



Union Interim Budget FY25

G = Governance
D = Development
P = Performance



Budget's Key Numbers

The total size of the 2024-25 Budget stood at Rs 47.66 lakh crore - a 6.1% jump over the revised estimate for 2023-24

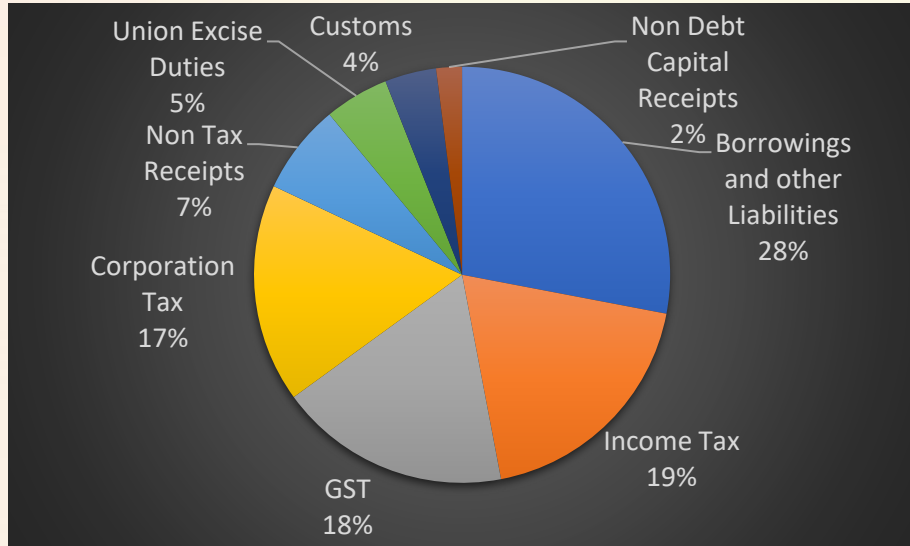
| FISCAL MATHS | FY25 BE | FY24 RE | % CHANGE |
|-------------------------------|--------------|--------------|--------------|
| Fiscal deficit | 16.85 | 17.35 | -2.84% |
| % of GDP | 5.1% | 5.8% | |
| Gross market borrowing | 14.13 | 15.43 | -8.43% |
| Net market borrowing | 11.75 | 11.80 | -0.45% |
| Revenue deficit | 6.53 | 8.41 | -22.27% |
| % of GDP | 2.0% | 2.8% | |
| Total receipts | 47.66 | 44.90 | 6.13% |
| - Tax Revenue (Net to Centre) | 26.02 | 23.24 | 11.95% |
| - Non-tax revenue | 4.00 | 3.76 | 6.36% |
| Total expenditure | 47.66 | 44.90 | 6.13% |
| - Revenue spend | 36.55 | 35.40 | 3.23% |
| - Capital spend | 11.11 | 9.50 | 16.93% |
| % of GDP | 3.4% | 3.2% | |

In. ₹ Lakh Cr

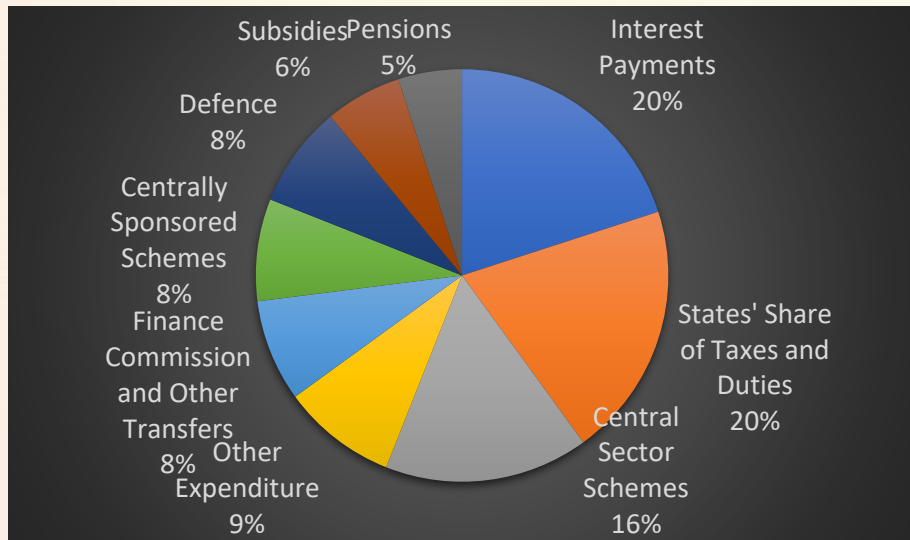
| REVENUE BREAK-UP | FY25 BE | FY24 RE | % CHANGE |
|--------------------------|--------------|--------------|---------------|
| Gross tax revenue | 38.31 | 34.37 | 11.45% |
| - Corporation tax | 10.43 | 9.23 | 13.02% |
| - Income tax | 11.56 | 10.22 | 13.08% |
| - Customs | 2.31 | 2.19 | 5.78% |
| - Excise | 3.19 | 3.04 | 5.00% |
| - Central GST | 10.68 | 9.57 | 11.61% |
| Non-tax revenue | 4.00 | 3.76 | 6.36% |
| - RBI, PSU bank dividend | 1.02 | 1.04 | -2.31% |
| - Disinvestment | 0.50 | 0.30 | 66.67% |

