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02 February 2024

BUDGET AND ESI 2024



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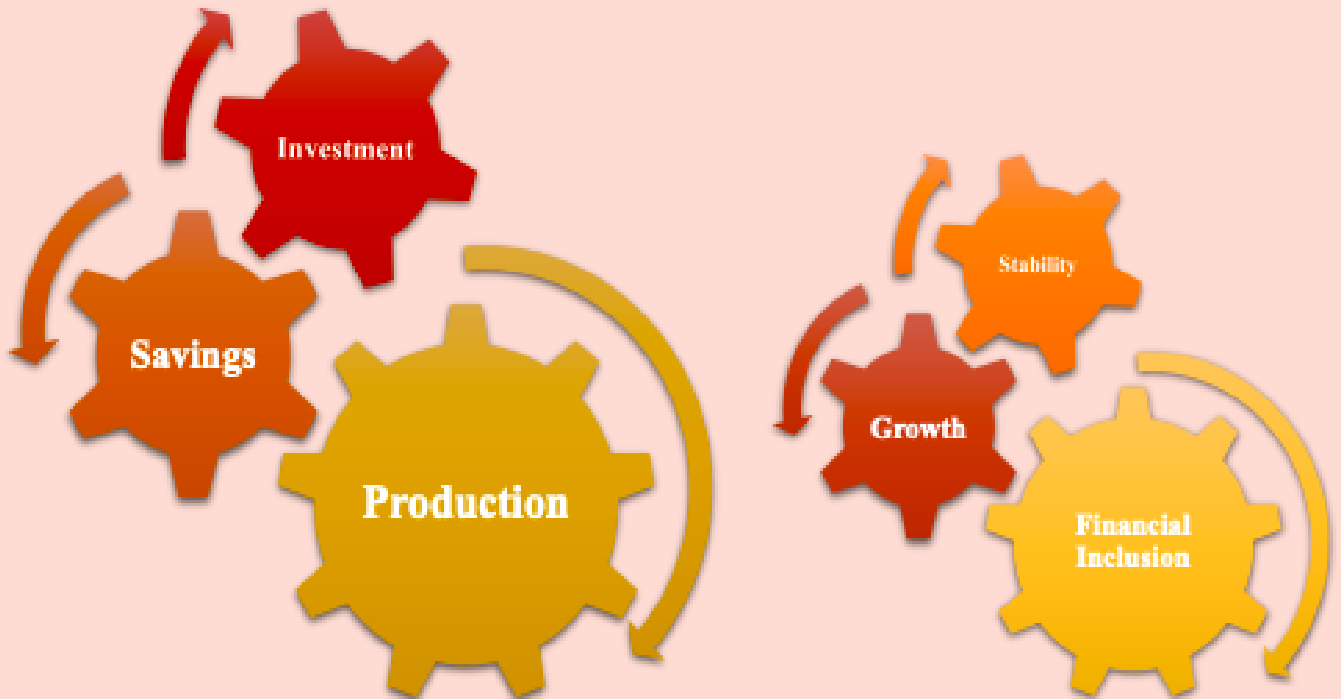
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The Indian Economy:

A Review

January 2024



आर्थिक कार्य विभाग
DEPARTMENT OF
ECONOMIC AFFAIRS

सत्यमेव जयते



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V. Anantha Nageswaran
Chief Economic Adviser
Ministry of Finance
Government of India

This year, the Centre is not going to present the Economic Survey—a document prepared by the Chief Economic Advisor (CEA) and presented by the Finance Minister in Lok Sabha,

Typically a day ahead of the Union Budget on February 1 each year.

This is because 2024 is an election year and the regular Budget process may be disrupted if there is a change in government.

Highlights from Economic Review 2024

The Chief Economic Advisor announced that there will be no economic survey this year as 2024 is an election year

January 30, 2024

India's gross domestic product (GDP) is projected to exceed 7.2% in FY24

India has positioned itself as the world's third-largest fintech economy, trailing only the USA and the UK

Initiatives like the Skill India Mission, Start-Up India, and Stand-Up India have increased female participation in human capital formation

The overall Gross Enrolment Ratio (GER) has more than doubled from 24.5% to 58.2% between FY05 and FY22



INDIAN ECONOMY POISED TO HIT \$7.3 TRILLION BY 2030



- » Report led by **Chief Economic Adviser V Anantha Nageswaran** projects growth rate of more than 7%
- » Country's GDP expected to more than double from **\$3.5 trillion in 2022** to **\$7.3 trillion** by the end of the decade
- » As of Jan 29, the country's economy has been reported to be at **\$3.7 trillion**
- » Ambitious target of transforming **India** into a '**developed country**' by **2047**

Source: Finance Ministry's review report 2024





KEY HIGHLIGHTS - 1



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MINISTRY OF
FINANCE

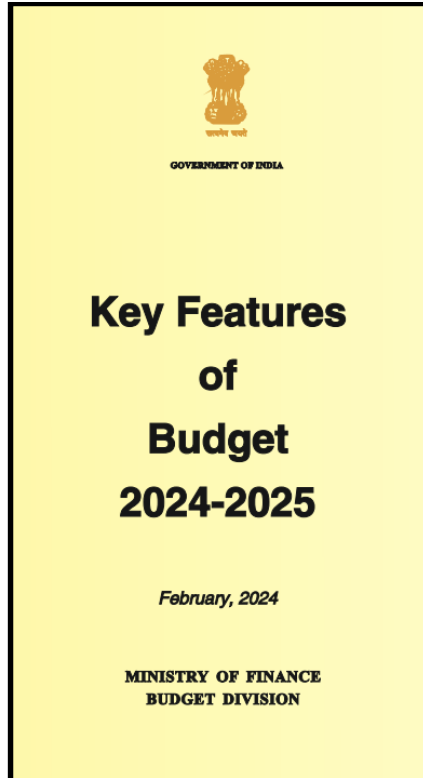
- ✓ FY24 marks the third successive year of 7 per cent plus strong growth of the Indian economy even as the global economy struggles to grow at more than 3 per cent.
- ✓ Exporting one's way to growth is no longer easy amid onshoring and friend-shoring of production, increasing vulnerabilities of global supply chains and the legacy of twin-global shocks.
- ✓ India's unwavering commitment to ensuring steady economic growth is generating resources for investment needed for climate change adaptation, building resilience, and mitigating emissions.
- ✓ The public sector capital investment has surged in the last 10 years, the financial sector is healthy, and non-food credit growth is strong, enabling the Indian economy grow at a brisk rate.
- ✓ Greater inclusive development, much lower unemployment rate, and moderate inflation, mark the journey from fragility to stability and strength during the last 10 years.
- ✓ The Government's COVID management, mature stimulus measures and the monumentally successful vaccination launched the return of the economy to a high-growth path
- ✓ The structural reforms implemented since 2014 have strengthened the macroeconomic fundamentals of the economy.

KEY HIGHLIGHTS - 2



वित्त मंत्रालय
MINISTRY OF
FINANCE

- ✓ The reforms undertaken to strengthen the financial sector have helped clean up the balance sheets of banks and corporates and emboldened banks to resume lending to all sectors of the economy
- ✓ The unification of the domestic markets brought in by the adoption of the GST has incentivised production on a larger scale, enhanced economic efficiency while reducing logistics costs.
- ✓ Investment incentives and initiatives to ease business compliances and remove policy uncertainties have created an ecosystem for start-ups to nurture.
- ✓ People of India are not only the beneficiaries of Government programmes during the last 9 years but also the drivers of its economic success.
- ✓ India embarks on her 'Amrit Kaal' with the confidence that challenges to growth and inclusive development are stepping stones and not obstacles.
- ✓ The all-inclusive welfare approach of the government is expected to contribute to the enlargement of the consumption base through the expansion of the middle class.
- ✓ Despite challenges posed by the global health crisis and variability in climate conditions, the agriculture sector has demonstrated remarkable tenacity and resilience.



According to **Article 266 of the Constitution**, **Parliamentary approval is required** to draw money from the **Consolidated Fund of India**.

The term **'Budget'** is **not mentioned** in the constitution.

The constitution refer it as **'Annual Financial Statement'**.

Article 112 – 117 in the constitution **deals with the financial matters**.

Besides, **Article 114 (3)** of the Constitution stipulates that **no amount can be withdrawn** from the Consolidated Fund **without the enactment of a law** (i.e. **Appropriation bill**).



How is an Interim budget different from a full-fledged Budget?

Interim Budget

- The Interim Budget will outline the government's anticipated receipts and expenditures until the new government is formed.
- The interim budget provides financial details for the transitional period.
- The incumbent government will present an interim budget for 2024-25 in Parliament, effective from April 1, 2024.

