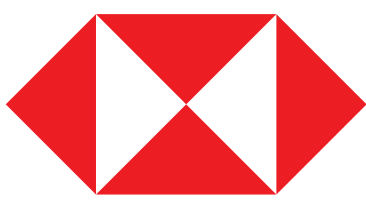


Union Budget FY25

What's in store for you?



Finance Minister presented her first budget under Prime Minister 3.0, revealing the Prime Minister's package that covers five schemes. The highlight is to create jobs, enhance skills and provide opportunities for over 41 million young people over the next 5 years.



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Infrastructure projects, new power plants, new airports, heritage routes and roads, together with significant budget allocation are targeting development in both rural and urban areas. The 2024 Budget also announced reduction of customs duties on various imported goods.



AGRICULTURE

- ◆ **Transforming Agriculture Research**

Comprehensive review of the agriculture research setup to bring focus on raising productivity and developing climate resilient varieties.

- ◆ **National Cooperation Policy**

For systematic, orderly and all-round development of the cooperative sector

- ◆ **Atmanirbharta**

For oil seeds such as mustard, groundnut, sesame, soyabean and sunflower

- ◆ **Vegetable production & supply chain**

Promotion of FPOs, cooperatives & start-ups for vegetable supply chains for collection, storage, and marketing.

◆ **Release of new varieties**

109 new high-yielding and climateresilient varieties of 32 field and horticulture crops will be released for cultivation by farmers

◆ **Natural Farming**

- 1 crore farmers across the country will be initiated into natural farming, supported by certification and branding in next 2 years.
- 10,000 need-based bio-input resource centres to be established.

◆ **Shrimp Production & Export**

Financing for Shrimp farming, processing and export will be facilitated through NABARD.

◆ **Digital Public Infrastructure (DPI)**

- DPI for coverage of farmers and their lands in 3 years.
- Digital crop survey in 400 districts
- Issuance of Jan Samarth based Kisan Credit Cards



HOUSING & URBAN PLANNING

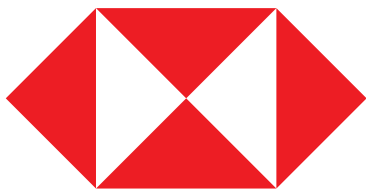
◆ **PM Awas Yojana Urban 2.0**

Needs of 1 crore urban poor and middle-class families will be addressed with an investment of ₹10 lakh crore

- ◆ Enabling policies and regulations for efficient and **transparent rental housing markets** with enhanced availability will also be put in place.

◆ **Stamp Duty**

Encouraging states to lower stamp duties for properties purchased by women.



- ◆ **Street Markets**
Envisioning a scheme to develop 100 weekly ‘haats’ or street food hubs in select cities
- ◆ **Transit Oriented Development**
Transit Oriented Development plans for 14 large cities with a population above 30 lakh
- ◆ **Water Management**
Promote water supply, sewage treatment and solid waste management projects and services for 100 large cities through bankable projects.



JOB

- ◆ **PM’s Package**
(3 schemes for Employment Linked Incentive)

Scheme A

First Timers

One-month wage to new entrants in all formal sectors in 3 instalments up to ₹15,000 .

Expected to benefit 210 lakh youth

Scheme B

Job Creation in Manufacturing

Linked to first time employees

Incentive to both employee & employer for EPFO contributions in the specified scales for the first 4 years

Expected to benefit 30 lakh youth

Scheme C

Support to Employers

Government will reimburse EPFO contributions of employers up to ₹3000 per month for 2 years for all new hires.

