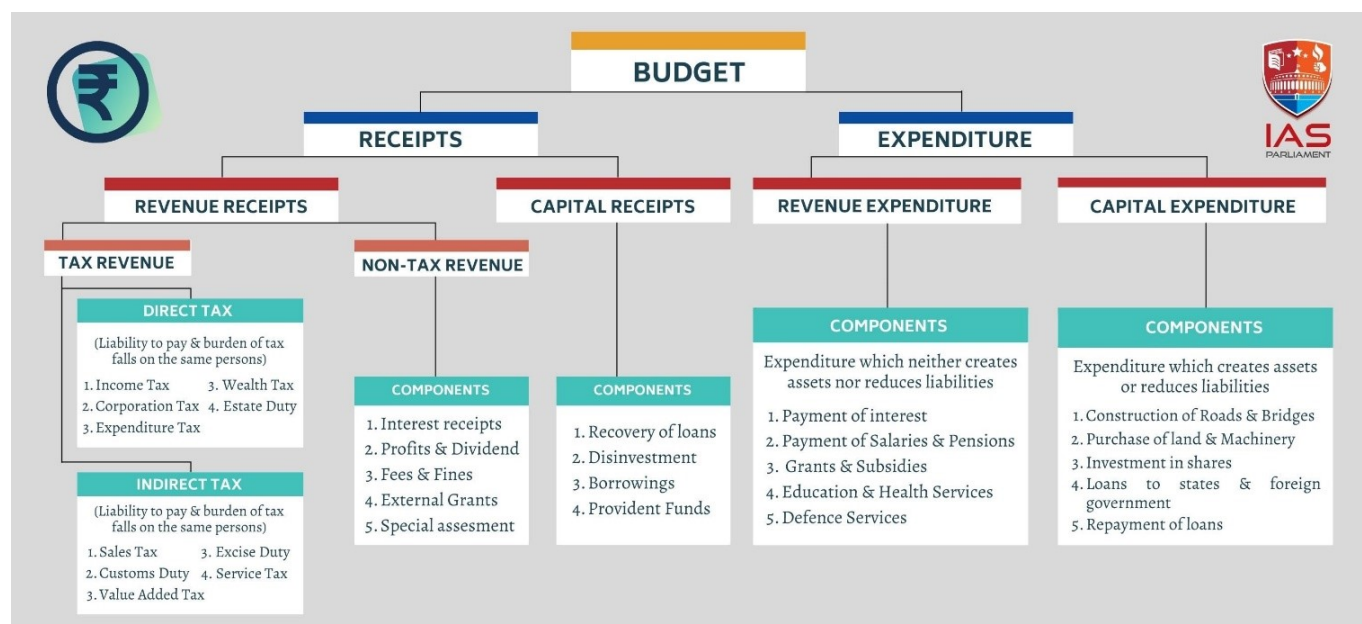


## INTERIM BUDGET 2024-2025 (Part-1)

- **Budget (Annual financial statement)** - Statement of the estimated receipts and expenditure of the Government of India for a specific financial year according to **Article 112** of the Indian Constitution.

**Article 112** - The President shall in respect of every financial year cause to be laid before both the Houses of Parliament a statement of the estimated receipts and expenditure of the Government of India

