



BUDGET 2024-25



At a Glance

	(in Rs crore)				
	2022-23 Actuals	2023-24 Budget Estimates	2023-24 Revised Estimates	2023-24 Provisional Actuals	2024-25 Budget Estimates
Revenue Receipts	2383206	2632281	2699713	2728412	3129200
Capital Receipts	1809951	1870816	1790773	1714130	1691372
Total Receipts	4193157	4503097	4490486	4442542	4820512
Revenue Account	3453132	3502136	3540239	3494038	3709401
Capital Account	740025	1000961	950246	948506	1111111
Total Expenditure	4193157	4503097	4490486	4442542	4820512
Revenue Deficit	1069926	869855	846527	765624	580201
Fiscal Deficit	1737755	1786816	1734773	1653670	1613312
Primary Deficit	809238	706840	679346	589799	450372

BY! GRAPHICS

Union Budget 2024-25 New Personal Income Tax Rates

Under new tax regime

Income slabs	Tax rates
Up to ₹ 3 lakhs	Nil
₹ 3 to 7 lakhs	5%
₹ 7 to 10 lakhs	10%
₹ 10 to 12 lakhs	15%
₹ 12 to 15 lakhs	20%
Above ₹ 15 lakhs	30%



▶ Standard deduction for salaried employees increased from ₹50,000 to ₹75,000

▶ Relief to about 4 crore salaried individuals and pensioners

▶ Deduction on family pension for pensioners increased from ₹15,000 to ₹25,000

▶ Saving up to ₹ 17,500 for salaried employees

KBK Infographics

Budget Impact on Sensex

Union Budget 2024-25

Intra-day on July 23, 2024



Past Budgets

Feb 1, 2019*	July 5, 2019	Feb 1, 2020	Feb 1, 2021	Feb 1, 2022	Feb 1, 2023	Feb 1, 2024*
213	-395	-988	2,315	848	158	-107

Source: BSE Sensex

*Interim Budget

KBK Infographics

Budget seeks to boost MSMEs, calls on top cos to induct interns for a yr

A Major Initiative Is A Scheme To Provide Month's Wage To Those Newly Entering The Workforce

Continued from P 1

The thrust on employment was such that the word was chosen as an acronym by FM Sitharaman to describe her focus at the post-Budget press conference. "EMPLOYMENT (employment & education, MSMEs, productivity, land, opportunities, youth, middle class, energy security, new generation reforms, technology) captures everything in the Budget and deriving from it everything falls in place," she said. Among the major initiatives announced to tackle the job situation was a scheme that would provide a month's wage to anybody newly entering the workforce in all formal sectors. The one-month salary is to be directly transferred to the first-time employee's account as registered with the Employee Provident Fund Organisation (EPFO) in three in-

stalments. While all new entrants with salaries up to Rs 1 lakh a month will be eligible, the cap on the amount to be transferred will be Rs 15,000. Another scheme provides monetary incentives to fresh employees and their employers in the manufacturing sector while a third scheme reimburses employers who take on new workers in all sectors.

All told, the Budget proposed spending of Rs 2 lakh crore over five years for creating jobs for youth and on skilling them. It estimated that 4.1 crore youngsters would benefit from these schemes.

These targeted scheme apart, the focus on micro, small and medium enterprises (MSMEs) was also in keeping with the overall attempt to boost employment given the labour-intensive nature of this sector.

Then there is a proposal to encourage the top 500 firms to



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take on interns for a one-year period with most of the cost being borne by the government and a small part by the companies from their CSR funds. The Budget speech also dwelt at some length on "skilling" including for women to encourage their participation in the workforce.

That JDU and TDP are key allies in this govt was evident from the special packages for Bihar and Andhra Pradesh. Indeed, it is difficult to recall a Budget speech in

recent memory in which a state figured as prominently as Bihar did in this one.

The Budget stuck to the capital expenditure targets set in the interim version presented in Feb with Rs 1.5 lakh crore including grants-in-aid for creation of capital assets. Sitharaman was mindful of the fiscal goal and improved upon the deficit target to 4.9% of GDP, compare with 5.1% projected in the interim Budget.

Among the other themes of the Budget was adjusting

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to and addressing climate change, both through transitioning to renewable energy and encouraging farmers to take up climate-resistant crop varieties. This was also evident in her announcements on nuclear energy and the special focus on critical minerals, including a mission and import duty waivers.

Besides, she sought to put in place a "new approach for agriculture" that goes beyond MSP to focus on vegetables, pulses and oilseeds.

Start-ups have been given reason to cheer with the so-called angel tax, which treated external investments in start-ups as part of their income, being scrapped.

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EAM to pay 3-day visit to Tokyo for Quad meet

NEW DELHI, July 23 (PTI)

EXTERNAL Affairs Minister S Jaishankar will pay a three-day visit to Tokyo beginning July 28 to attend a foreign ministerial meeting of the four-nation grouping Quad. US Secretary of State Antony Blinken, Japan's Foreign Minister Yoko Kamikawa and her Australian counterpart Penny Wong will be the other participants at the Quad meeting on July 29.

"At the invitation of Foreign Minister of Japan Yoko Kamikawa, Minister of External Affairs, S Jaishankar, will be paying an official visit to Japan from July 28-30 to participate in the next meeting of the Quad Foreign Ministers' in Tokyo on July 29," the Ministry of External Affairs (MEA) said.