In. ₹ Lakh Cr





Receipts



Expenditures



Source: Union Budget FY25 document

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Nominal GDP: FY25 Nominal GDP growth targeted at 10.5%



FY25 Fiscal Deficit Target: 5.1%



Estimated Gross Market Borrowing: ₹ 14.13 lakh crore



Estimated Net Market Borrowing: ₹ 11.75 lakh crore



Disinvestment target: ₹ 50,000 crore



Expected Dividends from Central and Public Sector Banks: ₹ 1.02 lakh crore



Capex: FY25 effective Capex will be ₹ 14.97 lakh Crore (including grants); forming 4.6% of GDP

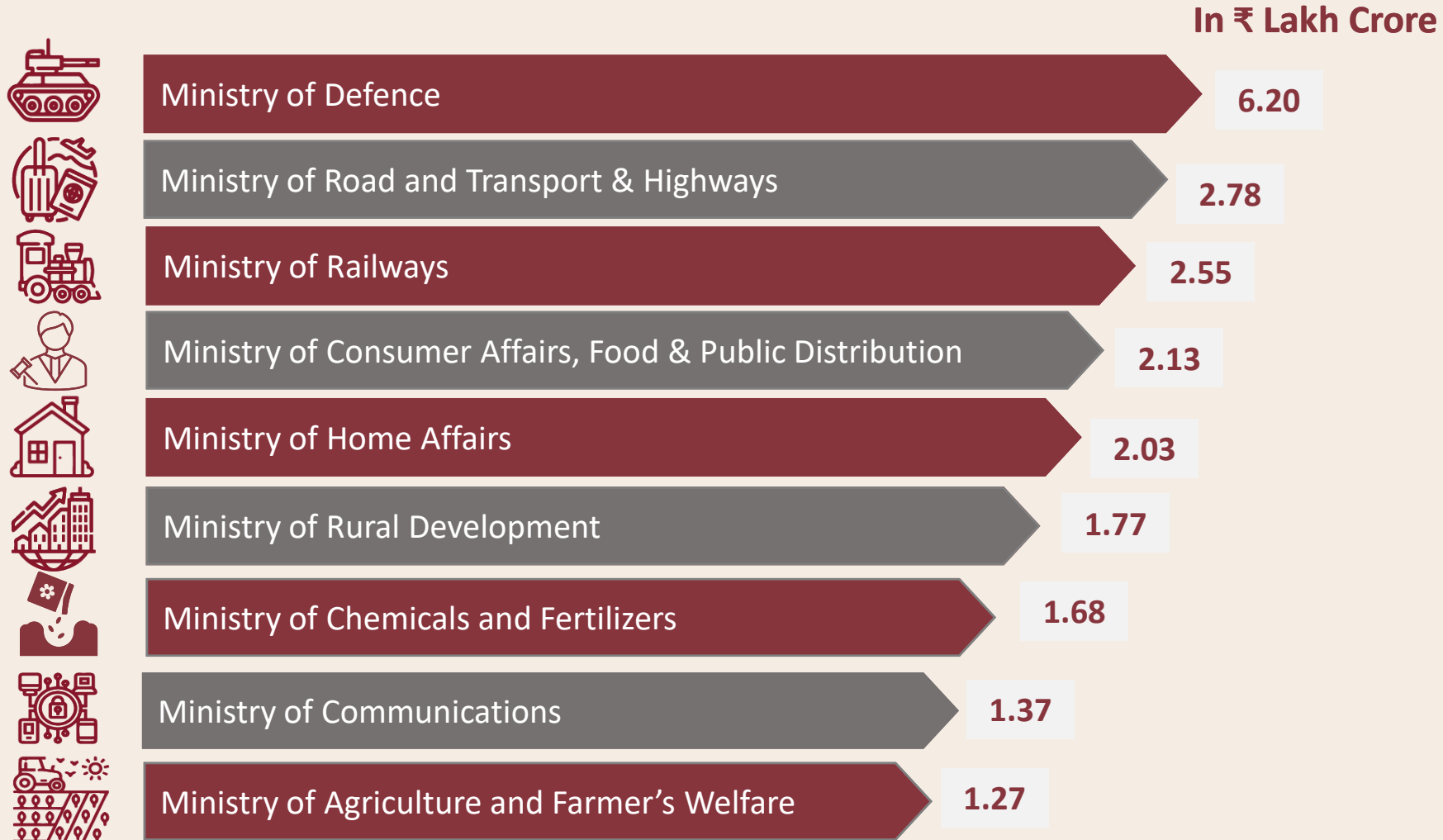


Estimated Gross Tax Collections: ₹ 38.31 lakh Crore





Allocation to Specific Ministries



Source: Union Budget FY25 document

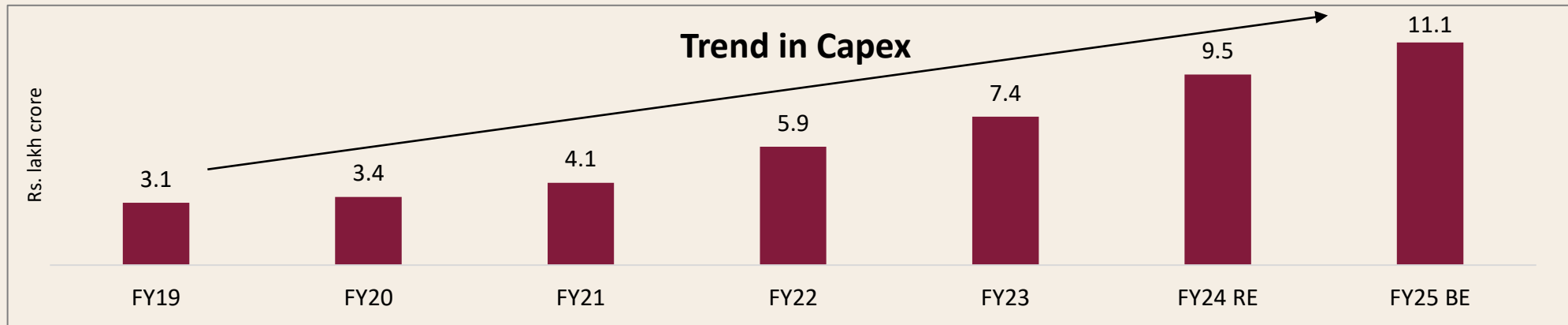
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Sector Announcements





- ❖ FY25 capex outlay 3.4% of GDP, up by 11.1% to ₹11.11 lakh crore.
- ❖ The government has continued to prioritise capex in order to push investments and improve the quality of expenditure to support growth.
- ❖ Expansion of existing airports and comprehensive development of new airports under UDAN scheme.
- ❖ Railways outlay of ₹2.55 lakh crore for FY25, beating previous year's high of ₹ 2.4 lakh crore.
- ❖ Implementation of 3 major railway corridor programmes under PM Gati Shakti-to improve logistics efficiency and reduce cost.
- ❖ Allocation for PLI scheme for the manufacturing sector has been increased from ₹4,645 cr to ₹6,200 cr.
- ❖ 40,000 rail bogies to be converted to Vande Bharat standard.



