

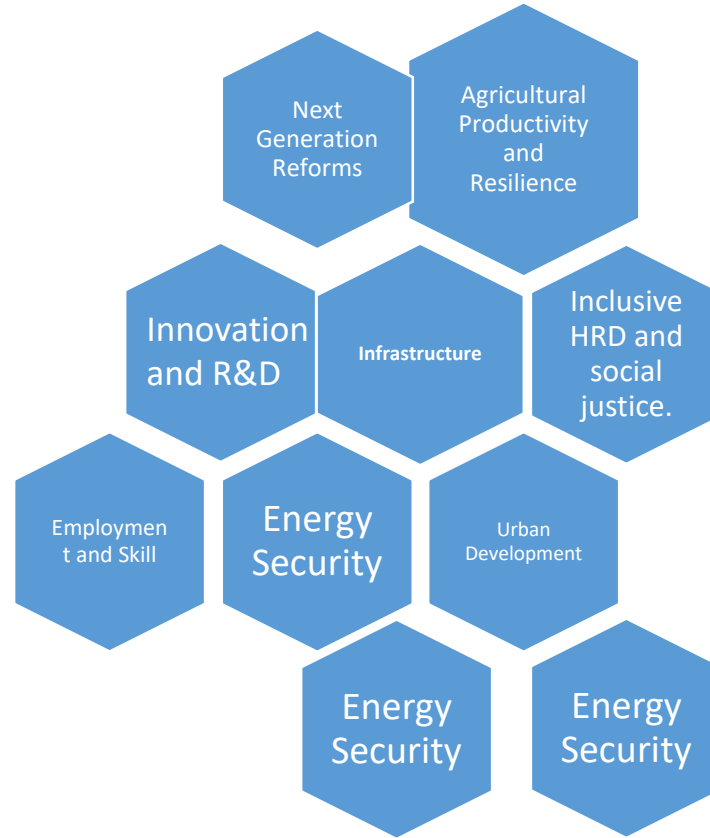


UNION BUDGET FY25 HIGHLIGHTS

JULY-2024

GEPL CAPITAL RESEARCH TEAM

PRIORITIES OF THE UNION BUDGET FY25



POSITIVES FOR BELOW INDUSTRIES

Infrastructure

FM announces a INR 26,000 crore boost for road connectivity projects. New airports, medical colleges and sports infrastructure in Bihar will be constructed.

Housing Finance

Government announces INR 2.2 lakh crore initiative to make housing more affordable.

Defence

The government has increased the defence budget to INR 4.56 lakh crore from INR 4.55 lakh crore.

RURAL DEVELOPMENT

The FM announces INR 2.66 lakh crore for rural development.

POWER

The FM announced INR 21,400 crore for power projects, including a new 2400 MW plant at Pirpainti.

AGRICULTURE

The FM has allocated INR 1.52 for agriculture and allied sectors.

OTHER IMPORTANT ANNOUNCEMENTS

FISCAL DEFICIT

The fiscal deficit was revised and projected at 4.9% from earlier 5.1% in the Interim Budget.

EMPLOYMENT

The Finance Minister introduced a INR 2 lakh crore package for employment and skills, with INR 1.48 lakh crore for this year's education and job creation, including in manufacturing.

EDUCATION LOANS

Government announces financial support for loans up to INR 10 lakh for higher education.

IMP COMMODITIES

Customs duty on gold and silver to be reduced to 6%, platinum to 6.4%

ELECTRONICS

Government to increase 10 to 15% custom duty on PCBA on specific telecom equipment.

CAPEX OUTLAY

The government is expected to maintain its INR 11.11 lakh crore capital expenditure plan for FY25.

CAPITAL MARKET

STT on F&Os proposed to be increased to 0.02% and 0.01% respectively

CAPITAL TAX

STCG tax rate hiked to 20%, LTCG hiked to 12.5%.

