

HIGHLIGHTS OF THE INTERIM UNION BUDGET 2024-25

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With the ‘mantra’ of ‘*Sabka Saath, Sabka Vikas, and Sabka Vishwas*’ and the whole of nation approach of “*Sabka Prayas*”, the Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman presented the Interim Union Budget 2024-25 in Parliament, today. The key highlights of the Budget are as follows:

Part A

Social Justice

- Prime Minister to focus on upliftment of four major castes, that is, ‘*Garib*’ (*Poor*), ‘*Mahilayen*’ (*Women*), ‘*Yuva*’ (*Youth*) and ‘*Annadata*’ (*Farmer*).

‘Garib Kalyan, Desh ka Kalyan’

- Government assisted 25 crore people out of multi-dimensional poverty in last 10 years.
- DBT of Rs. 34 lakh crore using PM-Jan Dhan accounts led to savings of Rs. 2.7 lakh crore for the Government.
- PM-SVANidhi provided credit assistance to 78 lakh street vendors. 2.3 lakh have received credit for the third time.
- PM-JANMAN Yojana to aid the development of particularly vulnerable tribal groups (PVTG).
- PM-Vishwakarma Yojana provides end-to-end support to artisans and crafts people engaged in 18 trades.

Welfare of ‘Annadata’

- PM-KISAN SAMMAN Yojana provided financial assistance to 11.8 crore farmers.
- Under PM Fasal Bima Yojana, crop insurance is given to 4 crore farmers
- Electronic National Agriculture Market (e-NAM) integrated 1361 mandis, providing services to 1.8 crore farmers with trading volume of Rs. 3 lakh crore.

Momentum for Nari Shakti

- 30 crore Mudra Yojana loans given to women entrepreneurs.
- Female enrolment in higher education gone up by 28%.
- In STEM courses, girls and women constitute 43% of enrolment, one of the highest in the world.
- Over 70% houses under PM Awas Yojana given to women from rural areas.

PM Awas Yojana (Grameen)

- Despite COVID challenges, the target of three crore houses under PM Awas Yojana (Grameen) will be achieved soon.
- Two crore more houses to be taken up in the next five years.

Rooftop solarization and muft bijli

- 1 crore households to obtain 300 units free electricity every month through rooftop solarization.
- Each household is expected to save Rs.15000 to Rs.18000 annually.

Ayushman Bharat

- Healthcare cover under Ayushman Bharat scheme to be extended to all ASHA workers, Anganwadi Workers and Helpers.

Agriculture and food processing

- Pradhan Mantri Kisan Sampada Yojana has benefitted 38 lakh farmers and generated 10 lakh employment.
- Pradhan Mantri Formalisation of Micro Food Processing Enterprises Yojana has assisted 2.4 lakh SHGs and 60000 individuals with credit linkages.

Research and Innovation for catalyzing growth, employment and development

- A corpus of Rs.1 lakh crore to be established with fifty-year interest free loan to provide long-term financing or refinancing with long tenors and low or nil interest rates.
- A new scheme to be launched for strengthening deep-tech technologies for defence purposes and expediting '*atmanirbharta*'.

Infrastructure

- Capital expenditure outlay for Infrastructure development and employment generation to be increased by 11.1 per cent to Rs.11,11,111 crore, that will be 3.4 per cent of the GDP.

Railways

- 3 major economic railway corridor programmes identified under the PM Gati Shakti to be implemented to improve logistics efficiency and reduce cost
 - Energy, mineral and cement corridors
 - Port connectivity corridors
 - High traffic density corridors
- Forty thousand normal rail bogies to be converted to Vande Bharat standards.

Aviation Sector

- Number of airports in the country doubled to 149.
- Five hundred and seventeen new routes are carrying 1.3 crore passengers.
- Indian carriers have placed orders for over 1000 new aircrafts.

Green Energy

- Coal gasification and liquefaction capacity of 100 MT to be set up by 2030.

- Phased mandatory blending of compressed biogas (CBG) in compressed natural gas (CNG) for transport and piped natural gas (PNG) for domestic purposes to be mandated.

Tourism sector

- States to be encouraged to take up comprehensive development of iconic tourist centres including their branding and marketing at global scale.
- Framework for rating of the tourist centres based on quality of facilities and services to be established.
- Long-term interest free loans to be provided to States for financing such development on matching basis.