Full Budget

- A full Budget encompasses all facets of government finances, including earnings, spending, allocations, and policy declarations.
- A full-year Budget is a strategic guide, charting the nation's economic trajectory for an entire fiscal year.
- The new government will present a complete Budget in July 2024



बजट का सार Budget at a Glance

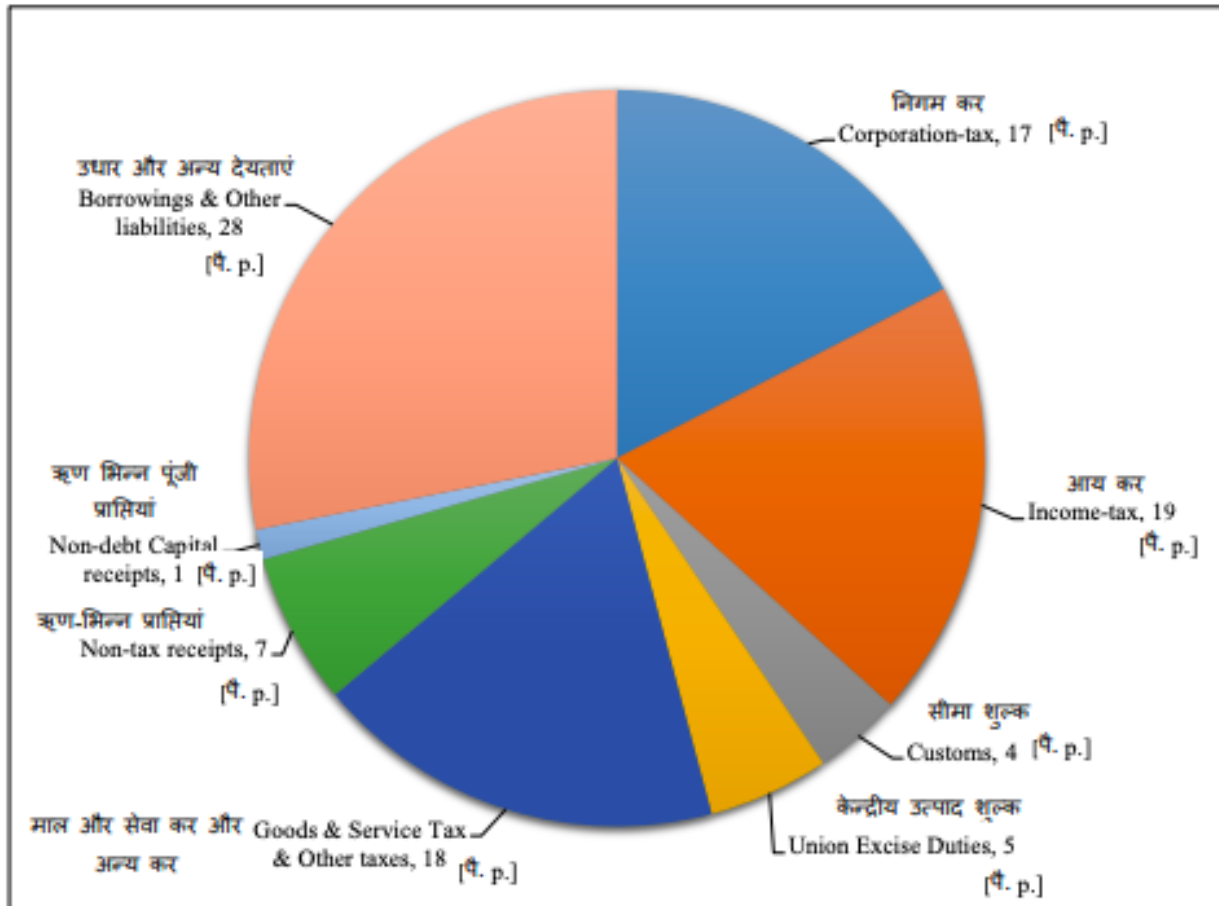
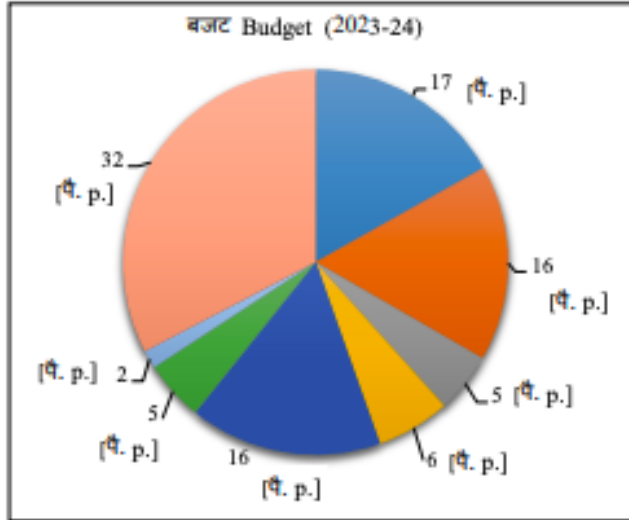
(₹ करोड़) (In ₹ crore)

		2022-2023 वास्तविक Actuals	2023-2024 बजट अनुमान Budget Estimates	2023-2024 संशोधित अनुमान Revised Estimates	2024-2025 बजट अनुमान Budget Estimates
1. राजस्व प्राप्तियां	1. Revenue Receipts	2383206	2632281	2699713	3001275
2. कर राजस्व (केंद्र को निवल) ¹	2. Tax Revenue (Net to Centre) ¹	2097786	2330631	2323918	2601574
3. कर भिन्न राजस्व	3. Non Tax Revenue	285421	301650	375795	399701
4. पूंजी प्राप्तियां	4. Capital Receipts	1809951	1870816	1790773	1764494
5. ऋणों की वसूली	5. Recovery of Loans	26161	23000	26000	29000
6. अन्य प्राप्तियां	6. Other Receipts	46035	61000	30000	50000
7. उधार और अन्य देयताएं ²	7. Borrowings and Other Liabilities ²	1737755	1786816	1734773	1685494
8. कुल प्राप्तियां (1+4)	8. Total Receipts (1+4)	4193157	4503097	4490486	4765768
9. कुल व्यय (10+13)	9. Total Expenditure (10+13)	4193157	4503097	4490486	4765768
10. राजस्व खाते पर जिसमें से	10. On Revenue Account of which	3453132	3502136	3540239	3654657
11. ब्याज भुगतान	11. Interest Payments	928517	1079971	1055427	1190440
12. पूंजी खाते के सृजन हेतु सहायता अनुदान	12. Grants in Aid for creation of Capital Account	306264	369988	321190	385582
13. पूंजी खाते पर	13. On Capital Account	740025	1000961	950246	1111111
14. प्रभावी पूंजी व्यय (12+13)	14. Effective Capital Expenditure (12+13)	1046289	1370949	1271436	1496693
15. राजस्व घाटा (10-1)	15. Revenue Deficit (10-1)	1069926	869855	840527	653383
		(3.9)	(2.9)	(2.8)	(2.0)
16. प्रभावी राजस्व घाटा (15-12)	16. Effective Revenue Deficit (15-12)	763662	499867	519337	267801
		(2.8)	(1.7)	(1.8)	(0.8)
17. राजकोषीय घाटा [9-(1+5+6)]	17. Fiscal Deficit [9-(1+5+6)]	1737755	1786816	1734773	1685494
		(6.4)	(5.9)	(5.8)	(5.1)
18. प्राथमिक घाटा (17-11)	18. Primary Deficit (17-11)	809238	706845	679346	495054
		(3.0)	(2.3)	(2.3)	(1.5)