Expected to generate 50 lakh jobs

- Facilitate higher participation of women in the workforce through setting up of working women hostels in collaboration with industry, and establishing creches.
- Loans up to ₹7.5 lakh with a guarantee from a government promoted Fund.
- Expected to help 25,000 students every year.
- Financial support for loans upto ₹10 lakh for higher education in domestic institutions.
- Direct E-vouchers to 1 lakh students every year.
- Annual interest subvention of 3%

♦ **PM's Package** (4th scheme)

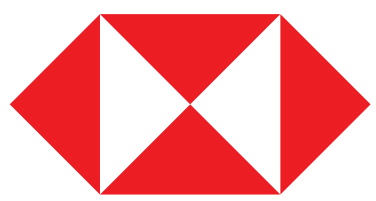
Skilling Programme

- 20 lakh youth will be skilled over a 5-year period.
- 1,000 Industrial Training Institutes will be upgraded in hub and spoke arrangements with outcome orientation.
- Course content & design aligned as per skill needs of industry.

♦ **PM's Package** (5th scheme)

Internship Opportunities

- Scheme for providing internship opportunities in 500 top companies to 1 crore youth in 5 years.
- Allowance of ₹5,000 per month along with a one-time assistance of ₹6,000 through the CSR funds.



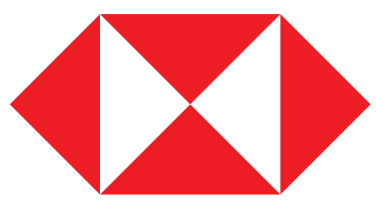
MSMEs & STARTUP

- ◆ Manufacturing & Services
 - ◆ Credit Guarantee Scheme for MSMEs in the Manufacturing Sector
 - ◆ New assessment model for MSME credit
 - ◆ Enhanced scope for mandatory onboarding in TReDS
 - ◆ Mudra Loans: The limit enhanced to ₹ 20 lakh from the current ₹ 10 lakh under the 'Tarun' category
 - ◆ MSME Units for Food Irradiation, Quality & Safety Testing
 - ◆ Credit Support to MSMEs during Stress Period
-



SOCIO-ECONOMIC

- ◆ Focus on jobs, social justice, urban development, energy security, infrastructure, and reforms.
- ◆ The Finance Minister has outlined a budget focused on employment, skilling, MSMEs, and the middle class for FY25, allocating Rs 1.48 lakh crore towards education, employment, and skill development.
- ◆ Focus on the garib (poor), mahilaye (women), yuva (youth), and annadata (Farmers). For annadata, the

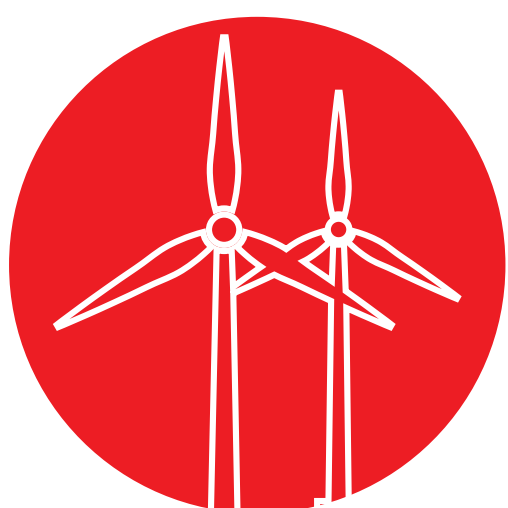


Finance Minister announced higher MSP a month ago for all major crops. The PM Garib Kalyan Anna Yojana was extended for five years, benefiting more than 80 crore people.



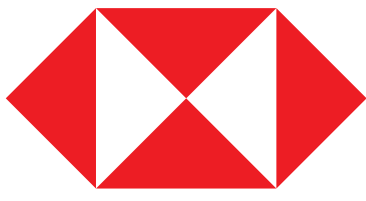
INFRA

- ◆ Provision of **₹11,11,111 crore** for infrastructure (3.4% of GDP).
 - ◆ **₹1.5 lakh crore** to states as longterm interest free loans to support resource allocation.
 - ◆ **Phase IV** of PMGSY will be launched to provide allweather connectivity to **25,000** rural habitations.
-



RENEWABLE ENERGY & POWER

- ◆ **Initiatives with private sector in Nuclear Energy**
 - Setting up Bharat Small Reactors
 - R&D of Bharat Small Modular Reactor and newer technologies for nuclear energy
- ◆ **Pumped Storage Policy**
For electricity storage and facilitation of smooth integration of the growing share of renewable energy



◆ **Energy Audit**

- Financial support for shifting of micro and small industries to cleaner forms of energy
- Facilitate investment grade energy audit in 60 clusters, next phase expands to 100 clusters.