Investments

- FDI inflow during 2014-23 of USD 596 billion was twice of the inflow during 2005-14.

Reforms in the States for ‘Viksit Bharat’

- A provision of Rs.75,000 crore rupees as fifty-year interest free loan is proposed to support milestone-linked reforms by the State Governments.

Revised Estimates (RE) 2023-24

- RE of the total receipts other than borrowings is Rs.27.56 lakh crore, of which the tax receipts are Rs.23.24 lakh crore.
- RE of the total expenditure is Rs.44.90 lakh crore.
- Revenue receipts at Rs.30.03 lakh crore are expected to be higher than the Budget Estimate, reflecting strong growth momentum and formalization in the economy.
- RE of the fiscal deficit is 5.8 per cent of GDP for 2023-24.

Budget Estimates 2024-25

- Total receipts other than borrowings and the total expenditure are estimated at Rs.30.80 and Rs.47.66 lakh crore respectively.
- Tax receipts are estimated at Rs.26.02 lakh crore.
- Scheme of fifty-year interest free loan for capital expenditure to states to be continued this year with total outlay of Rs.1.3 lakh crore.
- Fiscal deficit in 2024-25 is estimated to be 5.1 per cent of GDP
- Gross and net market borrowings through dated securities during 2024-25 are estimated at Rs.14.13 and Rs.11.75 lakh crore respectively.

Part B

Direct taxes

- FM proposes to retain same tax rates for direct taxes
- Direct tax collection tripled, return filers increased to 2.4 times, in the last 10 years
- Government to improve tax payer services
 - Outstanding direct tax demands upto Rs 25000 pertaining to the period upto FY 2009-10 withdrawn

- Outstanding direct tax demands upto Rs 10000 for financial years 2010-11 to 2014-15 withdrawn
- This will benefit one crore tax payers
- Tax benefits to Start-Ups, investments made by Sovereign wealth funds or pension funds extended to 31.03.2025
- Tax exemption on certain income of IFSC units extended by a year to 31.03.2025 from 31.03.2024

Indirect taxes

- FM proposes to retain same tax rates for indirect taxes and import duties
- GST unified the highly fragmented indirect tax regime in India
 - Average monthly gross GST collection doubled to Rs 1.66 lakh crore this year
 - GST tax base has doubled
 - State SGST revenue buoyancy (including compensation released to states) increased to 1.22 in post-GST period(2017-18 to 2022-23) from 0.72 in the pre-GST period (2012-13 to 2015-16)
 - 94% of industry leaders view transition to GST as largely positive
 - GST led to supply chain optimization
 - GST reduced the compliance burden on trade and industry
 - Lower logistics cost and taxes helped reduce prices of goods and services, benefiting the consumers

Tax rationalization efforts over the years

- No tax liability for income upto Rs 7 lakh, up from Rs 2.2 lakh in FY 2013-14
- Presumptive taxation threshold for retail businesses increased to Rs 3 crore from Rs 2 crore
- Presumptive taxation threshold for professionals increased to Rs 75 lakh from Rs 50 lakh
- Corporate income tax decreased to 22% from 30% for existing domestic companies
- Corporate income tax rate at 15% for new manufacturing companies

Achievements in tax-payer services

- Average processing time of tax returns has reduced to 10 days from 93 days in 2013-14
- Faceless Assessment and Appeal introduced for greater efficiency
- Updated income tax returns, new form 26AS and prefilled tax returns for simplified return filing
- Reforms in customs leading to reduced Import release time
 - Reduction by 47% to 71 hours at Inland Container Depots
 - Reduction by 28% to 44 hours at Air Cargo complexes
 - Reduction by 27% to 85 hours at Sea Ports

Economy-then and now

- In 2014 there was a responsibility to mend the economy and put governance systems in order. The need of the hour was to:
 - Attract investments
 - Build support to the much-needed reforms
 - Give hope to the people
- **The government succeeded with a strong belief of ‘nation-first’**

- “It is now appropriate to look at where we were till 2014 and where we are now”: FM
 - **The Government will lay a White Paper on the table of the house.**

YB/NB/SNC/LP/KSS/RK/PD/CNAN

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