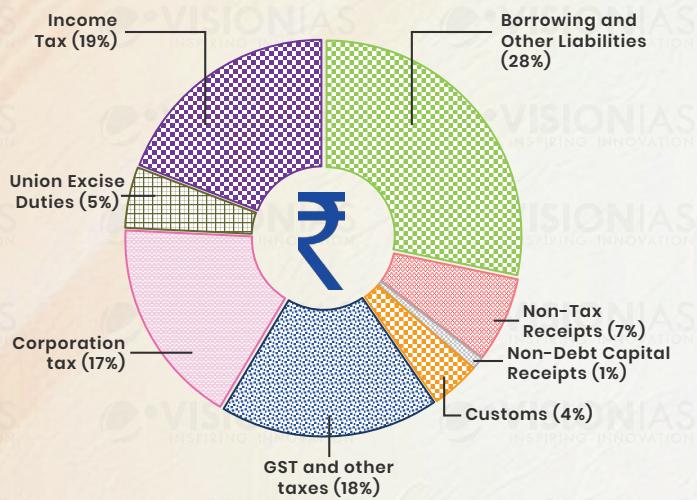
OVERALL TREND IN TAX RECEIPTS:



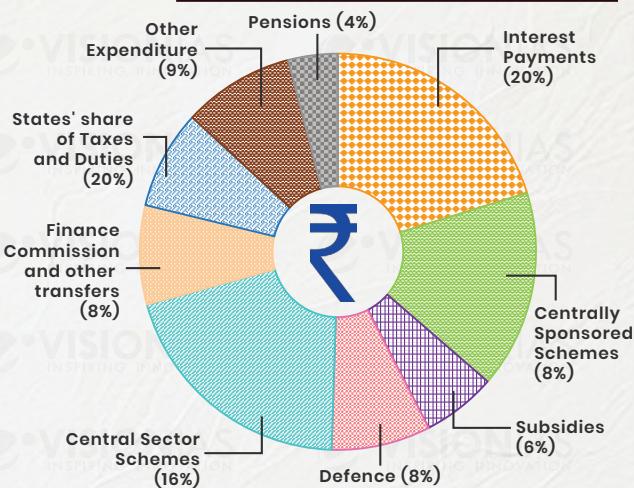
TAX PROPOSALS

- **Continuity in taxation:** Certain tax benefits to Start-ups and investments made by sovereign wealth funds/pension funds and tax exemption of some IFSC units extended up to 31.03.2025.
- **Withdrawal of outstanding direct tax demand:-**
 - Up to ₹25,000 pertaining up to FY10
 - Up to ₹10,000 for FY11-FY15
 - This is expected to benefit approx. 1 crore taxpayers
- **Retention of same tax rates** for direct and indirect taxes, import duties, corporate taxes.