Budget Analysis

UNION BUDGET (INR Cr)	FY 23 BE	FY 24 BE	FY 25 BE
1. Revenue Receipts	22,04,423	26,28,481	31,29,200
2. Tax Revenue (Net to Centre)	19,34,771	23,26,831	25,83,499
3. Non Tax Revenue	2,69,652	3,01,650	5,45,701
4. Capital Receipts	17,40,487	18,74,616	16,91,312
5. Recovery of Loans	14,291	23,000	28,000
6. Other Receipts	65,000	61,000	50,000
7. Borrowings and Other Liabilities ²	16,61,196	17,90,616	16,13,312
8. Total Receipts (1+4)	39,44,910	45,03,097	48,20,512
9. Total Expenditure (10+13)	39,44,909	45,01,097	48,20,512
10. On Revenue Account of which	31,94,663	35,00,136	37,09,401
13. On Capital Account	7,50,246	10,00,961	11,11,111
14. Effective Capital Expenditure (12+13)			
15. Revenue Deficit (10-1)	9,90,240	8,71,655	5,80,201
16. Effective Revenue Deficit (15-12)	6,72,597	5,01,667	1,89,423
17. Fiscal Deficit [9-(1+5+6)]	16,61,195	17,88,616	16,13,312
18. Primary Deficit (17-11)	7,20,544	7,08,645	4,50,372

% Total	FY 23 BE	FY 24 BE	FY 25 BE
1. Revenue Receipts	56%	58%	65%
2. Tax Revenue (Net to Centre)	49%	52%	54%
3. Non Tax Revenue	7%	7%	11%
4. Capital Receipts¹	44%	42%	35%
5. Recovery of Loans	0%	1%	1%
6. Other Receipts	2%	1%	1%
7. Borrowings and Other Liabilities ²	42%	40%	33%
8. Total Receipts (1+4)	100%	100%	100%
9. Total Expenditure (10+13)	100%	100%	100%
10. On Revenue Account of which	81%	78%	77%
13. On Capital Account	19%	22%	23%

- Revenue receipts have consistently increased from 56% in FY23 to 65% in FY25, with a focus on reducing the fiscal deficit.
- Borrowing trends have declined from 42% to 33%, which is positive for the economy.
- The government remains committed to increasing capital expenditure, rising from 19% in FY23 to 23% in FY25.