Source: Union Budget FY25 document

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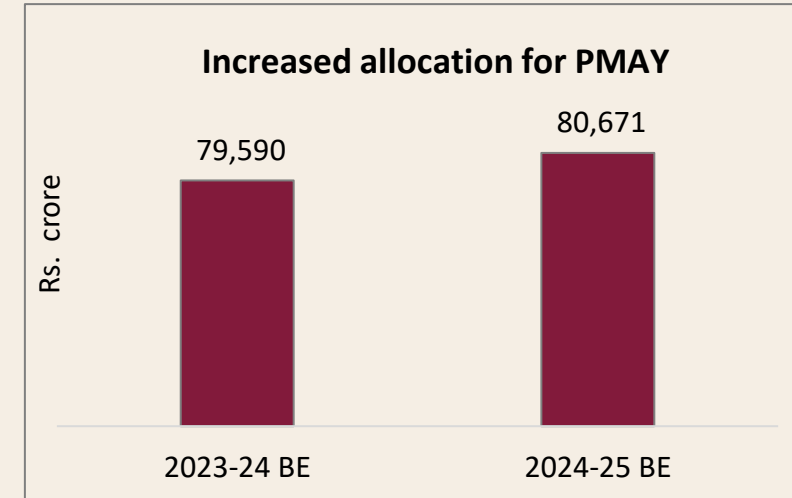
Housing:

- ❖ Pradhan Mantri Awas Yojana (PMAY) (Grameen) close to achieving target of 3 crore houses, additional 2 crore targeted for next 5 years.
- ❖ Housing for Middle Class scheme to be launched to promote middle class to buy/built their own houses.



Tourism:

- ❖ Long-term interest free loans to be provided to States to encourage development.
- ❖ States will be encouraged to undertake development of iconic tourist centres to attract business and promote opportunities for local entrepreneurship.
- ❖ Projects for port connectivity, tourism infrastructure, and amenities will be taken up in islands, including Lakshadweep.





❖ **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:** 1 crore households will be enabled to obtain up to 300 units of free electricity per month.

❖ **Adoption of e-buses** for public transport network.

❖ **Strengthening e-vehicle ecosystem** by supporting manufacturing and charging.





- ❖ **Government will promote private and public investment in post-harvest activities.**
- ❖ **Application of Nano-DAP* to 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.**
- ❖ **Implementation of Pradhan Mantri Matsya Sampada Yojana to be stepped up to enhance aquaculture productivity, double exports and generate more employment opportunities.**
- ❖ **5 Integrated Aquaparks to be set up.**

Source: Union Budget FY25 document. * Nano-DAP (Di-ammonium Phosphate) is a nanotechnology-based agri-input developed by the Indian Farmers Fertilizer Cooperative Limited (IFFCO)

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- ❖ **Health cover under Ayushman Bharat scheme to be extended to all ASHA, Angawadi workers and helpers.**
- ❖ **Saksham Anganwadi and Poshan 2.0 to be expedited** for improved nutrition delivery, early childhood care and development.
- ❖ The newly designed **‘U-Win’ platform for managing immunisation and intensification of Mission Indradhanush** will be rolled expeditiously throughout the country.
- ❖ **Encourage Cervical Cancer Vaccination for girls (9-14 years).**
- ❖ **All maternal and child healthcare schemes will be brought under one comprehensive programme** for synergy in implementation.
- ❖ The government plans to set up more medical colleges by utilising the existing hospital infrastructure under various departments. A committee for this purpose will be set up to examine the issues and make relevant recommendations.





Other Announcements

- ❖ **Taxation Unchanged:** No change in income tax slabs, new and old regimes to continue.
- ❖ Government to **extend tax benefits for start-ups to March 31, 2025.**
- ❖ The Government is working to make **India –Vikasit Bharat by 2047.**
- ❖ **Withdrawal of outstanding direct tax demand**, with limits set at up to Rs 25,000 for issues up to FY10 and up to ₹10,000 for FY11-FY15, benefiting around 1 crore taxpayers.



Impact on Markets



- ❖ FM highlighted the Centre's various programmes for **women, youth and poor**.
- ❖ FM noted that the Indian economy has seen a "profound" transformation, and that the Government carried out structural reforms. FM said the **government's focus was on four major 'castes' - women, youth, poor and farmers**.

Debt Market Update:

Indian government bond yields reversed course and dropped from the day's high after the government's borrowing target for the next financial year came in lower than the ongoing fiscal.

The benchmark 10-year yield closed at 7.06% down from previous days close of 7.14%.

Equity Market Update:

Indian equity indices ended with minor change in the volatile session on Feb 1 after FM presented the inline Interim Budget with no big announcements.

| Index | 1 day change |
|--------------------|--------------|
| Sensex | -0.15% |
| Nifty 50 | -0.13% |
| Nifty Midcap 100 | -0.56% |
| Nifty Smallcap 100 | 0.63% |

Source: BSE India and NSE India. Data as on Feb 01, 2024



Thank You!



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