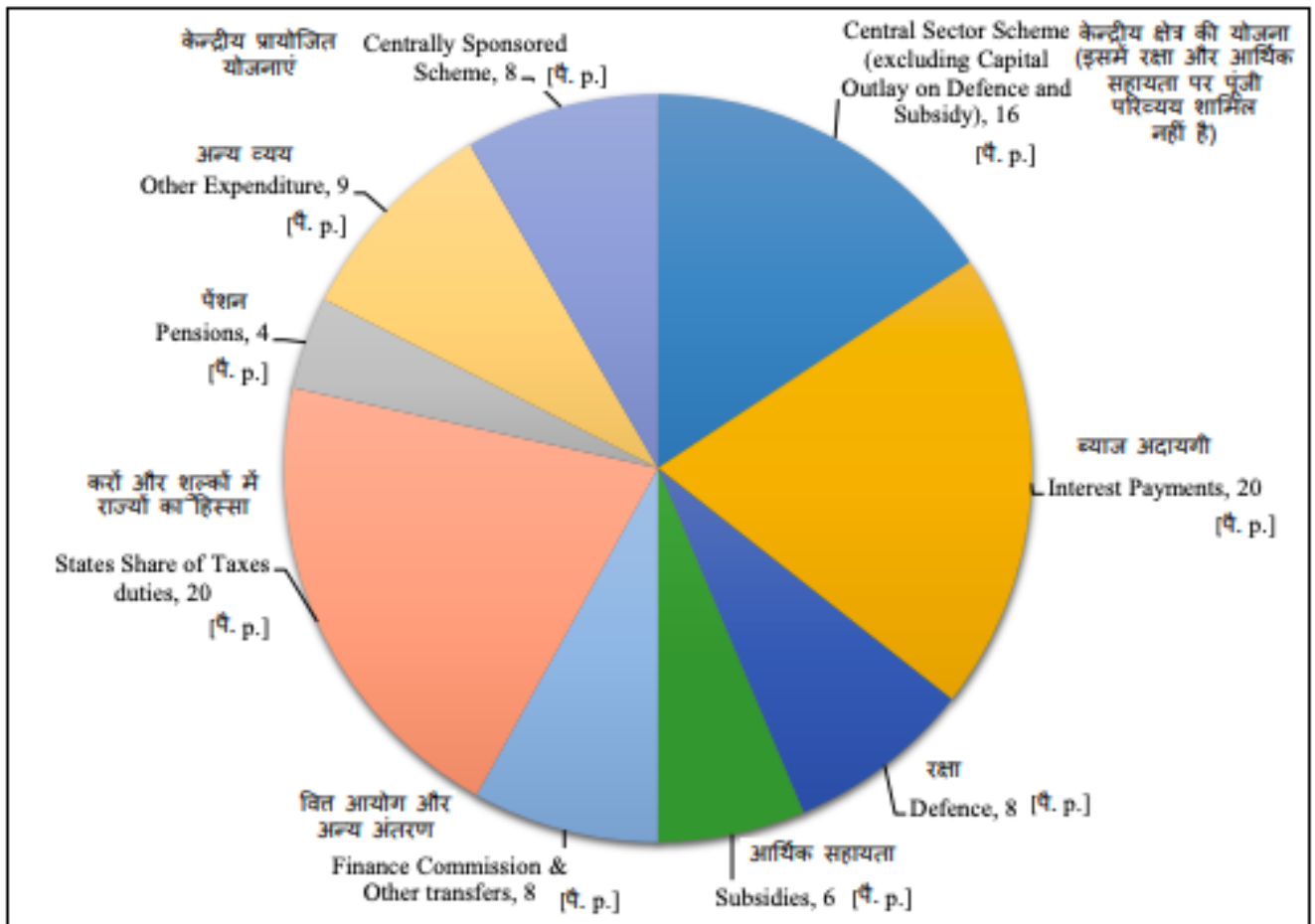
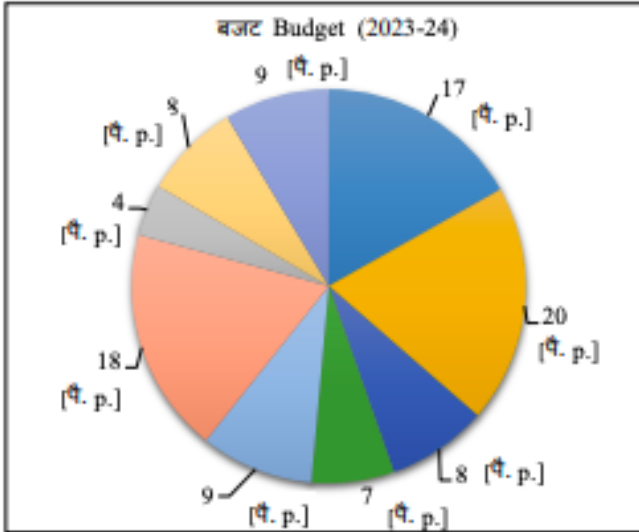
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रुपया कहां से आता है Rupee Comes From
(बजट Budget 2024-25)



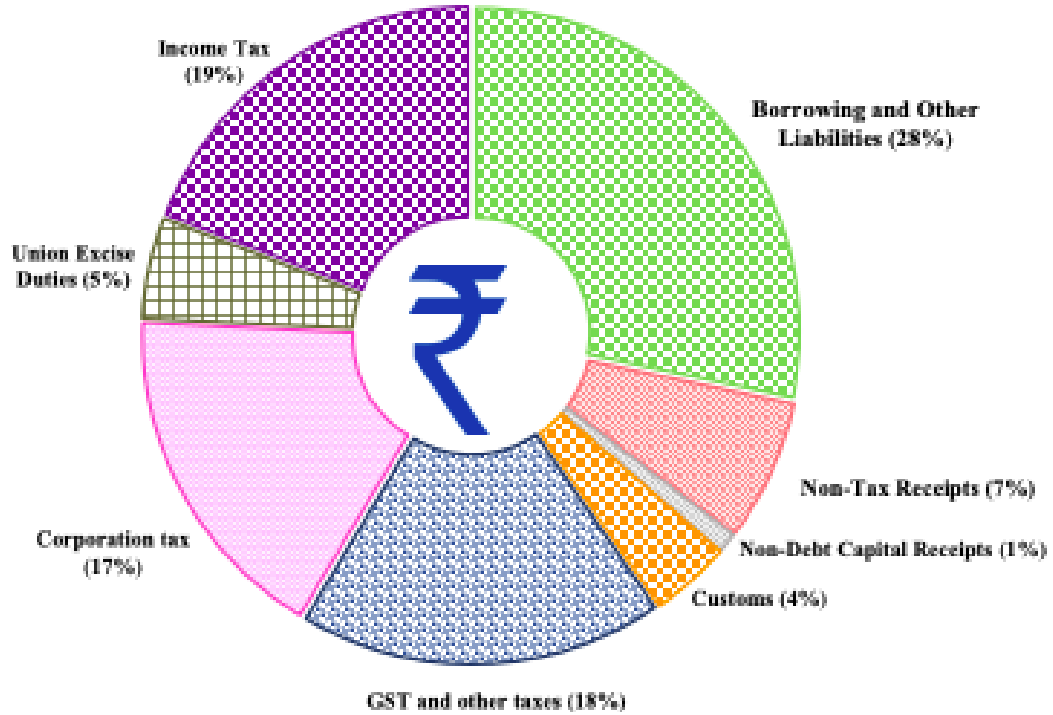


रुपया कहां जाता है Rupee Goes To (बजट Budget 2024-25)

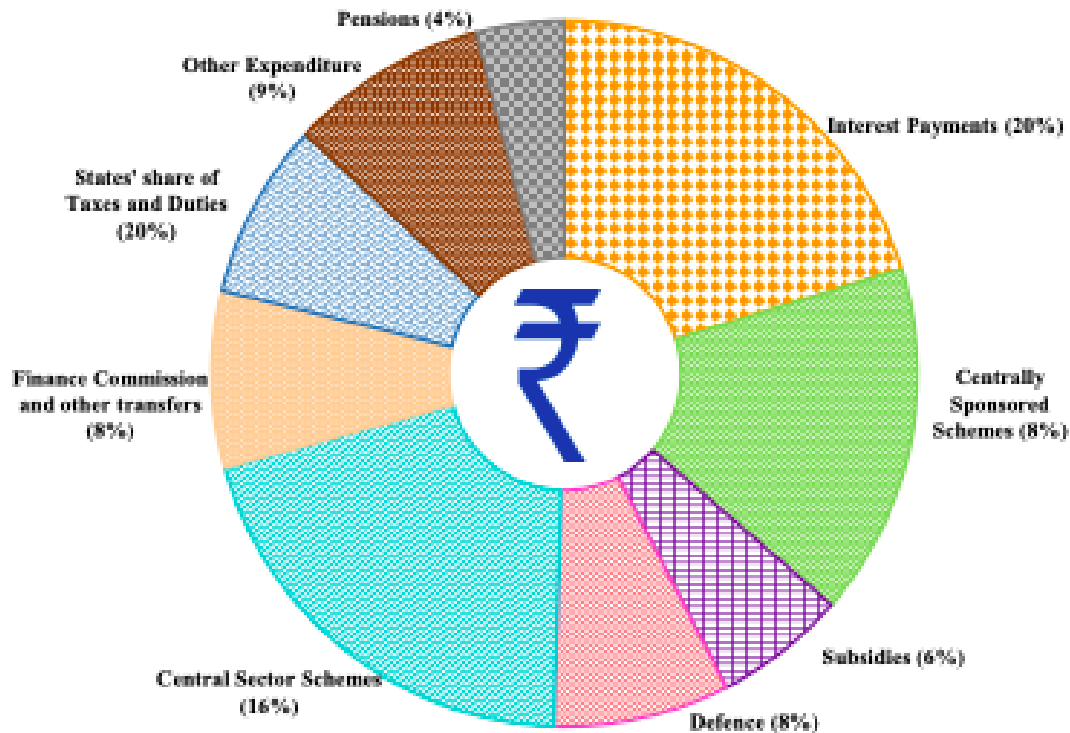




Rupee Comes From



Rupee Goes To





Viksit Bharat by 2047

Vision: Prosperous Bharat in harmony with nature, modern infrastructure and opportunities for all