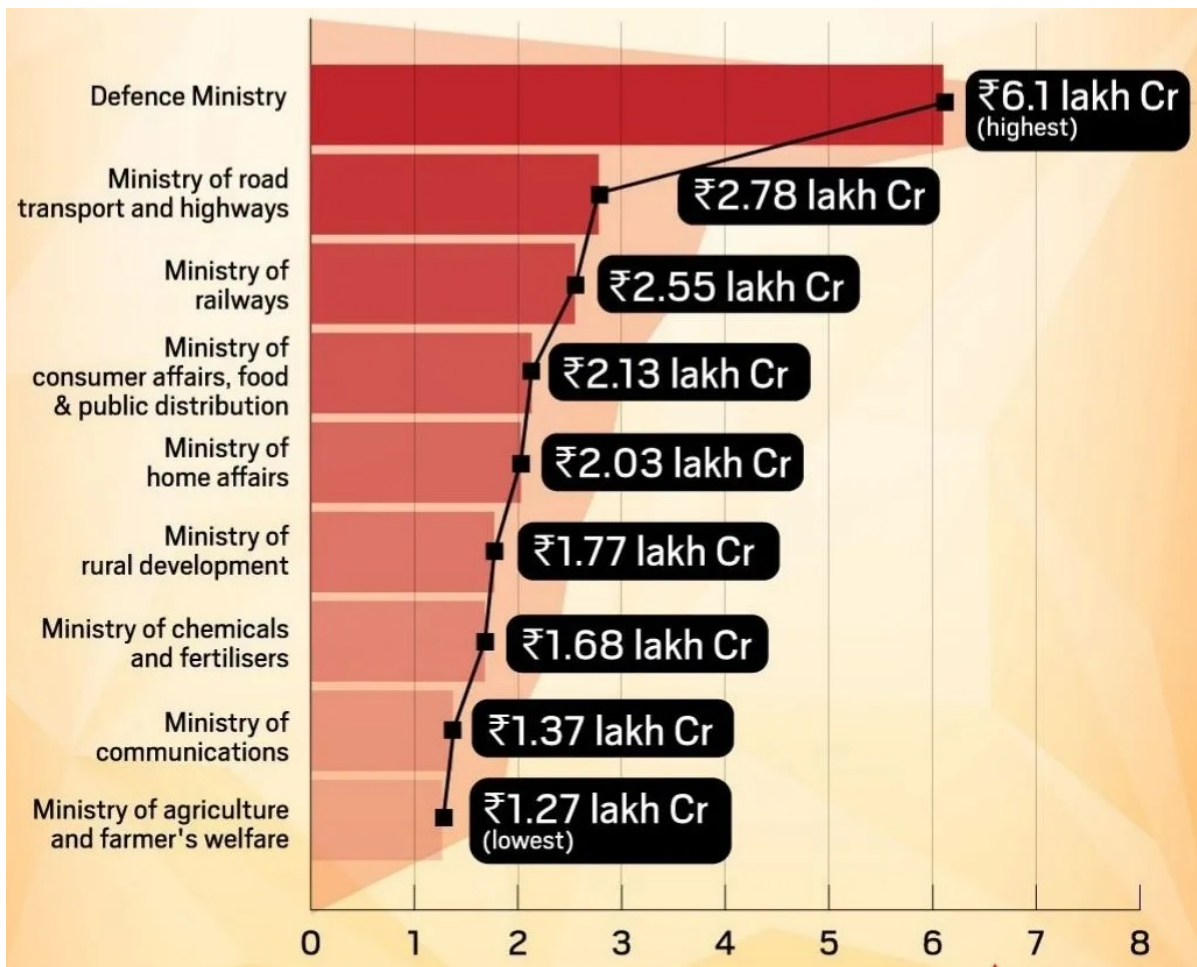


- **Interim budget** - Short term financial statement that allows for the smooth functioning of the government until a new administration can present a full budget for the entire fiscal year.
- It is presented by the outgoing government ahead of the Lok Sabha polls in the Budget session.
- There is **no constitutional provision** for an interim budget.
- The interim Budget includes estimates for government expenditure, revenue, fiscal deficit, and financial performance for a few months, but **cannot include major policy announcements**.
- **Vote on Account** - It allows the Lower House to make any grant in advance for the estimated expenditure for part of any financial year by voting and passing such a legislation (**Article 116**).
- It is valid only for 2 months and can be extended up to 4 months.