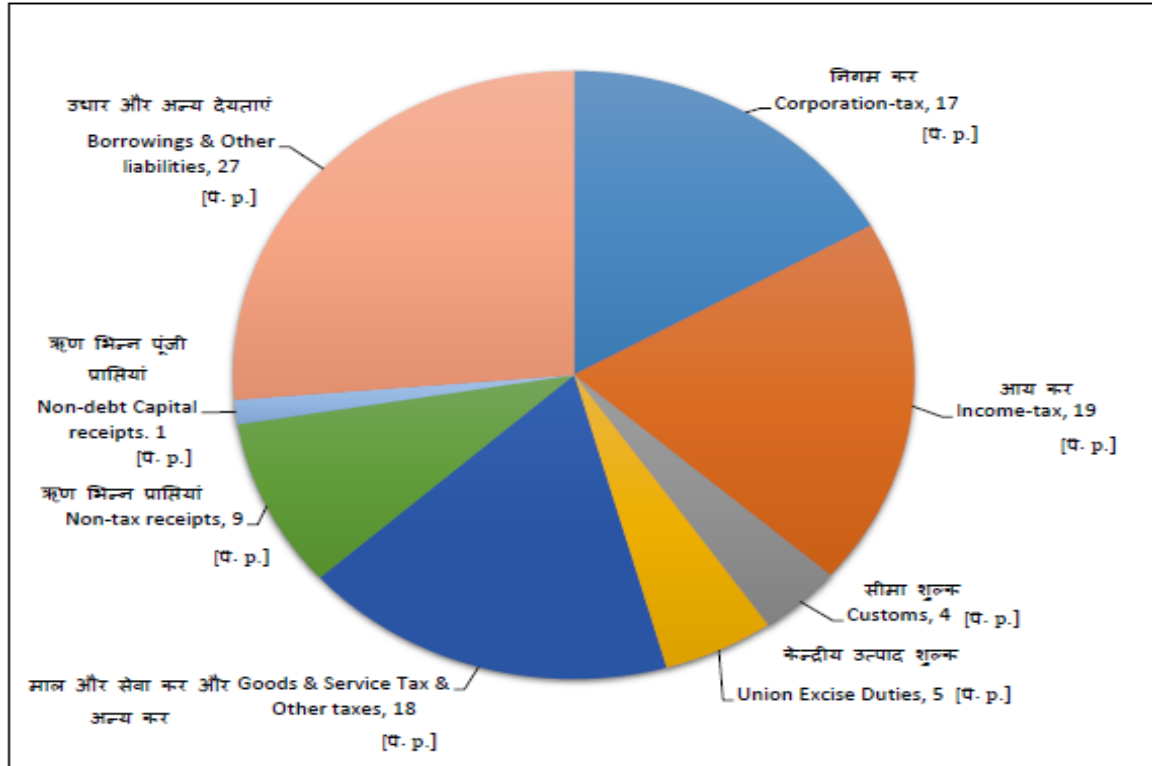
Details of Expenditure

Breakup of Expenses	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Pension	123368	131201	168466	174300	210682	189328	2,07,132	2,34,359	2,43,296
Defence	249099	262390	282733	305296	323053	347088	3,85,370	4,32,720	4,54,773
Fertiliser Subsidy	70000	70000	70090	79996	71309	79530	1,05,222	1,75,100	1,64,000
Food Subsidy	134835	145339	169323	184220	115570	242836	2,06,831	1,97,350	2,05,250
Petroleum Subsidy	29000	25000	24933	37478	40915	12995	5,813	2,257	11,925
Agriculture and Allied Activities (Inc PM-KISAN)	50437	56992	63836	151518	154775	148301	1,51,521	1,44,214	151851
Commerce and Industry	18068	24660	27956	27043	27227	34623	53,116	48,169	47,559
Development of North East	2430	2682	3000	3000	3049	2658	2,800	5,892	5,900
Education	72394	79686	85010	94854	99312	93224	1,04,278	1,12,899	1,25,638
Energy	29493	36718	41104	44638	42725	42824	49,220	94,915	68,769
External Affairs	14663	14799	15011	17885	17347	18155	17,250	18,050	22,155
Finance	48633	29532	20341	20121	41829	91916	21,354	13,574	86,339
Health	38448	48878	54668	64999	67484	74602	86,606	88,956	89,287
Home Affairs	75235	83830	93450	103927	114387	113521	1,27,020	1,34,917	1,50,983
Interest	492670	523078	575795	660471	708203	809701	9,40,651	10,79,971	11,62,940
IT and Telecom	12811	20787	22379	21783	59349	53108	79,887	93,478	1,16,342
Others	58373	67724	72837	76665	84256	87528	1,13,301	1,20,524	1,44,477
Planning and Statistics	5046	5048	5199	5814	6094	2472	5,720	6,268	6,291
Rural Development	102543	128560	138097	140762	144817	194633	2,06,293	2,38,204	2,65,808
Scientific Departments	19535	22299	24906	27431	30023	30640	30,571	32,225	32,736
Social Welfare	33411	39382	44220	50850	53876	48460	51,780	55,080	56,501
Tax Administration	22271	12699	105541	117285	152962	131100	1,71,677	1,94,749	203530
Transfer to States	125496	137101	142858	155447	200447	293302	3,34,339	3,24,641	3,22,787
Transport	107098	124375	134572	157437	169637	233083	3,51,851	5,17,034	5,44,128
Union Territories	12771	13357	14123	15098	52864	53026	58,757	61,118	68,660
Urban Development	29934	40618	41765	48032	50040	54581	76,549	76,432	82,577
Grand Total	1978060	2146735	2442213	2786350	3042230	3483236	39,44,909	45,03,097	48,20,512