◆ **AUSC Thermal Power Plants**

- A joint venture between NTPC and BHEL will set up a full scale 800 MW commercial plant.

PM Surya Ghar Muft Bijli Yojana

1 crore

Households
obtain free
electricity

Up to 300

Units every
month

1.28 crore

Registrations
and 14 lakh
applications
so far



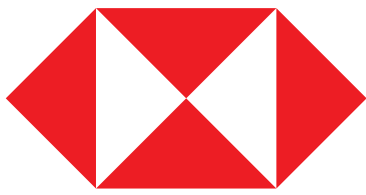
EDUCATION

Financial support for higher education loans up to **Rs. 10 lakh** with annual interest subvention for 1 lakh students.



TRAVEL & TOURISM

- ◆ Development of Vishnupad Temple Corridor and Mahabodhi Temple Corridor modelled on Kashi Vishwanath Temple Corridor



- ◆ Comprehensive development initiative for Rajgir will be undertaken which holds religious significance for Hindus, Buddhists and Jains.
- ◆ The development of Nalanda as a tourist centre besides reviving Nalanda University to its glorious stature.
- ◆ Assistance to development of Odisha’s scenic beauty, temples, monuments, craftsmanship, wildlife sanctuaries, natural landscapes and pristine beaches making it an ultimate tourism destination.



TAX EXEMPTION & INVESTMENTS

Tax Proposals

Simplification in Taxes

Review of Income Tax Act 1961	Simplification of charities and TDS	Litigation and Appeal	Deepening the tax base
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- ◆ **Sector Specific Customs Duty Proposals**
Comprehensive review of the rate structure for ease of trade, removal of duty inversion and reduction of disputes

Changes in Custom Duty	Beneficiaries
Fully exempt 3 more cancer medicines from custom duties	Affordable medicines
Reduce BCD to 15% on Mobile phone, Mobile PCBA and charger	Mobile industry

Changes in Custom Duty	Beneficiaries
Reduce custom duty on gold and silver to 6% and platinum to 6.4%	Domestic value addition
Reduce BCD on shrimp and fish feed to 5%	Enhance competitiveness in marine exports
Exempted more capital goods for manufacturing of solar cells & panels	Support energy transition
Fully exempt custom duties on 25 critical minerals	Boost to strategic sectors

Direct Tax Proposals

To reduce the compliance burden, promote entrepreneurial spirit and provide tax relief to citizens

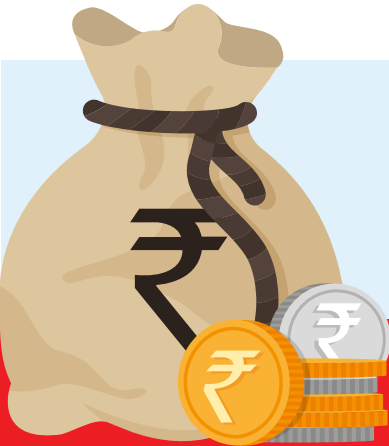
◆ Rationalisation of capital gains

- Short term gains of financial assets to attract 20% tax rate
- Long term gains on all financial and non-financial assets to attract a tax rate of 12.5%
- Increase in limit of exemption of capital gains on financial assets to ₹1.25 lakh per year

