



एकता में एकता  
Economic Diplomacy Division  
Ministry of External Affairs



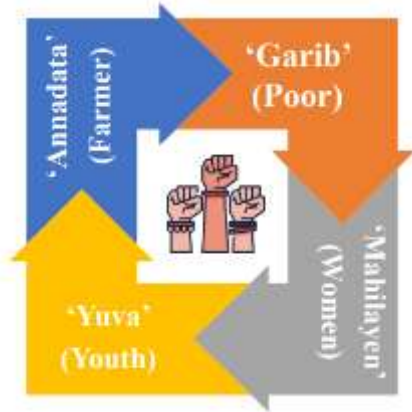
UNION  
BUDGET  
2024-25



# A Robust Roadmap for 'Viksit Bharat'

## Focus on 4 major castes

- *Garib* (Poor)
- *Mahilayen* (Women)
- *Yuva* (Youth)
- *Annadata* (Farmer)



## Nine Budget Priorities



# Productivity & Resilience in Agriculture

## Transforming Agriculture Research

Comprehensive **review** of the agriculture research setup to bring focus on raising **productivity** and developing climate resilient varieties

## National Cooperation Policy

For systematic, orderly and all-round **development** of the cooperative sector

## Atmanirbharta

For **oil seeds** such as mustard, groundnut, sesame, soyabean, and sunflower

## Release of new varieties

**109** new **high-yielding** and **climate resilient** varieties of **32** field and horticulture crops will be released for cultivation by farmers



# Productivity & Resilience in Agriculture

## Natural Farming

- **1 crore farmers** (10 million) across the country will be initiated into natural farming, supported by certification and branding in next 2 years.
- **10,000** need-based bio-input resource centres to be established.

## Shrimp Production & Export

- **Financing** for Shrimp farming, processing and export will be facilitated through **NABARD**

## Digital Public Infrastructure (DPI)

- DPI for **coverage** of farmers and their lands in **3 years**.
- Digital crop **survey** in 400 districts
- **Issuance** of *Jan Samarth*-based Kisan Credit Cards

# Employment & Skilling

## Scheme A: First Timers

- One-month wage to new entrants in all formal sectors in 3 instalments up to **INR 15,000** (~US\$ 179)
- Expected to benefit **210 lakh** (21 million) **youth**

## Scheme B: Job creation in manufacturing

- Incentive to both employee & employer for **EPFO contributions** in the specified scales for the first 4 years
- To benefit **30 lakh** (3 million) youth

## Scheme C: Support to Employers

- Government will reimburse EPFO contributions of employers up to **INR 3000** per month (~US\$ 36) for 2 years for all new hires.
- Expected to generate **50 lakh** (5 million) **jobs**

# Employment & Skilling

- Facilitate **higher participation** of women in the **workforce** through setting up of working women hostels in **collaboration with industry**, and establishing creches.
- Loans up to **INR 7.5 lakh** (~US\$ 9000) with a guarantee from a government promoted Fund.
- Expected to help **25,000 students** every year.
- Financial support for loans upto **INR 10 lakh** (~US\$ 12,000) for higher education in domestic institutions.
- Direct E-vouchers to **1 lakh** (0.1 million) students every year.
- Annual interest subvention of **3%**



# Employment & Skilling

## PM's Package (4th Scheme)

- **20 lakh youth** (2 million) will be skilled over a 5-year period
- **1,000 Industrial Training Institutes** will be upgraded in hub and spoke arrangements with outcome orientation.
- Course content & design **aligned as per skill needs** of industry



# Inclusive Human Resource Development & Social Justice

- Plan for endowment rich states in the Eastern parts covering **Bihar, Jharkhand, West Bengal, Odisha** and **Andhra Pradesh** for generation of economic opportunities to attain *Viksit Bharat*.
- **Amritsar Kolkata Industrial Corridor** with development of an industrial node at Gaya.
- Allocation of more than **INR 3 lakh crore** (~US\$ 36 billion) for schemes benefitting women and girls.
- More than **100 branches** of India Post Payment Bank will be set up in the **North East** region.

## Andhra Pradesh Reorganization Act

- Financial support of **INR 15,000 crores** (~US\$ 1.8 billion) will be arranged in FY 24-25.
- Completion of **Polavaram Irrigation Project** ensuring food security of the nation.
- **Essential infrastructure** such as water, power, railways and roads in Kopparthi node on the **Vishakhapatnam-Chennai Industrial Corridor** and Orvakal node on **Hyderabad-Bengaluru Industrial Corridor**.