Details of Expenditure

Breakup of Expenses	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24	FY25
Interest	24.9%	24.4%	23.6%	23.7%	23.3%	23.2%	23.8%	24.0%	24.1%
Transport	5.4%	5.8%	5.5%	5.7%	5.6%	6.7%	8.9%	11.5%	11.3%
Defence	12.6%	12.2%	11.6%	11.0%	10.6%	10.0%	9.8%	9.6%	9.4%
Transfer to States	6.3%	6.4%	5.8%	5.6%	6.6%	8.4%	8.5%	7.2%	6.7%
Rural Development	5.2%	6.0%	5.7%	5.1%	4.8%	5.6%	5.2%	5.3%	5.5%
Pension	6.2%	6.1%	6.9%	6.3%	6.9%	5.4%	5.3%	5.2%	5.0%
Food Subsidy	6.8%	6.8%	6.9%	6.6%	3.8%	7.0%	5.2%	4.4%	4.3%
Tax Administration	1.1%	0.6%	4.3%	4.2%	5.0%	3.8%	4.4%	4.3%	4.2%
Fertiliser Subsidy	3.5%	3.3%	2.9%	2.9%	2.3%	2.3%	2.7%	3.9%	3.4%
Agriculture and Allied Activities (Inc PM-KISAN)	2.5%	2.7%	2.6%	5.4%	5.1%	4.3%	3.8%	3.2%	3.2%
Home Affairs	3.8%	3.9%	3.8%	3.7%	3.8%	3.3%	3.2%	3.0%	3.1%
Others	3.0%	3.2%	3.0%	2.8%	2.8%	2.5%	2.9%	2.7%	3.0%
Education	3.7%	3.7%	3.5%	3.4%	3.3%	2.7%	2.6%	2.5%	2.6%
IT and Telecom	0.6%	1.0%	0.9%	0.8%	2.0%	1.5%	2.0%	2.1%	2.4%
Health	1.9%	2.3%	2.2%	2.3%	2.2%	2.1%	2.2%	2.0%	1.9%
Finance	2.5%	1.4%	0.8%	0.7%	1.4%	2.6%	0.5%	0.3%	1.8%
Urban Development	1.5%	1.9%	1.7%	1.7%	1.6%	1.6%	1.9%	1.7%	1.7%
Energy	1.5%	1.7%	1.7%	1.6%	1.4%	1.2%	1.2%	2.1%	1.4%
Union Territories	0.6%	0.6%	0.6%	0.5%	1.7%	1.5%	1.5%	1.4%	1.4%
Social Welfare	1.7%	1.8%	1.8%	1.8%	1.8%	1.4%	1.3%	1.2%	1.2%
Commerce and Industry	0.9%	1.1%	1.1%	1.0%	0.9%	1.0%	1.3%	1.1%	1.0%
Scientific Departments	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%	0.8%	0.7%	0.7%
External Affairs	0.7%	0.7%	0.6%	0.6%	0.6%	0.5%	0.4%	0.4%	0.5%
Petroleum Subsidy	1.5%	1.2%	1.0%	1.3%	1.3%	0.4%	0.1%	0.1%	0.2%
Planning and Statistics	0.3%	0.2%	0.2%	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%
Development of North East	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%