Development Mantra



**Sabka Saath,
Sabka Vikas**

**Comprehensive
development of all**



**Sabka Saath,
Sabka Vikas,
Sabka Vishwas**

**Trinity of demography,
democracy and diversity,
backed by 'Sabka Prayas'**



**Developed India
@ 2047**



Focus Areas (1/2)

Garib Kalyan, Desh ka Kalyan

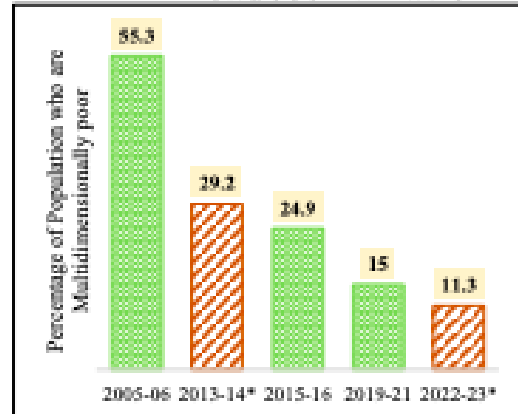
DBT has led to savings of ₹2.7 lakh crore

25 crore people moved out of Multi-dimensional poverty

Credit assistance to 78 lakh street vendors under PM-SVANidhi



Decline in Headcount Ratio



* Projections

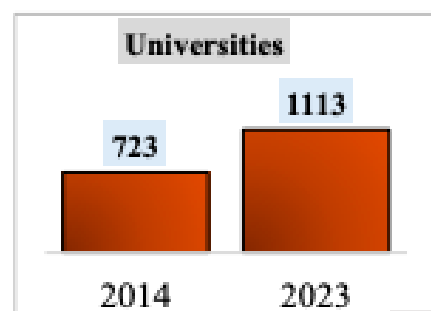
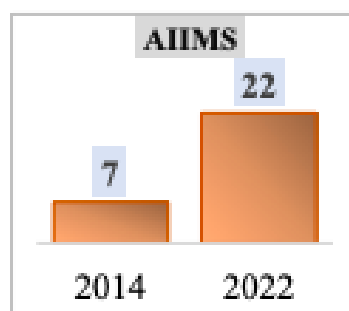
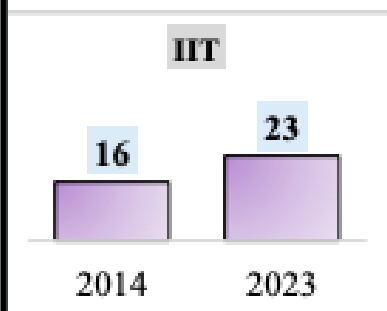
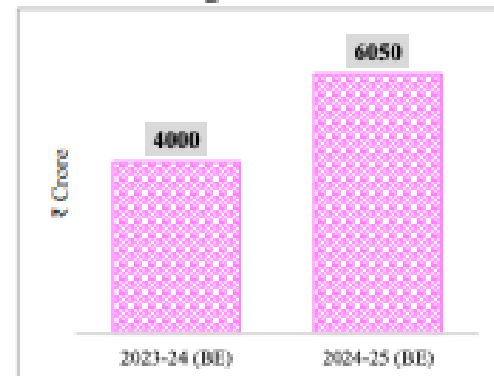
Empowering the Youth

1.4 crore youth trained under Skill India Mission

Fostering entrepreneurial aspirations of Youth-43 crore loans sanctioned under PM Mudra Yojana



Increase in PM-SHRI Budget Allocation





Focus Areas (2/2)

Welfare of Farmers-Annadata

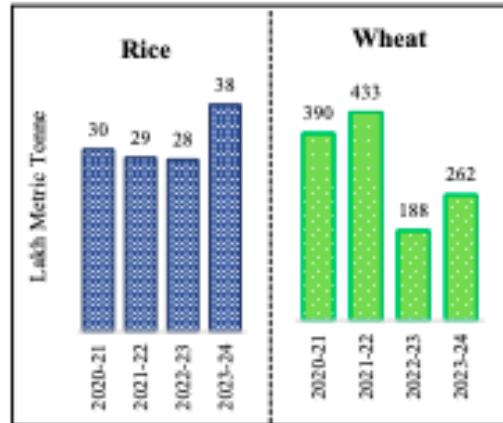
Direct financial assistance to 11.8 crore farmers under PM-KISAN

Crop Insurance to 4 crore farmers under PM Fasal Bima Yojana

Integration 1,361 mandis under e-NAM, supporting trading volume of ₹ 3 lakh crore



Increasing Procurement of Wheat and Rice



Nari Shakti

30 crore Mudra Yojana loans disbursed to women entrepreneurs

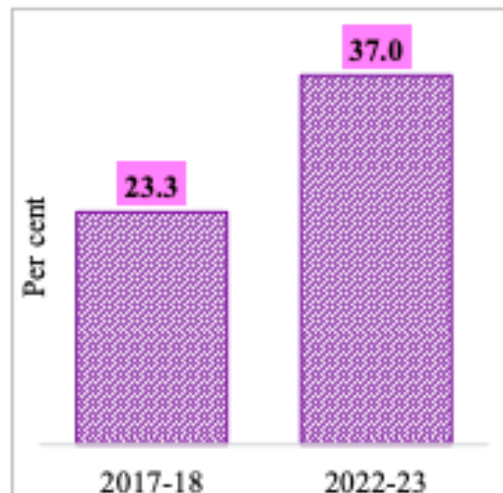
Increased female enrolment in higher education by 28 per cent in 10 years

43 per cent of female enrolment in STEM courses

1 crore women assisted by 83 lakh SHGs to become Lakhpati Didis



Rise in Female Labour Force Participation Rate





Strategy for Amrit Kaal (1/5)

Sustainable Development

Commitment to meet 'Net Zero' by 2070

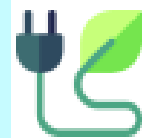
- Viability gap funding for wind energy
- Setting up of coal gasification and liquefaction capacity
- Phased mandatory blending of CNG, PNG and compressed biogas
- Financial assistance for procurement of biomass aggregation machinery



Rooftop solarization-1 crore households will be enabled to obtain up to 300 units of free electricity per month



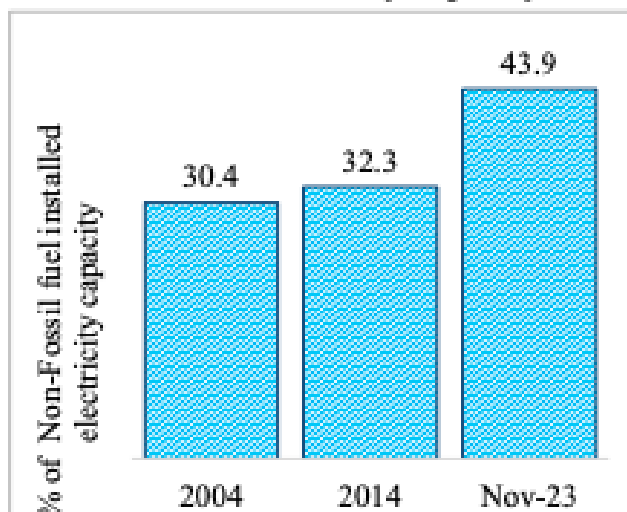
- Adoption of e-buses for public transport network
- Strengthening e-vehicle ecosystem by supporting manufacturing and charging



New scheme of biomanufacturing and bio-foundry to be launched to support environment friendly alternatives



Per cent increase in Non-Fossil Fuel installed electricity capacity



- >10 crore LPG connections released under PMUY
- 36.9 crore LED bulbs, 72.2 lakh LED Tube lights, and 23.6 lakh Energy efficient fans distributed under UJALA
- 1.3 crore LED Street Lights installed under SNLP



Strategy for Amrit Kaal (2/5)

Infrastructure and Investment

Implementation of 3 major railway corridor programmes under PM Gati Shakti-to improve logistics efficiency and reduce cost



Promotion of foreign investment via bilateral investment treaties to be negotiated



Expansion of existing airports and comprehensive development of new airports under UDAN scheme