Annual budget

Interim budget

<b>Timing</b>	Presented on <b>February 1<sup>st</sup> of each year</b> , outlines the government's financial roadmap for the entire fiscal year (April 1 to March 31).	Presented in an election year, <b>typically around February</b> , to keep essential government operations funded until the newly elected government presents its full budget.
<b>Scope</b>	Covers <b>all aspects of government finances</b> , including revenue generation, expenditure allocations and policy announcements	Focusses primarily on maintaining <b>essential spending</b> on ongoing schemes and critical public services until the new government takes charge.
<b>Policy announcements</b>	Major policy pronouncements are made in the annual budget.	Due to its transitory nature, an interim budget avoids major policy pronouncements or significant changes to tax structures.
<b>Parliamentary scrutiny</b>	Faces <b>rigorous debate</b> and analysis	Receives less scrutiny due to its <b>limited scope</b> and temporary nature.
<b>Validity</b>	1 year	Usually 2-4 months, but remains valid until the new government presents its full budget.



## Related Terms

<b>Fiscal deficit</b>	<ul style="list-style-type: none"> <li>It is defined as excess of total budget expenditure over total budget receipts excluding borrowings during a fiscal year.</li> <li>- <math>\text{Fiscal deficit} = \text{Total expenditure} - \text{Total receipts excluding borrowings}</math></li> </ul>
<b>Primary Deficit</b>	<ul style="list-style-type: none"> <li>It is defined as fiscal deficit of current year minus interest payments on previous borrowings.</li> <li>- <math>\text{Primary deficit} = \text{Fiscal deficit} - \text{Interest payments}</math></li> </ul>
<b>Revenue deficit</b>	<ul style="list-style-type: none"> <li>It is excess of total revenue expenditure of the government over its total revenue receipts.</li> <li>- <math>\text{Revenue deficit} = \text{Total revenue expenditure} - \text{Total revenue receipts}</math></li> </ul>

### **PART- A**

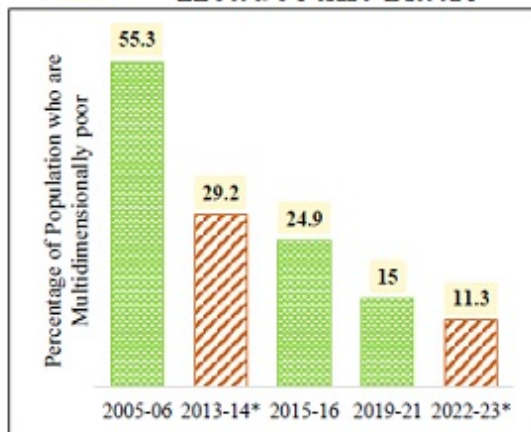
- **Goal** - To make India a '**Viksit Bharat**' by 2047 (Prosperous Bharat in harmony with nature, with modern infrastructure, and providing opportunities for all citizens and all regions to reach their potential)
- The trinity of **demography, democracy and diversity** backed by '**Sabka Prayas**' has the potential to fulfill aspirations of every Indian.
- Guided by the principle '**Reform, Perform, and Transform**', the Government will take up next generation reforms.
- Moving forward towards the goal of 100 years of independence, 'Amrit Kaal' has been named as '**Kartavya Kaal**'.
- **Focus** - 'Garib' (Poor), 'Mahilayen' (Women), 'Yuva' (Youth) and 'Annadata' (Farmer)

## Schemes for Poverty alleviation

- PM-Jan Dhan Yojana
- PM-SVANidhi
- PM-JANMAN Yojana
- PM-Vishwakarma Yojana



### Decline in Headcount Ratio



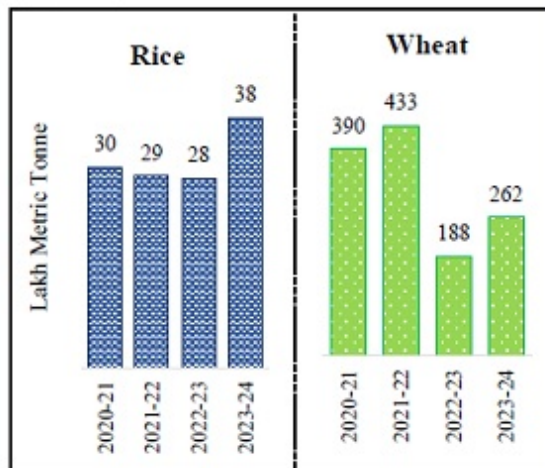
\* Projections

## Schemes for Farmers

- PM-KISAN SAMMAN Yojana
- PM Fasal Bima Yojana, e- NAM
- PM Kisan Sampada Yojana
- PM Formalisation of Micro Food Processing Enterprises Yojana