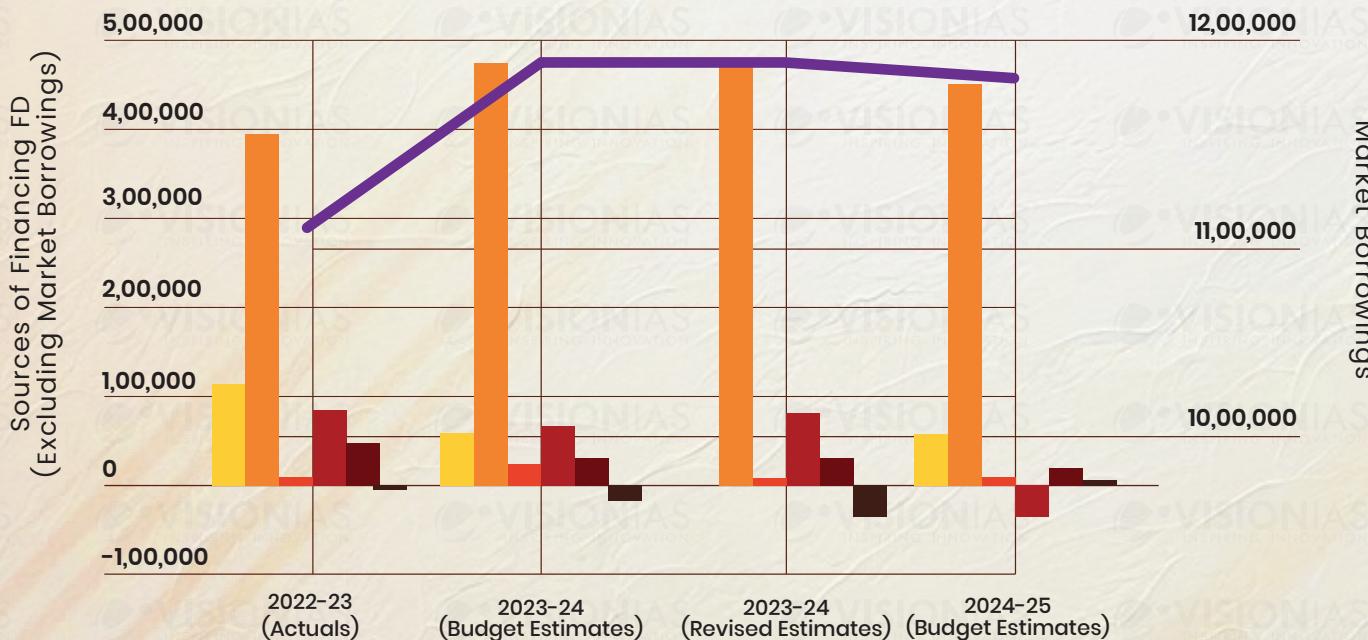
RUPEE COMES FROM



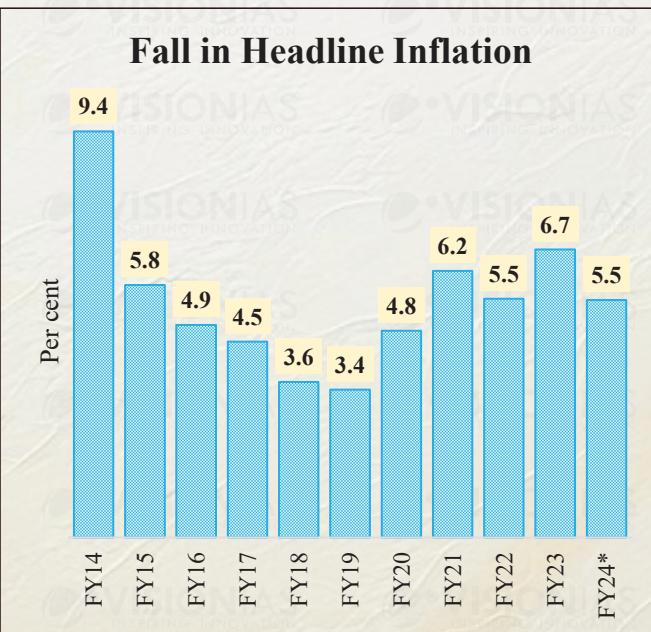
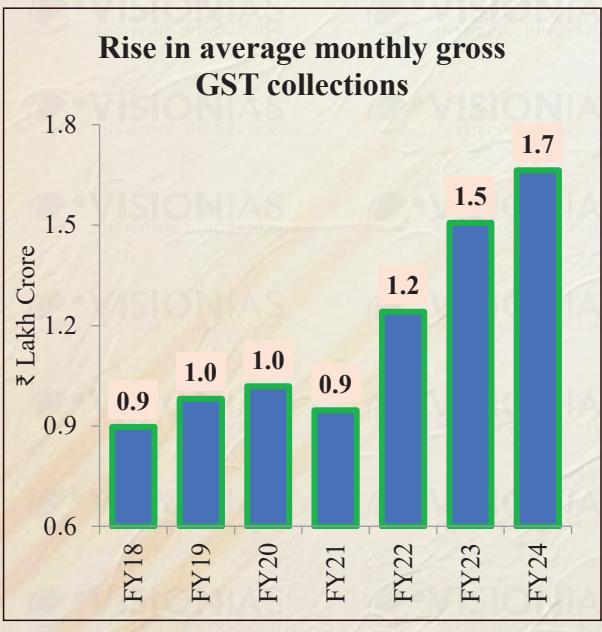