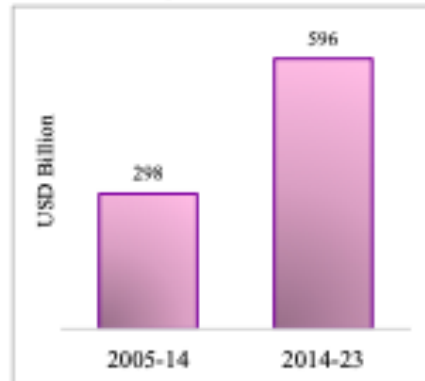
Promotion of urban transformation via Metro rail and NaMo Bharat



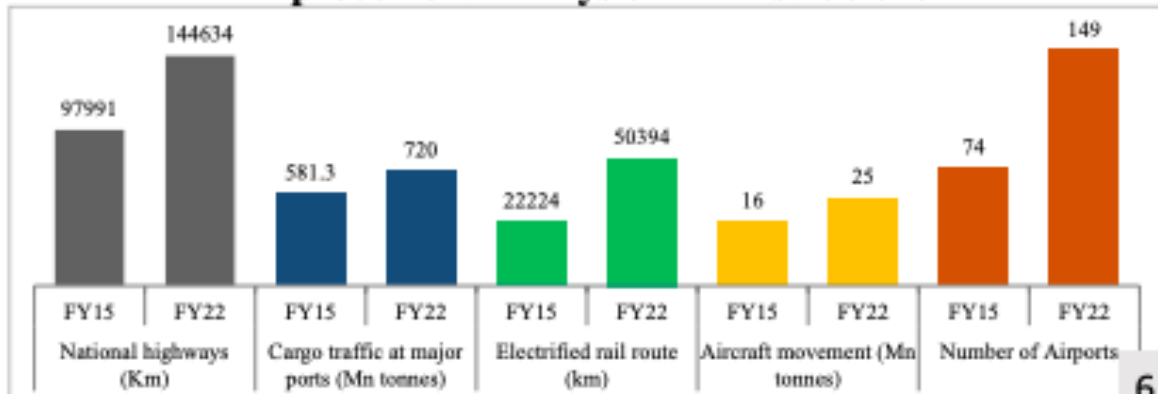
Increase in Capital Expenditure



Doubling of FDI Inflow



Improvement in Physical Infrastructure

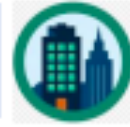




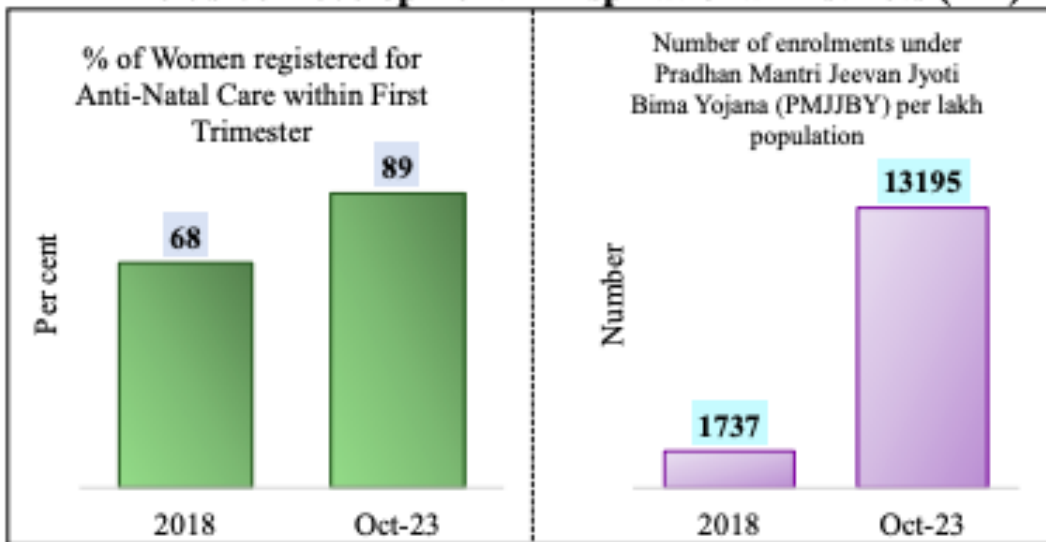
Strategy for Amrit Kaal (3/5)

Inclusive Development (1/2)

Aspirational District Programme to assist States in faster development, including employment generation



Inclusive Development in Aspirational Districts (112)



Health



Encourage Cervical Cancer Vaccination for girls (9-14 years)



Saksham Anganwadi and Poshan 2.0 to be expedited for improved nutrition delivery, early childhood care and development



U-WIN platform for immunisation efforts of Mission Indradhanush to be rolled out



Health cover under Ayushman Bharat scheme to be extended to all ASHA, Angawadi workers and helpers





Strategy for Amrit Kaal (4/5)

Inclusive Development (2/2)

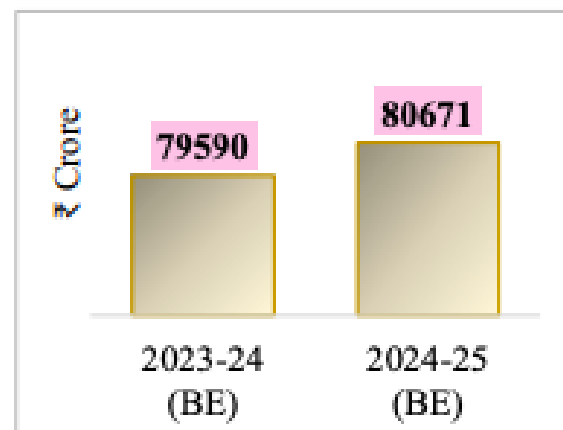


Housing

Pradhan Mantri Awas Yojana (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

Increased allocation for PMAY



Tourism

States will be encouraged to undertake development of iconic tourist centres to attract business and promote opportunities for local entrepreneurship

Long-term interest free loans to be provided to States to encourage development



G20 meetings in 60 places presented diversity of India to global audience

Projects for port connectivity, tourism infrastructure, and amenities will be taken up in islands, including Lakshadweep



Strategy for Amrit Kaal (5/5)

Agriculture and Food Processing

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

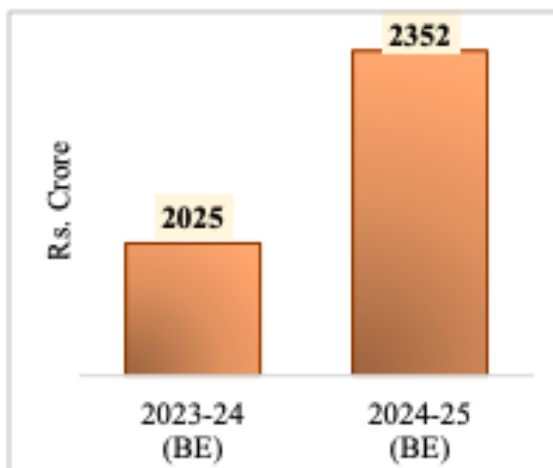


Implementation of Pradhan Mantri Matsya Sampada Yojana to be stepped up to enhance aquaculture productivity, double exports and generate more employment opportunities