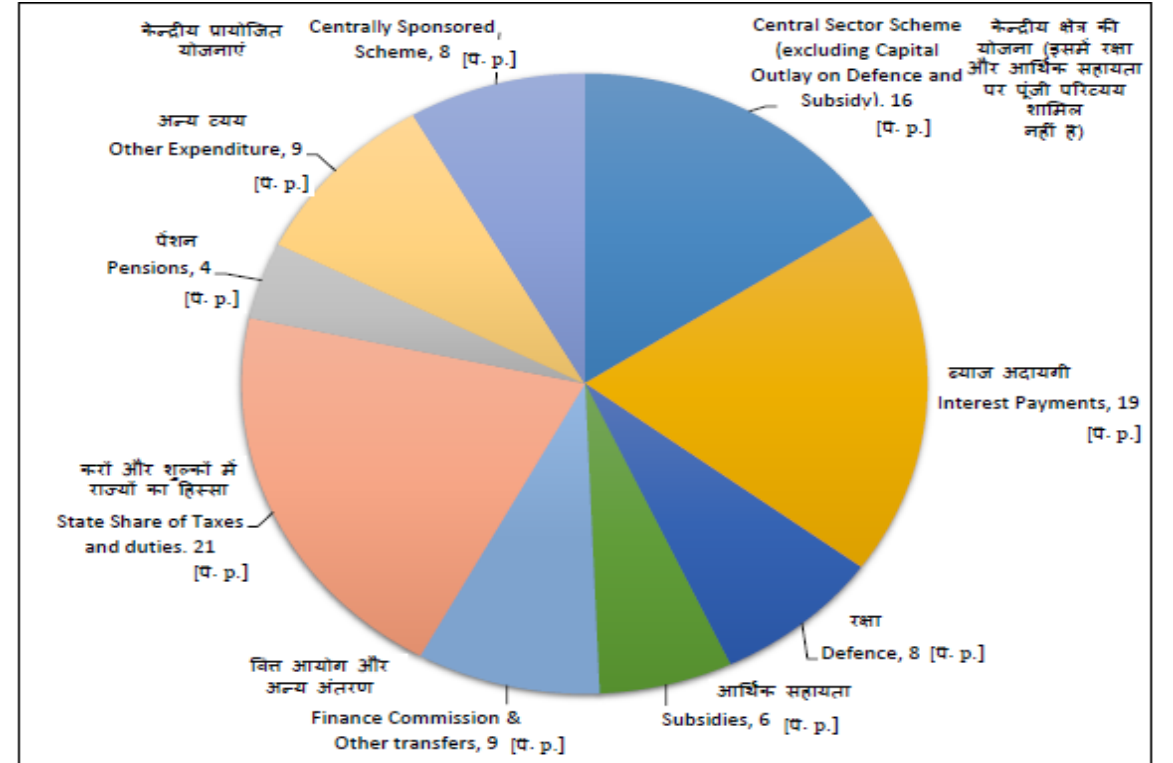
RUPEE COMES FROM



टिप्पणियां:- 1. कुल प्राप्तियों में करों और शुल्कों में राज्यों का हिस्सा शामिल है, जिन्हें पृष्ठ 1 पर सारणी में घटा दिया गया है।
 2. आंकड़ों को पूर्णांकित किया गया है।

Notes :- 1. Total receipts are inclusive of States' share of taxes and duties which have been netted in the table on page 1.
 2. Figures have been rounded off.

