

HIGHLIGHTS OF THE UNION BUDGET 2024-25

The Union Minister of Finance and Corporate Affairs Smt. Nirmala Sitharaman presented the Union Budget 2024-25 in Parliament on July 23, 2024. The highlights of the budget follows:

Budget Estimates 2024-25

- Total receipts other than borrowings: Rs 32.07 lakh crore.
- Total expenditure: Rs 48.21 lakh crore.
- Net tax receipt: Rs 25.83 lakh crore.
- Fiscal deficit: 4.9 per cent of GDP.
- Government aims to reach a deficit below 4.5 per cent next year.
- Inflation continues to be low, stable and moving towards the 4% target; Core inflation (non-food, non-fuel) at 3.1%.

Focus of the Budget

- The focus of budget is on **EMPLOYMENT, SKILLING, MSMEs, and the MIDDLE CLASS.**

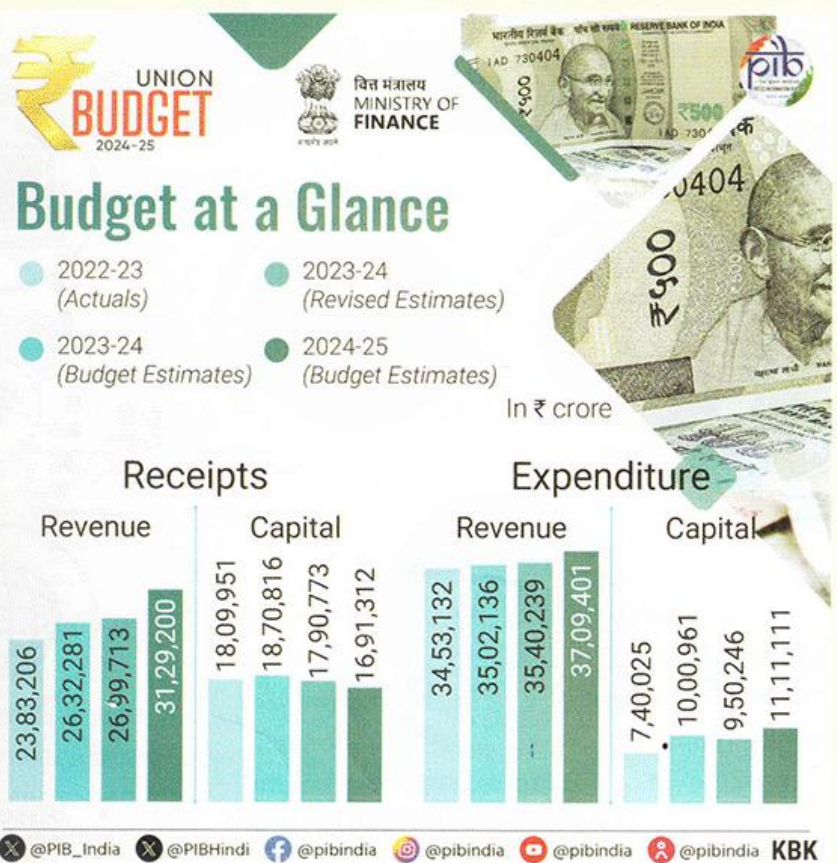
Package of PM's five schemes for Employment and Skilling

- Prime Minister's Package of 5 Schemes and Initiatives for employment, skilling and other opportunities for 4.1 crore youth over a 5-year period.
- 1. **Scheme A-First Timers:** One-month salary of up to Rs 15,000 to be provided in 3 installments to first-time employees, as registered in the EPFO.
- 2. **Scheme B-Job Creation in manufacturing:** Incentive to be provided at specified scale directly, both employee and employer, with respect to their EPFO contribution in the first 4 years of employment.
- 3. **Scheme C-Support to employers:** Government to reimburse up to Rs 3,000 per month for 2 years towards EPFO contribution of employers, for each additional employee.
- 4. **New centrally sponsored scheme for Skilling**
 - 20 lakh youth to be skilled over a 5-year period.
 - 1,000 Industrial Training Institutes to be upgraded in hub and spoke arrangements.
- 5. **New Scheme for Internship in 500 Top Companies** to 1 crore youth in 5 years

Budget Priorities in pursuit of 'Viksit Bharat'

Priority 1: Productivity and resilience in Agriculture

- Allocation of Rs 1.52 lakh crore for agriculture and allied sectors.