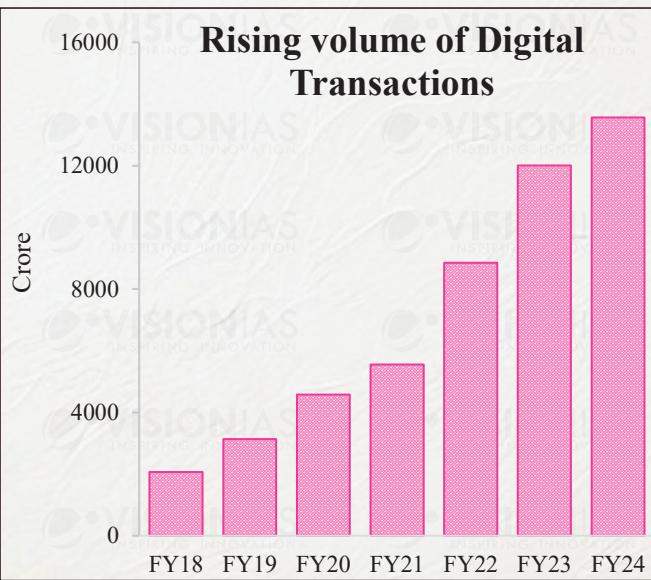
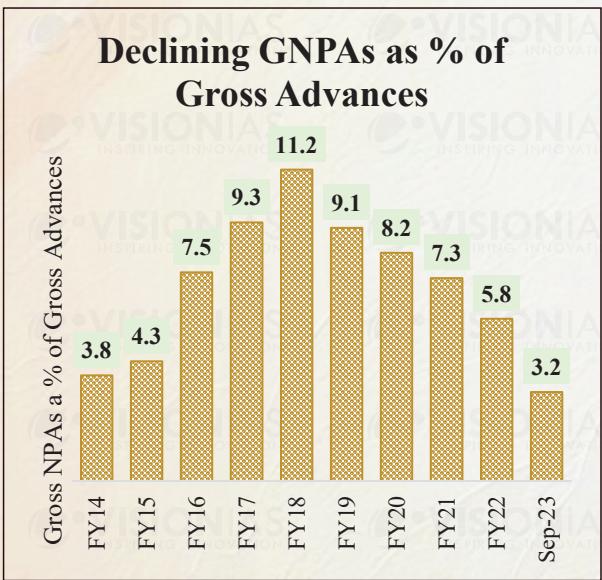
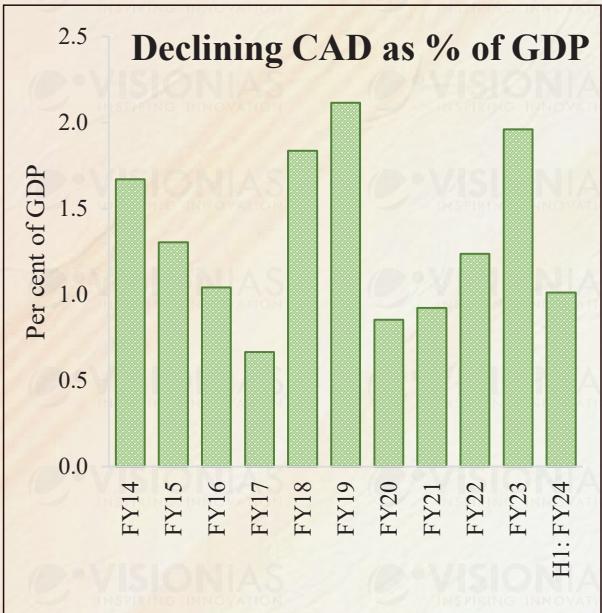
RUPEE GOES TO