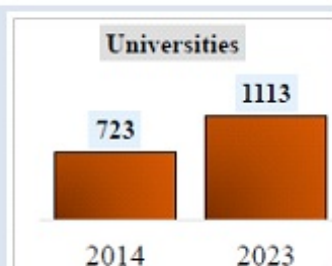


### Increasing Procurement of Wheat and Rice



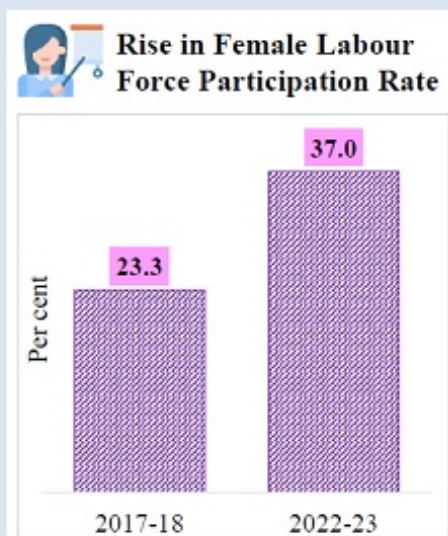
## Schemes for Youth

- The National Education Policy, 2020
- PM ScHools for Rising India (PM SHRI)
- Skill India Mission
- PM Mudra Yojana














## Schemes for Women

- Reservation of 1/3<sup>rd</sup> seats for women in Lok Sabha and State legislative assemblies
- Giving over 70% houses under PM Awas Yojana in rural areas to women as sole or joint owners
- Lakhpati Didi