# Manufacturing & Services

- **Credit Guarantee Scheme** for MSMEs in the Manufacturing Sector
- **Enhanced scope** for mandatory onboarding in **TReDS**
- **MSME Units** for Food Irradiation, Quality & Safety Testing
- New assessment model for **MSME credit**
- Mudra Loans: The limit enhanced to **INR 20 lakh** (~US\$ 24,000) under the 'Tarun' category.
- **Credit Support** to MSMEs during **Stress Period**

## PM's Package (5th Scheme)

### Internship Opportunities

- Scheme for providing internship opportunities in **500 top companies** to one crore youth in 5 years.
- Allowance of **INR 5,000** (~US\$ 60) per month along with a one-time assistance of **INR 6,000** (~US\$ 72) through the CSR funds.

# Urban Development

**Stamp Duty:** Encouraging states to lower stamp duties for properties purchased by women.

**Street Markets:** Envisioning a scheme to develop 100 weekly 'haats' or street food hubs in select cities

**Transit Oriented Development:** Transit Oriented Development plans for 14 large cities with a population above 30 lakh (3 million)

**Water Management:** Promote water supply, sewage treatment and solid waste management projects and services for 100 large cities through bankable projects.

## Housing Needs

**PM Awas Yojana Urban 2.0:** Needs of 1 crore urban poor and middle-class families will be addressed with an investment of **INR 10 lakh crore** (~USD 120 billion).

Enabling policies and regulations for **efficient** and **transparent** rental housing markets with **enhanced availability** will also be put in place.

# PM Surya Ghar Muft Bijli Yojana



- One crore Households obtain free electricity
- Up to **300 Units** every month
- **1.28 crore** Registrations and **14 lakh** applications so far

# Energy Security

## Initiatives with private sector in Nuclear Energy

- Setting up Bharat Small Reactors
- R&D of Bharat Small Modular Reactor and newer technologies for nuclear energy

## Energy Audit

- Financial support for shifting of micro and small industries to cleaner forms of energy
- Facilitate investment grade energy audit in 60 clusters, next phase expands to 100 clusters.

## Pumped Storage Facility

- For electricity storage and facilitation of smooth integration of the growing share of renewable energy

## AUSC Thermal Power Plants

- A joint venture between NTPC and BHEL will set up a full scale 800 MW commercial plant.

# Infrastructure

Provision of **INR 11,11,111 crore** (US\$ 132 billion) for infrastructure (3.4% of GDP).

**INR 1.5 lakh crore** (~US 18 billion) to states as longterm interest free loans to support resource allocation.

**Phase IV of PMGSY** will be launched to provide **all-weather connectivity** to 25,000 rural habitations.

## Irrigation and Flood Mitigation

Financial support for projects with estimated cost of **INR 11,500 crore** (~US\$ 1.38 billion) such as the Kosi-Mechi intra-state link and 20 other ongoing and new schemes.

Assistance for **flood management** and related projects in Assam, Sikkim & Uttarakhand.

Assistance for **reconstruction** and **rehabilitation** in **Himachal Pradesh**.

# A Boost to Tourism

Development of **Vishnupad Temple Corridor** and **Mahabodhi Temple Corridor** modelled on Kashi Vishwanath Temple Corridor

Comprehensive **development initiative** for **Rajgir** will be undertaken which holds religious significance for Hindus, Buddhists and Jains.

The development of **Nalanda** as a tourist centre besides reviving **Nalanda University** to its glorious stature.

Assistance to development of **Odisha's scenic beauty**, temples, monuments, craftsmanship, wildlife sanctuaries, natural landscapes and pristine beaches making it an ultimate tourism destination.



# Innovation, Research & Development

Operationalization of the **Anusandhan National Research Fund** for basic research and prototype development.

Private sector-driven research and innovation at commercial scale with a financing pool of **INR 1 lakh crore** (~US\$ 12 billion)

Space Economy: A venture capital fund of **INR 1,000 crore** (~US\$ 0.12 billion) is to be set up



# Next Generation Reforms

- **Unique Land Parcel Identification Number** or Bhū-Aadhaar for all lands.
- Survey of map sub-divisions as per current ownership
- **Linkages** to the farmers' registries
- Land records in urban areas will be **digitized** with **GIS mapping**
- **Digitization** of cadastral maps
- Establishment of land registry
- Enhancing the availability of capital for climate adaptation and mitigation related investments
- **FDI and Overseas Investments:** Simplified to facilitate FDIs and promote opportunities for using Indian Rupee as a currency for overseas investments.
- **NPS Vatsalya:** A plan for contribution by parents and guardians for minors.
- Improvement of **data governance, collection, processing and management** of data and statistics.
- **New Pension Scheme (NPS):** To address the relevant issues, protects the common citizen and maintains fiscal prudence will be formed.