Rs 2.19 lakh cr to Home Ministry major chunk for CRPF, BSF, CISF

NEW DELHI, July 23 (PTI)

THE Union Budget 2024-25 on Tuesday allocated Rs 2,19,643.31 crore to the Ministry of Home Affairs with the majority of it -- Rs 1,43,275.90 crore -- being given to central police forces like the CRPF, BSF, and CISF which are responsible for internal security, border guarding, and security of vital installations.

The interim budget 2024-25 had allocated Rs 2,02,868.70 crore to the Home Ministry, helmed by Union Home Minister Amit Shah. Union Finance Minister Nirmala Sitharaman has allocated Rs

42,277.74 crore to Jammu and Kashmir which is currently under the direct control of the central government after the abrogation of Article 370.

J&K was stripped of its Special Status in August 2019 and the erstwhile state was bifurcated into two UTs. In the budget, Rs 5,985.82 crore has been given to Andaman and Nicobar Islands, Rs 5,862.62 crore to Chandigarh, Rs 5,958 crore to Ladakh, Rs 2,648.97 crore to Dadra and Nagar Haveli and Daman and Diu and Rs 1,490.10 crore to Lakshadweep.

The budget also allocated Rs 1,309.46 crore (Rs 578.29 crore in 2023-24) towards work relat-

ed to census and Rs 1,606.95 crore to the National Disaster Response Force (Rs 1,666.38 crore in 2023-24). Among the paramilitary forces, the CRPF got Rs 31,543.20 crore, up from a revised estimate of Rs 31,389.04 in 2023-24, the BSF got Rs 25,472.44 crore (Rs 25,038.68 crore in 2023-24), the CISF was allotted Rs 14,331.89 crore (Rs 12,929.85 crore in 2023-24), the ITBP got Rs 8,634.21 crore (Rs 8,203.68 crore in 2023-24), the SSB was given Rs 8,881.81 crore (Rs 8,435.68 crore in 2023-24) and the Assam Rifles was allotted Rs 7,428.33 crore (Rs 7,276.29 crore in 2023-24).

Modi Govt 3.0 ~~Poor, Women, Youth, Farmers~~



NEW DELHI, July 23 (PTI)

FINANCE Minister Nirmala Sitharaman on Tuesday announced a marginal income tax relief for the middle class, a Rs 2 lakh crore outlay for job creation schemes over the next five years and a spending splurge for states run by parties that are needed to keep BJP in power as she unveiled Modi 3.0 Government's first Budget after the general elections.

With rural distress and unemployment being blamed for BJP losing its majority in Lok Sabha, forcing it to rely on partners to form Government, Sitharaman in her seventh straight budget provided Rs 2.66 lakh crore for rural development and maintained spending on long-term infrastructure projects at Rs 11.11 lakh crore to boost economic growth.

She scrapped the 'angel tax' that was imposed on investors pumping money into startups, cut import duty on mobile phones and key parts to bene-

fit firms like Apple, slashed customs duty on gold and silver to curb smuggling, and made significant changes in capital gains tax. She, however, raised the securities transaction tax (STT) on futures and options of securities, which disappointed the markets.

"India's economic growth continues to be the shining exception (in a world that is gripped by policy uncertainties) and will remain so in the years ahead," she said. "In this Budget, we particularly focus on employment, skilling, MSMEs, and the middle class."

The centrepiece of the over Rs 48 lakh crore budget are employment, internship and skilling schemes, aimed at creating job avenues for the largest youth population in the world.

Besides Rs 2 lakh crore provided over a five-year period for schemes and initiatives to facilitate employment, skilling and other opportunities for 4.1 crore youth, "I have made a provision of Rs 1.48 lakh crore for edu-

cation, employment and skilling," she said.

For Bihar, where Assembly elections are due next year, the finance minister announced spending of Rs 60,000 crore on infrastructure projects like expressways, power plant, heritage corridors and new air-

Read Editorial
HOPE & PROMISE
on page 8

ports. The support to Bihar, whose ruling party and BJP's partner JD-U has been demanding an economic package and Special Category Status for the State, is in the form of capital projects but not subsidy or cash dole. Similarly, for Andhra Pradesh, whose ruling TDP recently joined BJP-led NDA, she allocated Rs 15,000 crore in financial aid through multilateral agencies. A similar request for support to Bihar will be expedited, she said.

(Contd on page 5)



Hefty pension bill, modest outlay hike for armed forces

TEAM TOI

There was no big bang for the armed forces despite the ever-growing threat from China and Pakistan, with the defence outlay registering a meagre 4.8% hike over the previous fiscal's budgetary estimates, and going into the negative if revised estimates are taken into account. The defence budget was pegged at Rs 6.2 lakh crore, virtually the same as in the interim budget in Feb.

Capital expenditure of Rs 1.7 lakh crore for military modernisation registered a 5.8% hike over last year's bud-



NO BIG TAKEOFF

getary estimates and 9.4% over the revised ones. But the capital outlay was dwarfed by the revenue outlay of Rs 2.8 lakh crore for day-to-day operating costs and salaries of the over 14-lakh strong armed forces and defence civilians.

Of it, Rs 92,088 crore is for operational sustenance and military readiness.

The overall defence allocation works out to just 1.9% of the projected GDP if the huge defence pension allocation of Rs 1.4 lakh crore for the 32 lakh ex-servicemen and retired defence civilians is considered. It drops to less than 1.5% if the pension bill is excluded. This, when experts say at least 2.5% is needed for deterrence against China and Pakistan. But defence minister Rajnath Singh said allocation was 12.9% of total Budget for 2024-25, the highest for any ministry.