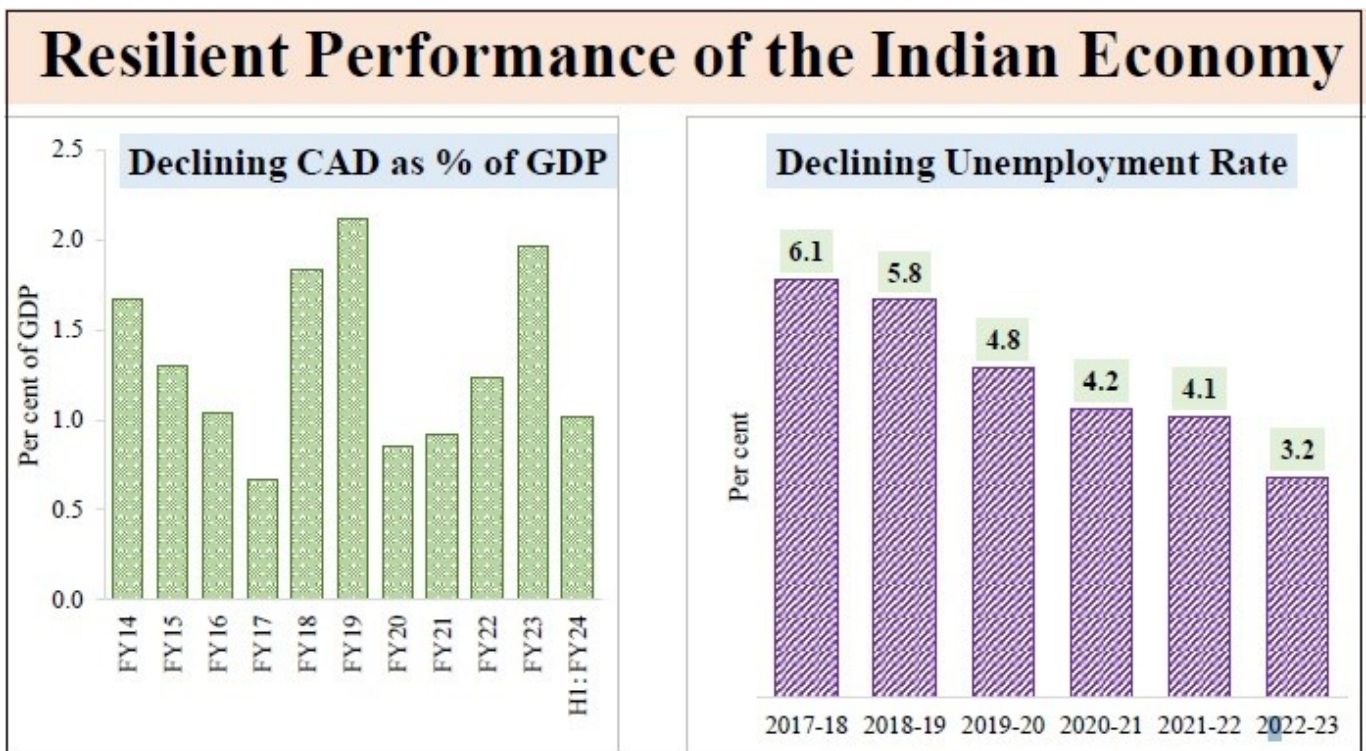


## STATUS OF IMPORTANT SCHEMES

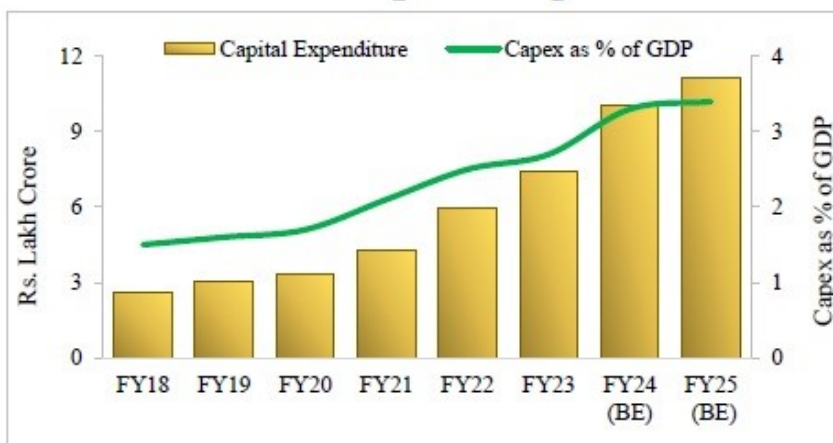
Scheme	Budget spend 	Target 	Achievement 	Remark 
 Ayushman Bharat (PMJAY) (Launch : 2018)	<b>₹31,998.55 crore</b>	Free health insurance for low income earners	30.3 crore Ayushman Bharat cards created and 6.2 crore hospital admissions done	Health insurance is increasingly available to poorer families
 Swacchh Bharat (Launch: 2014)	<b>₹1,00,152.81 crore</b>	Eliminate open defecation	85% of villages are open defecation free	Effective in constructing toilets in most of rural India but habits can take time to change though
 PM Mudra Yojana (Launch: 2015)	<b>Disbursed by lending agencies including banks &amp; NBFCs</b>	Loan up to ₹10 lakh to small/micro enterprises	Loans worth ₹23.38-lakh crore disbursed until FY23	The scheme has exceeded its target in many years
 AMRUT (Launch year: 2015)	<b>₹58,503.87 crore</b>	Development of basic infrastructure in selected cities and towns by FY26	80% projects completed	Has made a difference to urban transportation in many cities and towns
 PM Ujjwala Yojana (Launch: 2016)	<b>₹58,706.37 crore</b>	Clean cooking fuel to poor households	At least one cylinder provided to 10.1 crore households	Has helped the shift towards cleaner cooking fuel, though buying refills is a problem for many
 PM Kisan (Launch: 2019)	<b>₹3,42,506.82 crore</b>	Give farmers up to ₹6,000 per year as minimum income support	₹2.8-lakh crore paid to 11.8 crore farmers	Provides money to farmers for basic needs
 PM Fasal Bima Yojana (Launch: 2016)	<b>₹91,932.22 crore</b>	Insure farmers against loss from crop damage	₹1.5-lakh crore paid as claims to 4 crore farmers	Many farmers are benefitting but issues remain in implementation