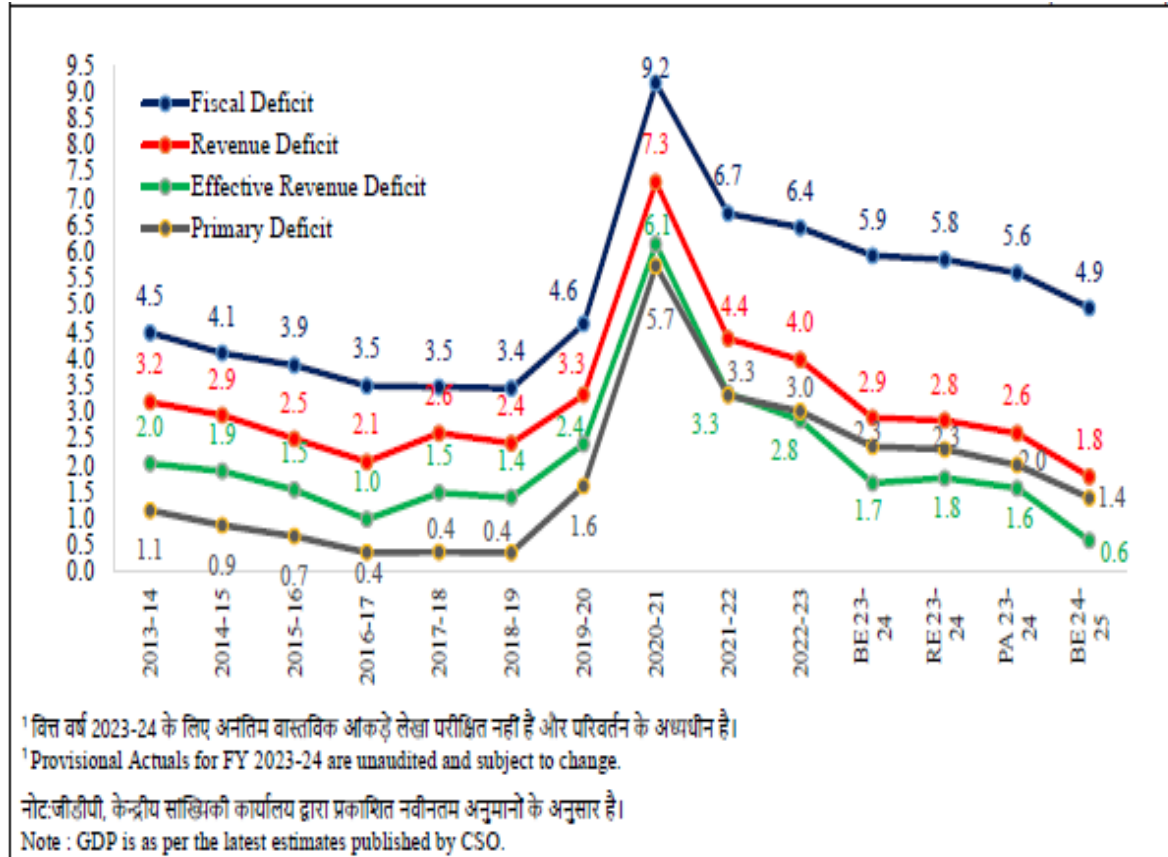
RUPEE GOES TO



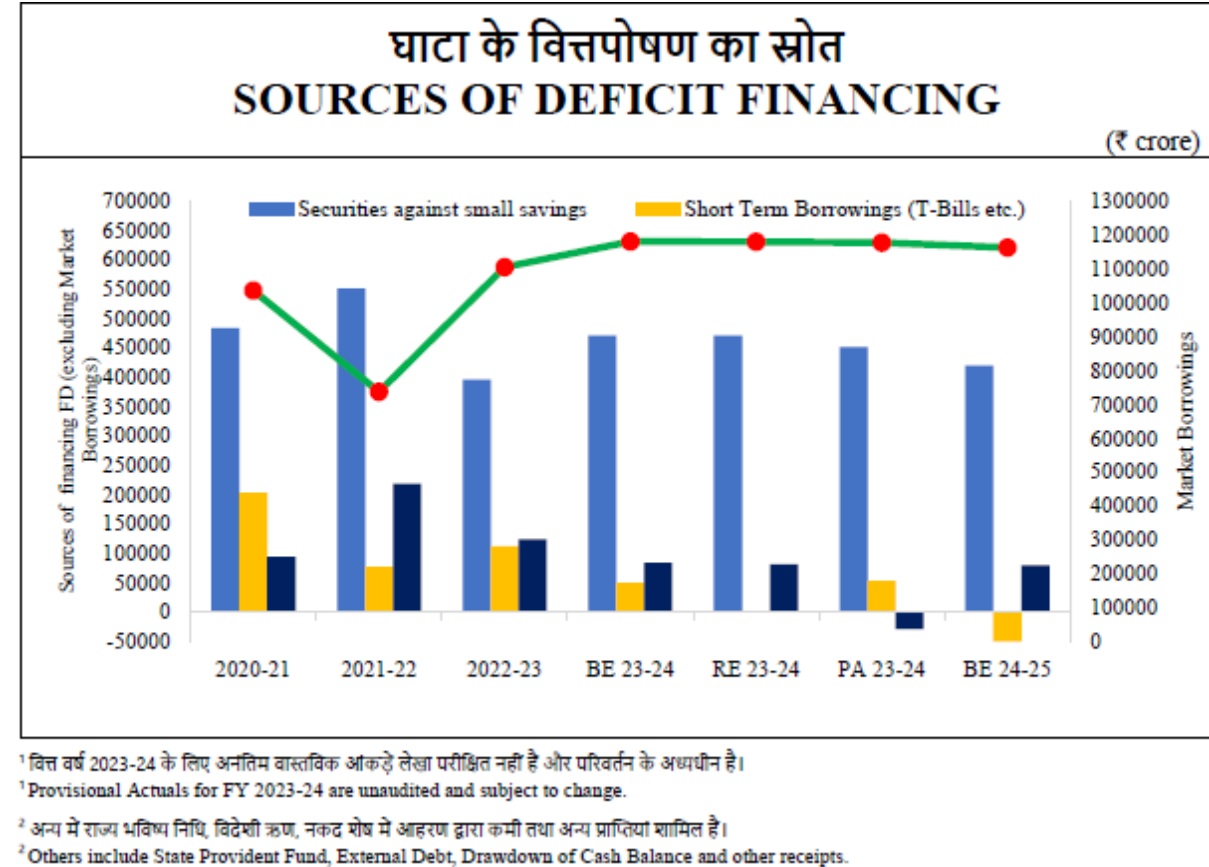
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Notes :- 1. Total expenditure is inclusive of States' share of taxes and duties which have been netted against receipts in the table on page 1.
 2. Figures have been rounded off.