# Tax Proposals

## Sector Specific Customs Duty Proposals

### Changes in Custom Duties

- Simplification of Taxes
- Review of Income Tax Act 1961
- Simplification of charities and TDS
- Litigation and Appeal
- Deepening the tax base



**Fully exempt** 3 more cancer medicines from custom duties

#### Beneficiaries

Affordable medicines



Reduce BCD to **15%** on Mobile phone, Mobile PCBA and charge

#### Beneficiaries

Mobile industry



Reduce custom duty on gold and silver to **6%** and platinum to **6.4%**

#### Beneficiaries

Domestic value addition



Reduce BCD on shrimp and fish feed to **5%**

#### Beneficiaries

Enhance competitiveness in marine exports



Exempted more capital goods for manufacturing of solar cells & panels

#### Beneficiaries

Support energy transition



Fully exempt custom duties on **25 critical minerals**

#### Beneficiaries

Boost to strategic sectors

# Direct Tax Proposals

## Rationalisation of Capital Gains

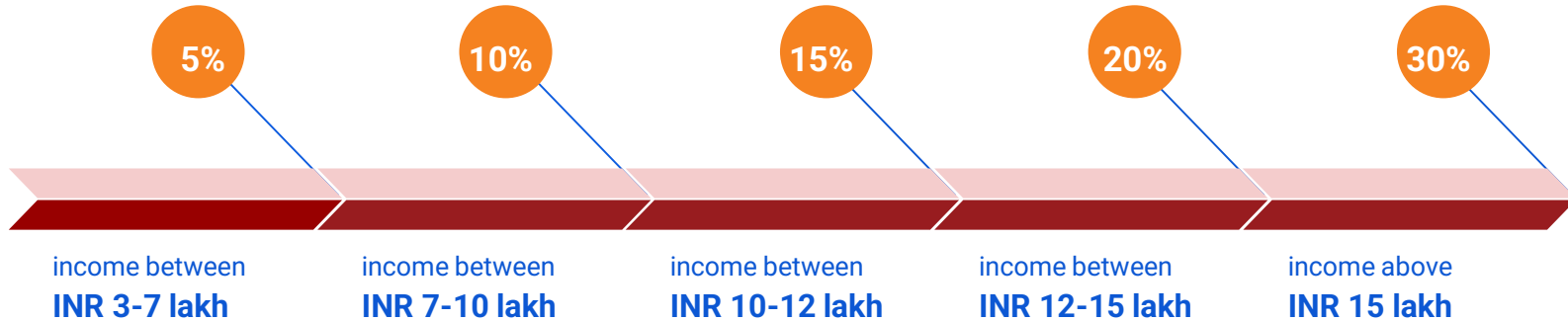
- **Short term gains** of financial assets to attract 20% tax rate
- **Long term gains** on all financial and non-financial assets to attract a **tax rate** of 12.5%
- **Increase** in limit of **exemption** of capital gains on financial assets to **INR 1.25 lakh** (~US\$1500) per year

## Employment & Investment

- **Abolish ANGEL tax** for all classes of investors.
- **Simpler tax regime** to operate domestic cruise
- Provide for safe harbour rates for foreign mining companies (Selling raw diamonds)
- **Corporate tax rate** on foreign companies reduced from 40% to **35%**

# Tax Slabs

Income up to **INR 3 lakh** will continue to be exempted from income tax under the new regime. The new tax slabs are as follows:



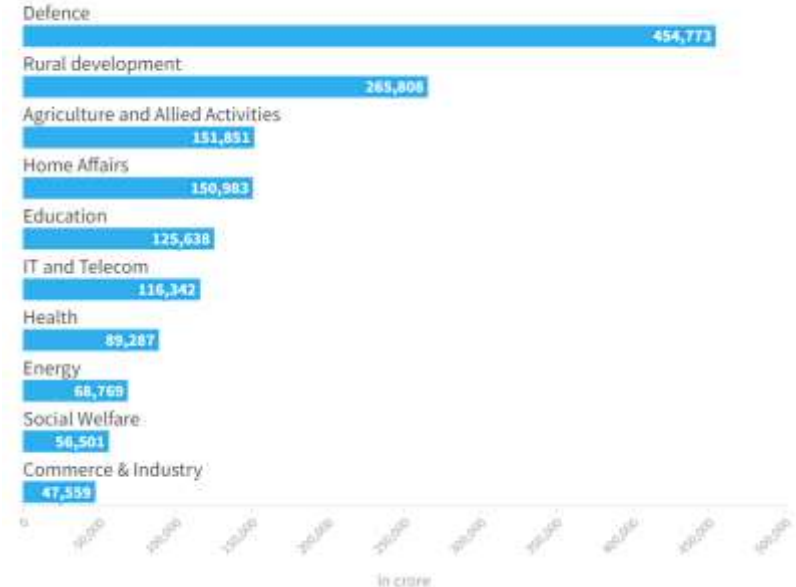
Standard Deduction for salaried employees increased from **INR 50,000 to INR 75,000**