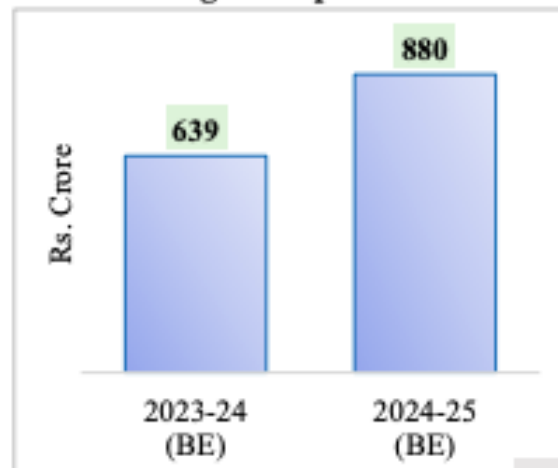


5 Integrated Aquaparks to be set up

Increased allocation for Blue Revolution

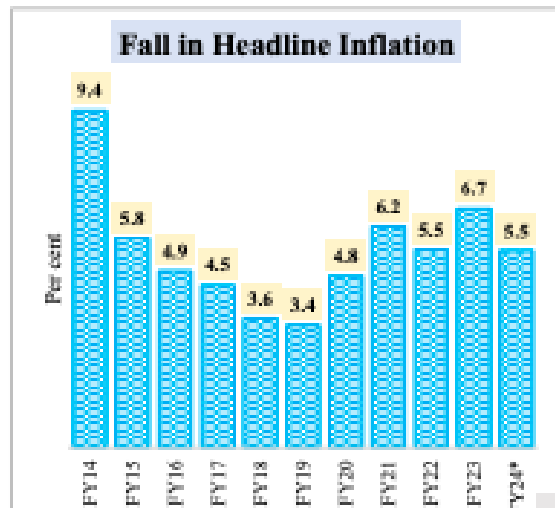
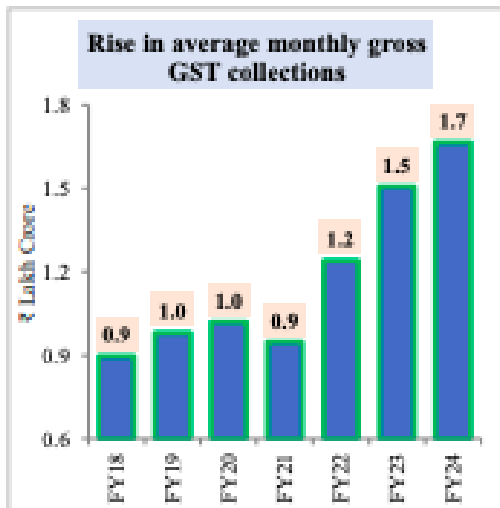
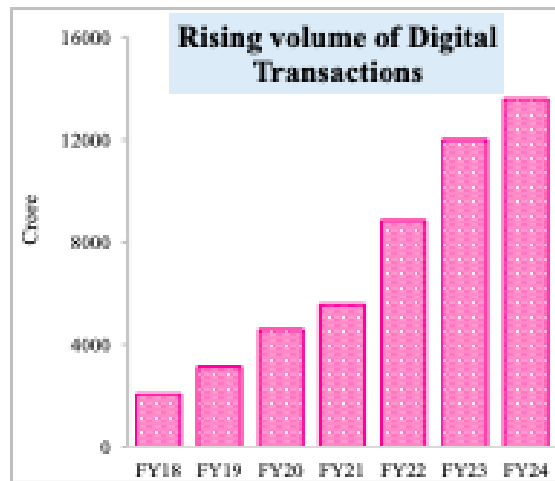
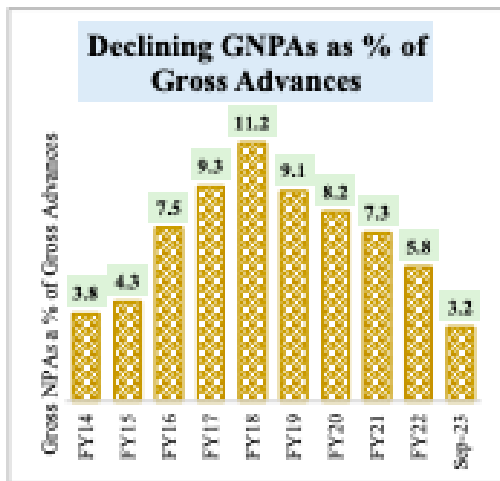
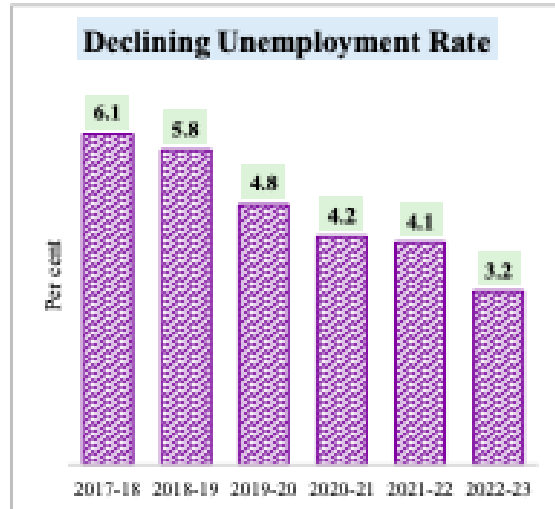
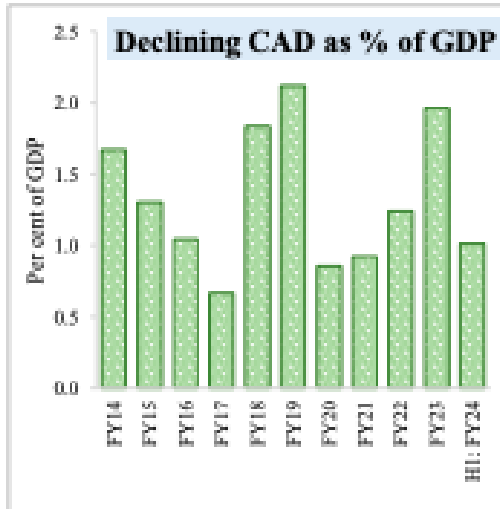


Increased allocation for PM-Formalisation of Micro Food Processing Enterprises scheme



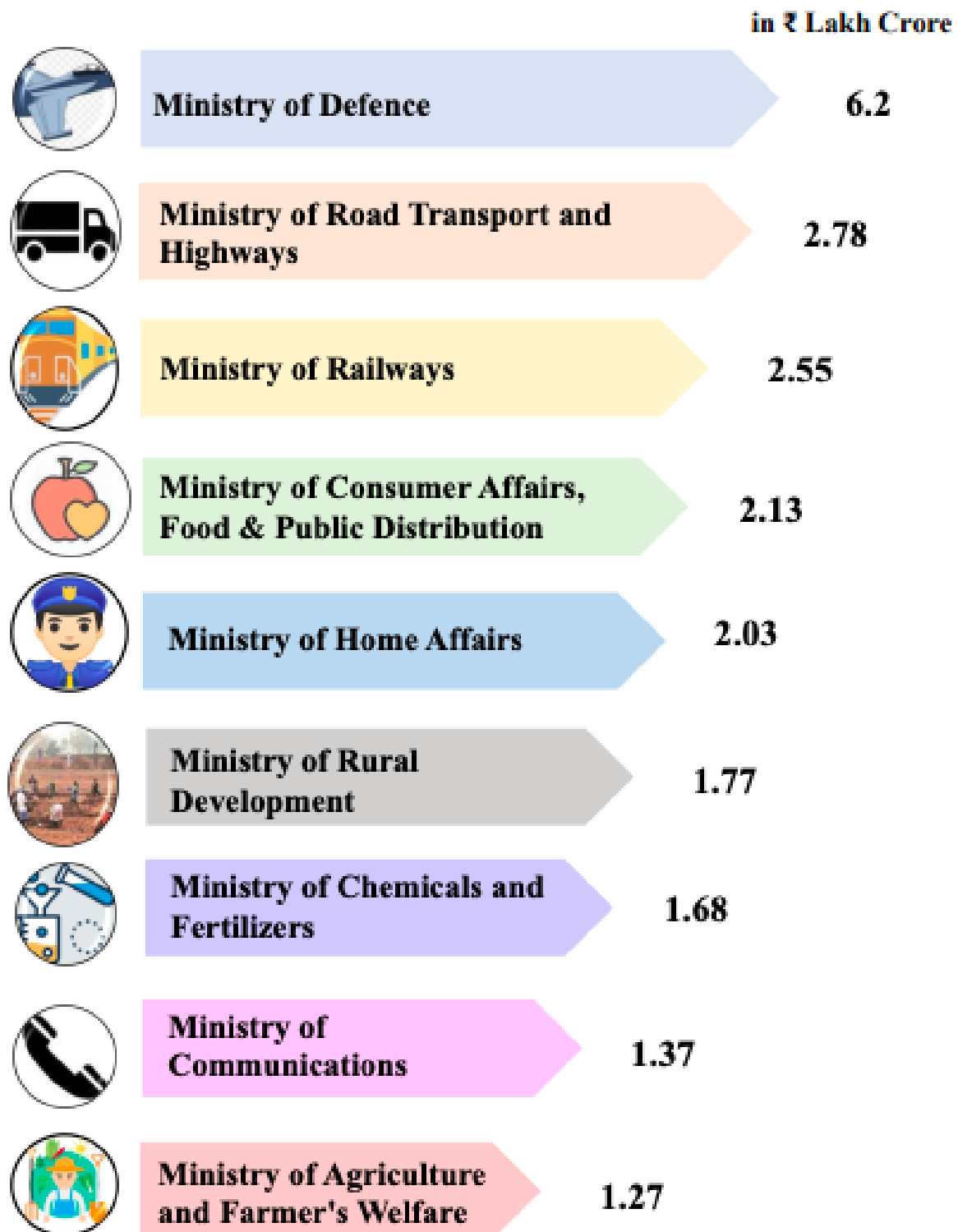


Resilient Performance of the Indian Economy





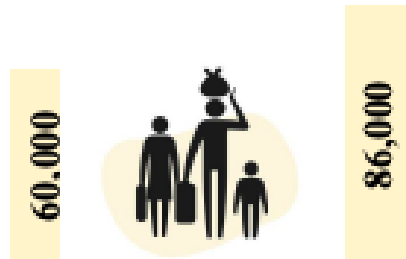
Allocation for Specific Ministries





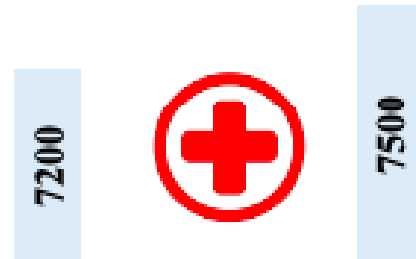
Allocation to Major Schemes (in ₹ crore)