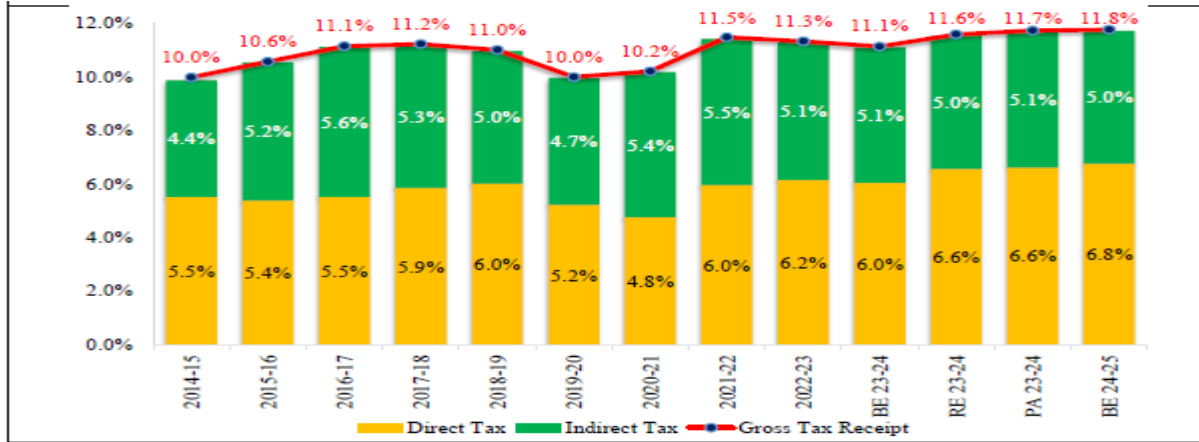
DEFICIT TRENDS as % of GDP



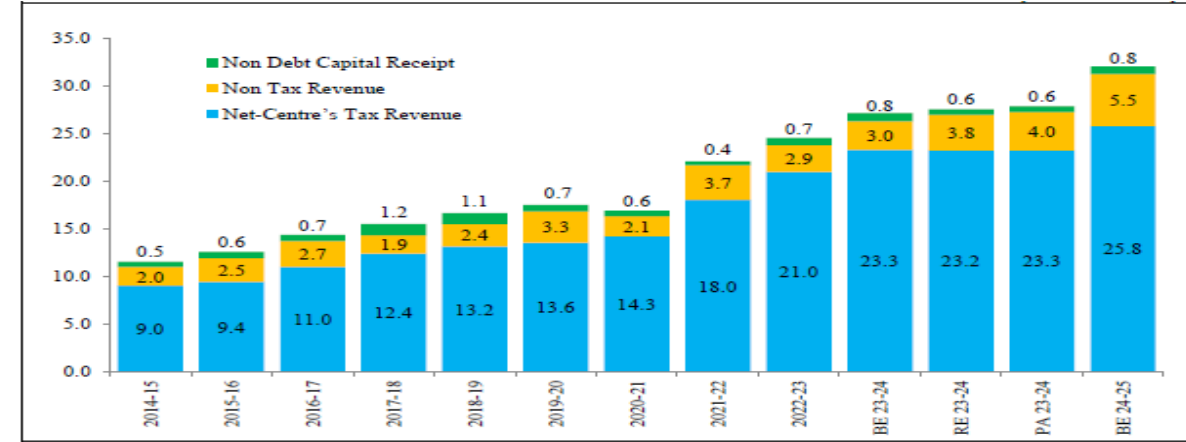
SOURCES OF DEFICIT FINANCING (₹ in Cr)