Sources of Deficit Financing



PERFORMANCE OF INDIAN ECONOMY



GLOSSARY

Appropriation Bill	It gives power to the government to withdraw funds from the Consolidated Fund of India for meeting the expenditure during the financial year.
Octroi	It is tax levied by a local municipal authority , on certain categories of goods as they enter the area.
Sovereign Wealth Funds	They are state-owned investment pool that manages a country's financial reserves, investing in various assets such as stocks, bonds, real estate, and other instruments to generate long-term wealth and achieve economic objectives .
Custom Duty	It is a tax imposed on imports and exports of goods .
Tax arbitrage	It is strategically exploiting differences in tax regulations or rates between jurisdictions to minimise tax liability or maximise financial gains.
Direct taxes	Tax payments made directly to the government by individuals, including income tax, poll tax, land tax, and personal property tax.
Indirect Taxes	Taxes imposed on goods and services, collected by intermediaries such as manufacturers or retailers who pass it on to the final consumer. Examples include Goods and Services Tax (GST), excise duty, and customs duty.
Revenue receipts	It refers to the money the government receives without incurring debts or losing valuable assets, covering items like taxes, profits from public enterprises, and fees for services.
Corporate tax	It is a direct tax imposed by governments on a company's profits , calculated as a percentage of its net income, to generate revenue for public services and infrastructure.
Tax buoyancy	It measures how tax revenues respond to changes in economic output , reflecting an economy's attributes, effective collections, and the impact of policy measures over time.
Viability gap funding	It provides grants to back economically justified yet financially nonviable projects .
Presumptive taxation	It is a simplified method allowing eligible businesses to declare a prescribed percentage of turnover as income , streamlining tax compliance by minimising the need for detailed accounting records.
Inflation	It is the rate of increase in prices over or how much more expensive a set of goods and services has become over a given time period.
Capital expenditure	It is the government's investment in long-term development , including machinery, buildings, and education, as well as acquiring assets like land and profitable investments for future returns.
Budget estimates	They are financial projections presented by the Union finance minister , outlining allocations for different sectors in the annual budget. They signify the government's intended expenditure but are not exact figures or binding commitment .
Direct Benefit Transfer	The aim of DBT is to transfer the benefits and subsidies of various social welfare schemes directly in the bank account of the beneficiary on time. This eliminates the intermediary body, prevent any frauds and brings efficiency, effectiveness and transparency.
Labour Force Participation rate	It is a measure of the proportion of a country's working-age population that engages actively in the labour market, either by working or looking for work.

IMPORTANT CONSTITUTIONAL PROVISIONS RELATED TO BUDGET

ARTICLE	PROVISION
Article 109	Special procedure in respect of Money Bills
Article 110	Definition of Money Bills
Article 112	Annual Financial Statement
Article 113	Procedure in Parliament with respect to Estimates.
Article 114	Appropriation Bills
Article 115	Supplementary, Additional or Excess Grants.
Article 116	Vote on account, Vote of credit and Exceptional Grant
Article 117	Special provisions as to Financial Bills
Article 150	Form of accounts of the Union and of the States
Article 151	Audit reports
Article 265	Taxes not to be imposed except by authority of law
Article 266	Consolidated Funds and Public Accounts of India and of the States
Article 267	Contingency Fund
Article 275	Grants from the Union to certain States
Article 280	Finance Commission
Article 281	Recommendations of the Finance Commission
Article 292	Borrowing by the Government of India

1 AIR ISHITA KISHORE **2 AIR** GARIMA LOHIA **3 AIR** UMA HARATHI N

39 in Top 50 Selection in CSE 2022

8 in Top 10 Selection in CSE 2021

2 AIR ANKITA AGARWAL	3 AIR GAMINI SINGLA	4 AIR AISHWARYA VERMA
5 AIR UTKARSH DWIVEDI	6 AIR YAKSH CHAUDHARY	7 AIR SAMYAK S JAIN
8 AIR ISHITA RATHI	9 AIR PREETAM KUMAR	

**HEAD OFFICE**

Apsara Arcade, 1/8-B,
1st Floor, Near Gate-6,
Karol Bagh Metro
Station, Delhi

DELHI

MUKHERJEE NAGAR CENTRE

Plot No. 857, Ground Floor,
Mukherjee Nagar, Opposite
Punjab & Sindh Bank,
Mukherjee Nagar, Delhi

FOR DETAILED ENQUIRY

Please Call:
+91 8468022022,
+91 9019066066



SHUBHAM KUMAR
CIVIL SERVICES EXAMINATION 2020



ENQUIRY@VISIONIAS.IN



/VISION_IAS



WWW.VISIONIAS.IN



/C/VISIONIASDELHI



VISION_IAS



/VISIONIAS_UPSC



AHMEDABAD



BHOPAL



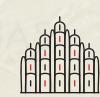
CHANDIGARH



GUWAHATI



HYDERABAD



JAIPUR



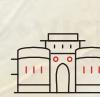
JODHPUR



LUCKNOW



PRAYAGRAJ



PUNE



RANCHI



SIKAR