Mahatma Gandhi National Rural Employment Guarantee Scheme



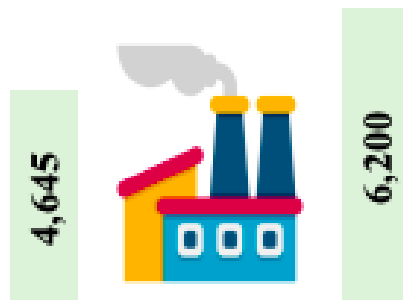
2023-24(BE) 2024-25(BE)

Ayushman Bharat-PMJAY



2023-24(BE) 2024-25(BE)

Production Linked Incentive Scheme



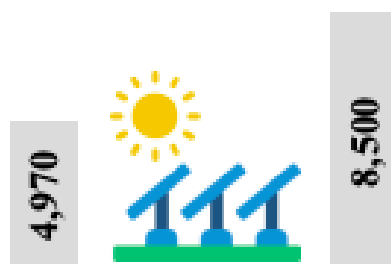
2023-24(BE) 2024-25(BE)

Modified Programme for Development of Semi-conductors and display manufacturing ecosystem



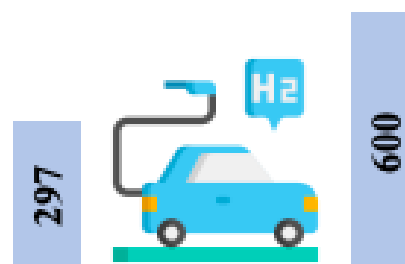
2023-24(BE) 2024-25(BE)

Solar Power (Grid)



2023-24(BE) 2024-25(BE)

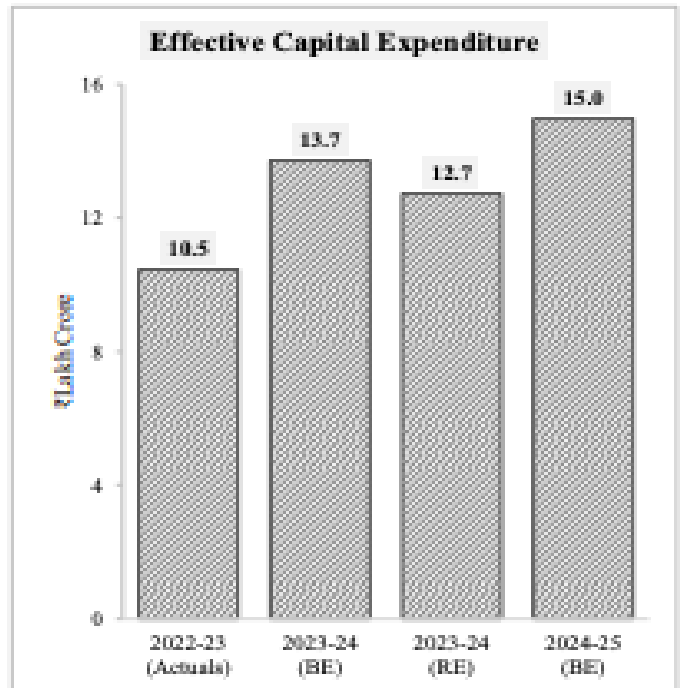
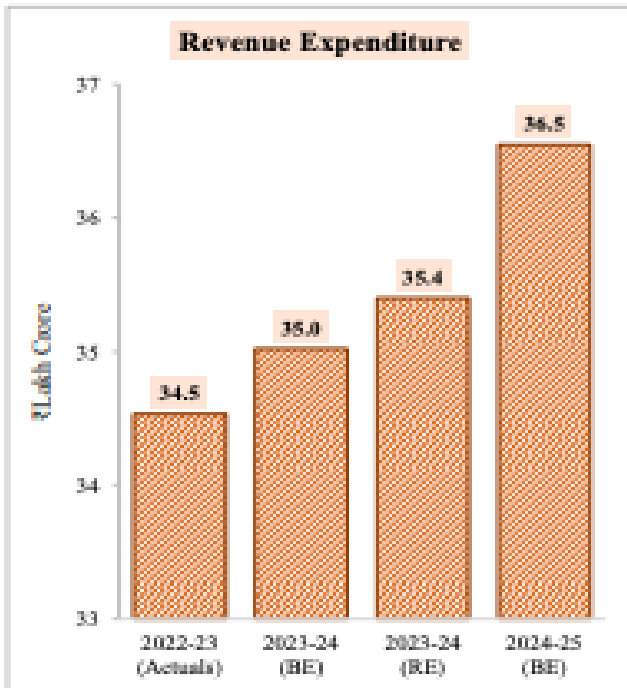
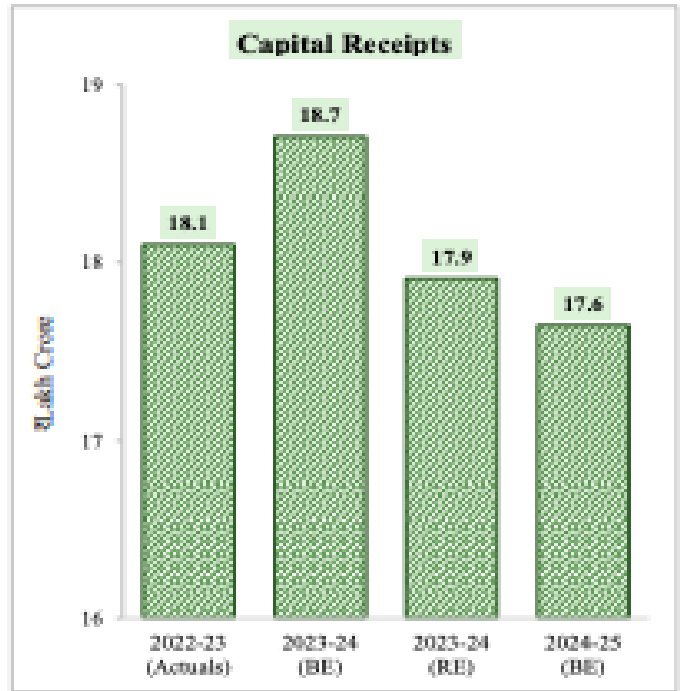
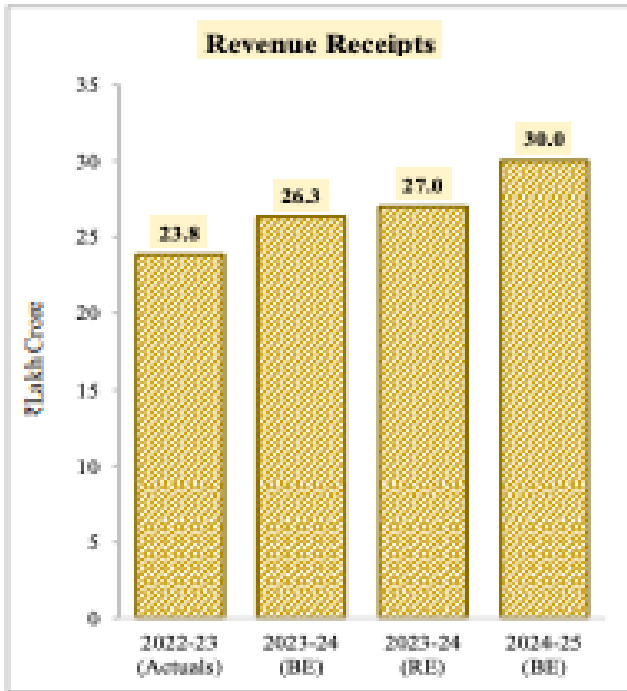
National Green Hydrogen Mission



2023-24(BE) 2024-25(BE)