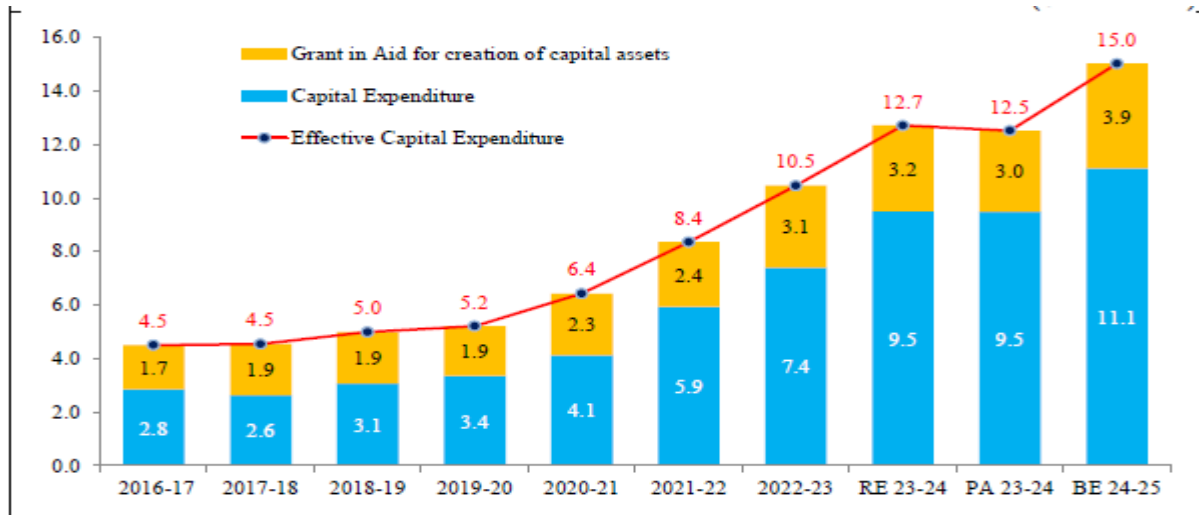
TRENDS IN TAX RECEIPTS as % of GDP



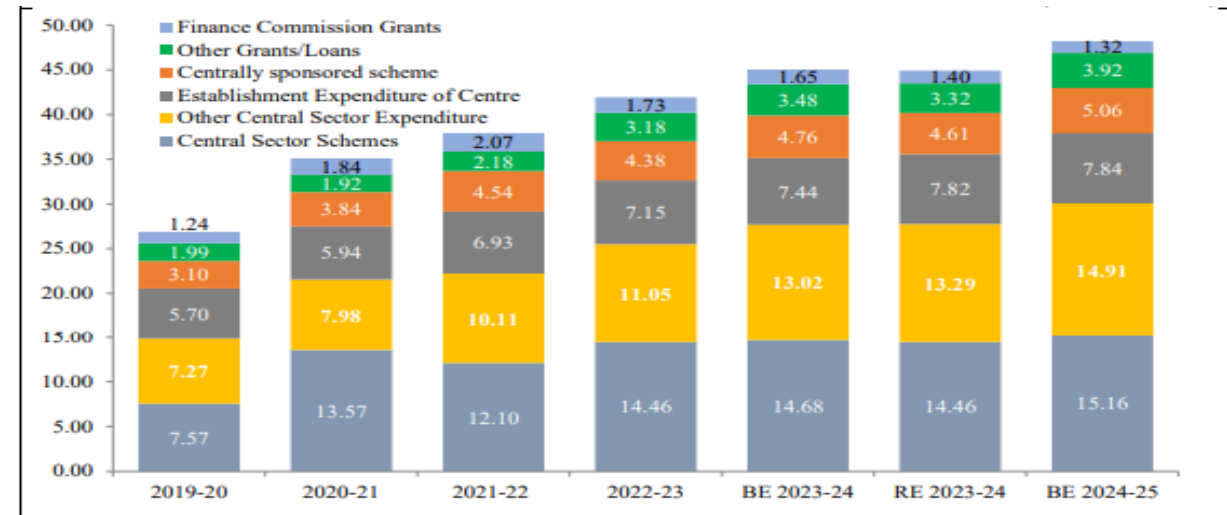
TREND IN RECEIPT OF CENTRE (₹ in Lk Cr)



TRENDS IN CAPITAL EXPENDITURE as % of GDP



COMPOSITION OF EXPENDITURE (₹ in Lk Cr)



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