## Major achievements

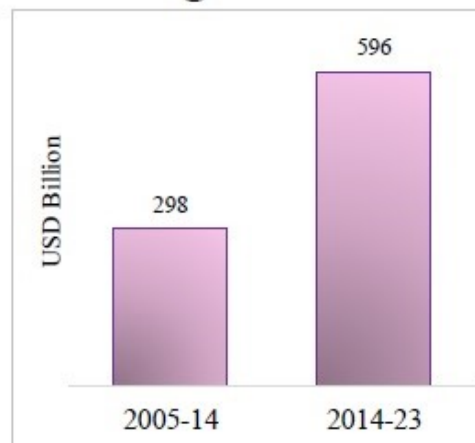
- **Promotion of Digital Public Infrastructure** - Formalised the economy
- **Goods and Services Tax** - Enabled One Nation, One Market, One Tax
- **GIFT IFSC and the unified regulatory authority, IFSCA** - Created a robust gateway for global capital and financial services
- Despite the challenges due to COVID, the government is close to achieving the target of 3 crore houses in implementing the **PM Awas Yojana (Grameen)**.
- With the pursuit of '*Sabka ka Saath*' in these 10 years, the Government has assisted 25 crore people to get freedom from multi-dimensional poverty.
- **Rooftop solarisation** - Through rooftop solarization, 1 crore households will be enabled to obtain up to 300 units free electricity every month.



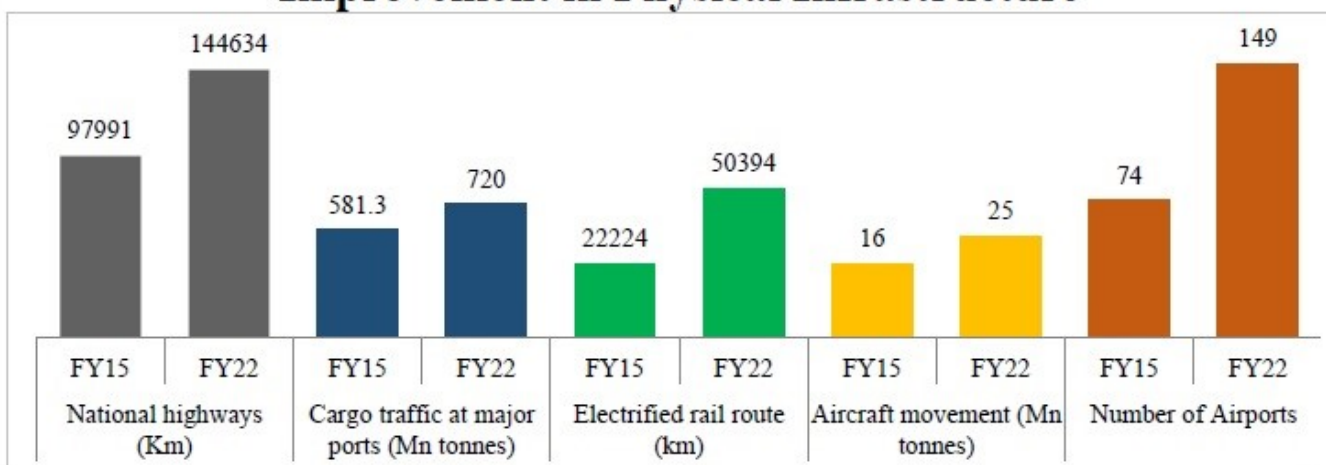
## Increase in Capital Expenditure



## Doubling of FDI Inflow



## Improvement in Physical Infrastructure



## Global Context

- India assumed the **G20 Presidency** on the 1<sup>st</sup> of December 2022 from Indonesia and convened the G20 Leaders' Summit for the first time in the country in 2023.
- The recently announced **India-Middle East-Europe Economic Corridor** is an economic game changer for India.

To know about Part-2, click [here](#)