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# Allocation of Funds

- **Defence: INR 4,54,773 crores** (~US\$ 54.57 billion)
- **Rural development: INR 265,808 crores** (~US\$ 31.8 billion)
- **Agriculture and Allied Activities: INR 151,851 crores** (~US\$ 18.14 billion)
- **Home Affairs: INR 150,983 crores** (~US\$ 18.03 billion)
- **Education: INR 125,638 crores** (~US\$ 15.01 billion)
- **IT and Telecom: INR 116,342 crores** (~US\$ 13.9 billion)
- **Health: INR 89,287 crores** (~US\$ 10.6 billion)
- **Energy: INR 68,769 crores** (~US\$ 8.2 billion)
- **Social Welfare: INR 56,501 crores** (~US\$ 6.7 billion)
- **Commerce & Industry: INR 47,559 crores** (~US\$ 5.7 billion)

## Major expenditures

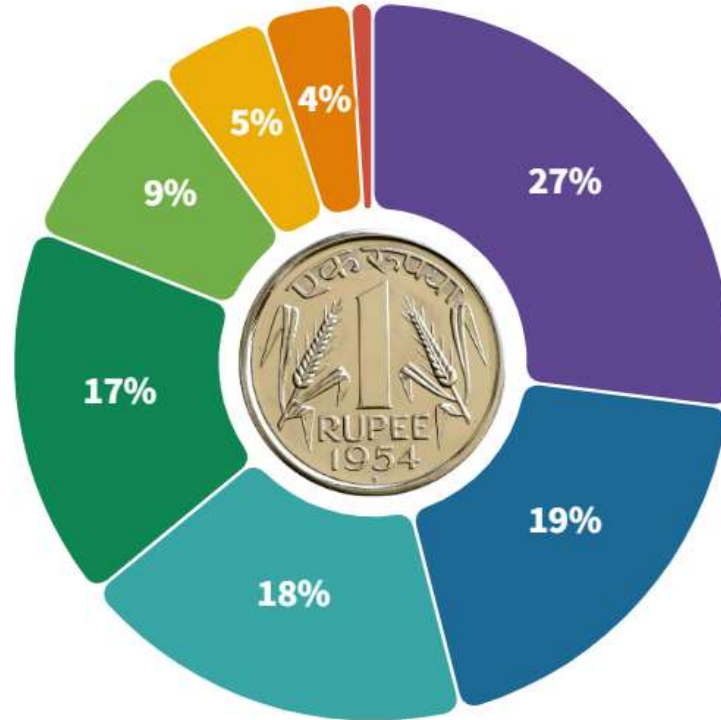


# Outlay on Major Schemes

- **MNREGA: INR 86,000 crores** (~US\$ 10.3 billion)
- **Solar Power (Grid): INR 10,000 crores** (~US\$ 1.2 billion)
- **Rashtriya Krishi Vikas Yojna: INR 7,553 crores** (~US\$ 0.91 billion)
- **Development of Semiconductors and Display Manufacturing: INR 6,903 crores** (~US\$ 0.82 billion)
- **Lines of Credit under IDEA Scheme: INR 3,849 crores** (~US\$ 0.46 billion)
- **Nuclear Power Projects: INR 2,228 crores** (~US\$ 0.27 billion)
- **PLI for Pharmaceutical Industry: INR 2,143 crores** (~US\$ 0.26 billion)
- **Direct Benefit Transfer- LPG: INR 1,500 crores** (~US\$ 0.18 billion)
- **Research and Development Projects: INR 1,200 crores** (~US\$ 0.14 billion)

# Incomes

- Borrowings & other liabilities
- Income Tax
- GST & other taxes
- Corporation Tax
- Non-tax receipts
- Union Excise Duties
- Customs
- Non-debt capital receipts



# Expenditures

- States' share of taxes & duties
- Interest payments
- Central sector scheme
- Finance Commission & other transfers
- Defence
- Centrally sponsored schemes
- Subsidies
- Pensions
- Others



# Budget Estimates 2024-25

The total receipts other than borrowings and the total expenditure are estimated at **INR 32.07 lakh crore** (~US\$ 383.4 billion) and **INR 48.21 lakh crore** (~US\$ 575.9 billion) respectively.

The net tax receipts are estimated at **INR 25.83 lakh crore** (~US\$ 308.6 billion) and the fiscal deficit is estimated at **4.9% of GDP**.

Gross and net market borrowings through dated securities during 2024-25 are estimated at **INR 14.01 lakh crore** (~US\$ 167.36 billion) and **INR 11.63 lakh crore** (~US\$ 138.9 billion) respectively.

The government will aim to reach a deficit below **4.5%** next year.





# Thank You



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