- New 109 high-yielding and climate-resilient varieties of 32 field and horticulture crops to be released for cultivation by farmers.
- 1 crore farmers across the country to be initiated into natural farming, with certification and branding in next 2 years.
- 10,000 need-based bio-input resource centres to be established for natural farming.
- Digital Public Infrastructure (DPI) for Agriculture to be implemented for coverage of farmers and their lands in 3 years.

Priority 2: Employment & Skilling

- As part of the Prime Minister's package, 3 schemes for 'Employment Linked Incentive' to be implemented - Scheme A - First Timers; Scheme B - Job Creation in manufacturing; Scheme C - Support to employers.
- To facilitate higher participation of women in the workforce,
 - working women hostels and crèches to be established with industrial collaboration
 - women-specific skilling programmes to be organised
 - market access for women SHG enterprises to be promoted

Skill Development

- New centrally sponsored scheme for Skilling under Prime Minister's Package for 20 lakh youth over a 5-year period.
- Model Skill Loan Scheme to be revised to facilitate loans up to Rs 7.5 lakh.
- Financial support for loans upto Rs 10 lakh for higher education in domestic institutions to be provided to youth who have not been eligible for any benefit under government schemes and policies.

Priority 3: Inclusive Human Resource Development and Social Justice

Women-led development

- Total allocation of more than Rs 3 lakh crore for schemes benefitting women and girls.

Pradhan Mantri Janatiya Unnat Gram Abhiyan

- Socio-economic development of tribal families in tribal-majority villages and aspirational districts, covering 63,000 villages benefitting 5 crore tribal people.

Bank branches in North-Eastern Region

- 100 branches of India Post Payment Bank to be set up in the North East region.

Priority 4: Manufacturing & Services

Credit Guarantee Scheme for MSMEs in the Manufacturing Sector

- A credit guarantee scheme without collateral or third-party guarantee in term loans to MSMEs for purchase of machinery and equipment.

Credit Support to MSMEs during Stress Period

- New mechanism to facilitate continuation of bank credit to MSMEs during their stress period.

Mudra Loans

- The limit of Mudra loans under 'Tarun' category to be enhanced to Rs 20 lakh from Rs 10 lakh for those who have successfully repaid previous loans.

MSME Units for Food Irradiation, Quality & Safety Testing

- Financial support to set up 50 multi-product food irradiation units in the MSME sector.

E-Commerce Export Hubs

- E-Commerce Export Hubs to be set up under public-private-partnership (PPP) mode for MSMEs and traditional artisans to sell their products in international markets.

Digital Public Infrastructure (DPI) Applications

- Development of DPI applications in the areas of credit, e-commerce, education, health, law and

justice, logistics, MSME, services delivery, and urban governance.

Priority 5: Infrastructure

Infrastructure investment by Central Government

- Rs 11,11,111 crore (3.4 % of GDP) to be provided for capital expenditure.

Infrastructure investment by state governments

- Provision of Rs 1.5 lakh crore for long-term interest free loans to support states in infrastructure investment.

Pradhan Mantri Gram Sadak Yojana (PMGSY)

- Launch of phase IV of PMGSY to provide all-weather connectivity to 25,000 rural habitations.

Irrigation and Flood Mitigation

- Financial support of Rs 11,500 crore to projects such as the Kosi-Mechi intra-state link and other schemes in Bihar.
- Government to provide assistance to Assam, Himachal Pradesh, Uttarakhand and Sikkim for floods, landslides and other related projects.

Tourism

- Comprehensive development of Vishnupad Temple Corridor, Mahabodhi Temple Corridor and Rajgir.
- Assistance for development of temples, monuments, craftsmanship, wildlife sanctuaries, natural landscapes and pristine beaches of Odisha.

Priority 6: Innovation, Research & Development

- Anusandhan National Research Fund for basic research and prototype development to be operationalised.
- Financing pool of Rs 1 lakh crore for spurring private sector-driven research & innovation at commercial scale.

Space Economy

- Venture capital fund of Rs 1,000 crore to be set up for expanding the space economy by 5 times in the next 10 years.

Priority 7: Next Generation Reforms

Rural Land Related Actions

- Unique Land Parcel Identification Number (ULPIN) or Bhu-Aadhaar for all lands
- Digitisation of cadastral maps
- Survey of map sub-divisions as per current ownership
- Establishment of land registry
- Linking to the farmers registry.

(Source: Press Information Bureau)

Read **Kurukshetra** September 2024 issue for detailed analysis of the **Budget 2024-25** for Rural India