Receipts and Expenditure





4

घाटे का सार Deficit Statistics

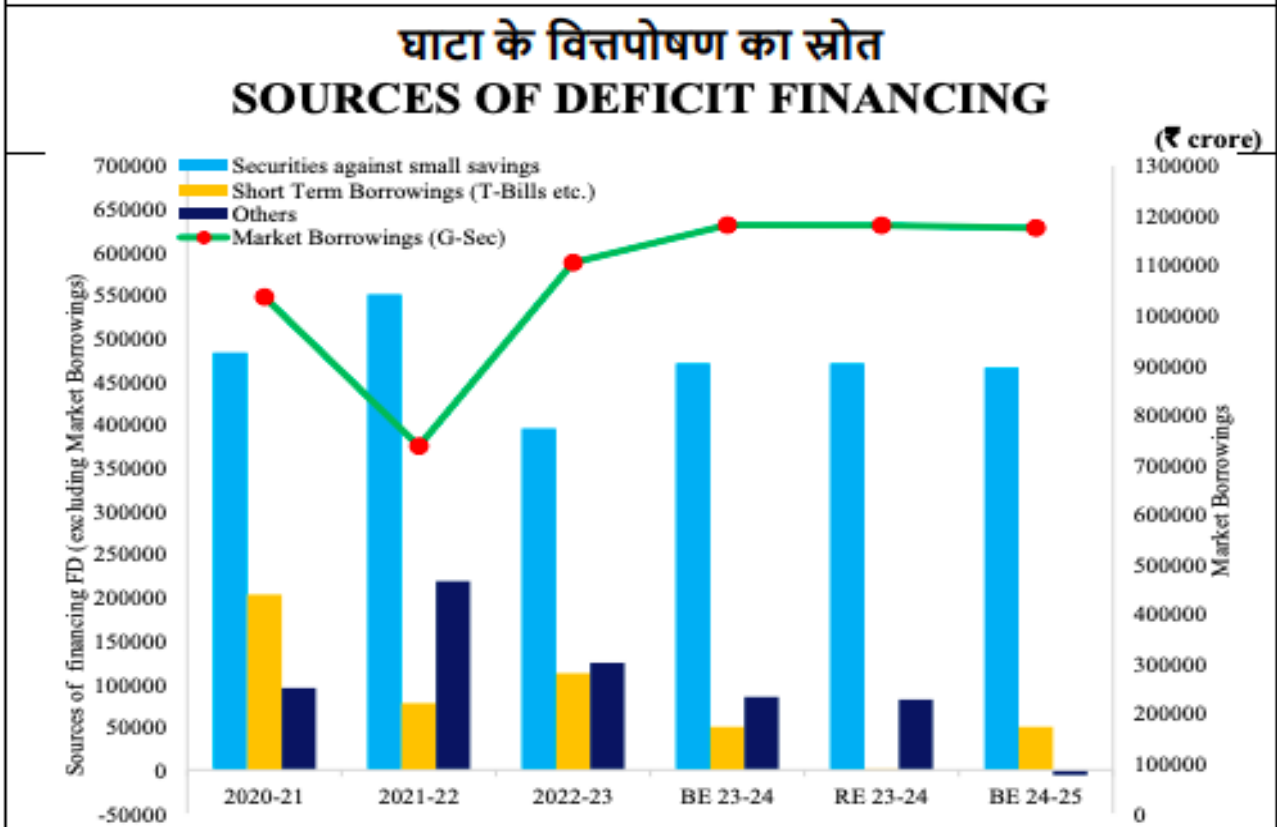
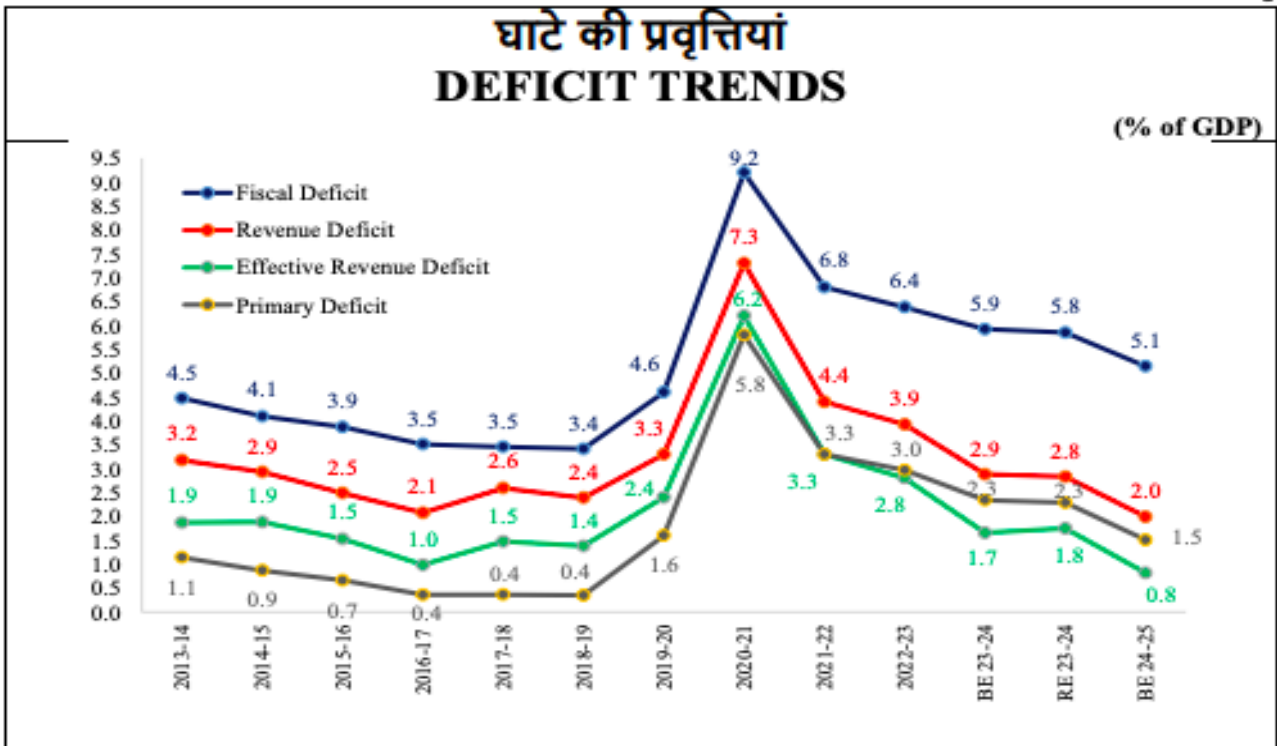
(₹ करोड़) (In ₹ crore)

		2022-2023 वास्तविक Actuals	2023-2024 बजट अनुमान Budget Estimates	2023-2024 संशोधित अनुमान Revised Estimates	2024-2025 बजट अनुमान Budget Estimates
1. राजकोषीय घाटा	1. Fiscal Deficit	1737755 (3.0)	1786816 (5.9)	1734773 (5.8)	1685494 (5.1)
2. राजस्व घाटा	2. Revenue Deficit	1069926 (3.9)	869855 (2.9)	840527 (2.8)	653383 (2.0)
3. प्रभावी राजस्व घाटा	3. Effective Revenue Deficit	763662 (2.8)	499867 (1.7)	519337 (1.8)	267801 (0.8)
4. प्राथमिक घाटा	4. Primary Deficit	809228 (3.0)	706845 (2.3)	679346 (2.3)	495054 (1.5)

राजकोषीय घाटा वित्तपोषण के स्रोत Sources of Financing Fiscal Deficit

(₹ करोड़) (In ₹ crore)

		2022-2023 वास्तविक Actuals	2023-2024 बजट अनुमान Budget Estimates	2023-2024 संशोधित अनुमान Revised Estimates	2024-2025 बजट अनुमान Budget Estimates
1. ऋण प्राप्तियां (निवल)	1. Debt Receipts (Net)	1739378	1798604	1761424	1681944
2. बाजार उधार (सरकारी प्रतिभूति)	2. Market Borrowings (G-sec)	1105836	1180911	1180456	1175182
3. अल्पवधि उधार (टी.बिल आदि)	3. Short term Borrowing (T- Bill etc.)	112009	50000	1323	50000
4. अल्प बचतों की तुलना में प्रतिभूतियां	4. Securities against Small Savings	395860	471317	471317	466201
5. राज्य भविष्य निधियां	5. State Provident Funds	5089	20000	5200	5200
6. अन्य प्राप्तियां (आंतरिक ऋण निधि और लोक लेखा)	6. Other Receipts (Internal Debts and Public Account)	83460	54258	78296	(-)30591
7. विदेशी ऋण	7. External Debt	37124	22118	24832	15952
8. नकद शेष में आहरण द्वारा कमी	8. Draw Down of Cash Balance	(-)1622	(-)11787	(-)26652	3549
कुल जोड़ (राजकोषीय घाटा)	Grand Total (Fiscal Deficit)	1737755	1786816	1734773	1685494





बजट की BUDGET