◆ Standard Employment and Investment

- Abolish ANGEL tax for all classes of investors.
- Simpler tax regime to operate domestic cruise
- Provide for safe harbour rates for foreign mining companies (Selling raw diamonds)
- Corporate tax rate on foreign companies reduced from 40% to 35%

Simplifying New Tax Regime



Savings
upto
₹17,500

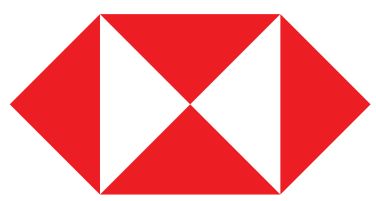
₹0- ₹3 lakh	Nil	₹10- ₹12 lakh	15%
₹3- ₹7 lakh	5%	₹12- ₹15 lakh	20%
₹7- ₹10 lakh	10%	> ₹15 lakh	30%

- ◆ Standard Deduction for salaried employees increased from ₹50,000 to ₹75,000
- ◆ Deduction on family pension for pensioners increased from ₹15,000 to ₹25,000



EXPENDITURE

	in ₹ Crore
Defence	4,54,773
Rural Development	2,65,808
Agriculture and Allied Activities	1,51,851
Home Affairs	1,50,983
Education	1,25,638
IT and Telecom	1,16,342
Health	89,287
Energy	68,769
Social Welfare	56,501
Commerce & Industry	47,559



MAINTAINING FISCAL DEFICIT

The NDA government aims to maintain the fiscal deficit target for FY25 at 5.1% of GDP, consistent with the goal set in Modi 2.0's last interim budget. Moreover, a plan for reducing the fiscal deficit beyond FY26 may also be outlined in this Union Budget.



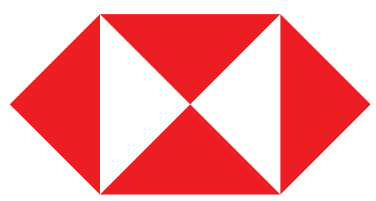
JOB CREATION POLICIES

The focus will also be on creating jobs through capital spending and targeted social programs, in line with the 'Viksit Bharat' initiative. Additionally, a plan for reducing the fiscal deficit beyond FY26 may be outlined.



GOVERNMENT TO SKILL MORE THAN 4 CR YOUTH

Finance Minister announces 5 new schemes worth more than ₹2 lakh crore. The main focus of these schemes are to be on skilling 4.1 crore youth, making them job-ready.



BIG ANNOUNCEMENT FOR ORGANIC FARMERS

One crore farmers would be introduced to organic farming over the course of the next two years with the help of branding and certification. The government has also announced the release of 109 varieties of 32 different crops.



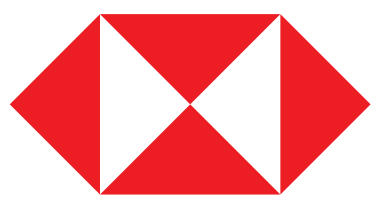
MUDRA LOAN LIMIT INCREASED

The Modi government has decided to increase the limit for taking Mudra Loan from ₹10 lakh to ₹20 lakh. The increased loan amount will only be available to those individuals who have taken out the loan under TARUN category and has already repaid it



MOBILE PHONE AND CHARGER TO BECOME CHEAP



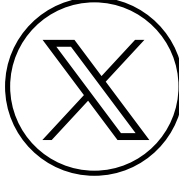
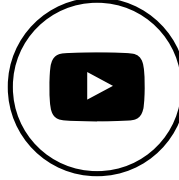
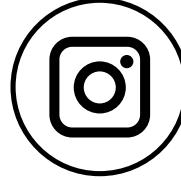
Finance Minister has announced the decrease of custom duty by 15% on mobile phone and its charger. This will lessen the cost of these electronic items.



PHARMA & HEALTHCARE

- ◆ The government has allocated ₹89,287 crore for developing, maintaining and improving the country's healthcare system, marginally higher from ₹88,956 crore in FY24.
- ◆ Finance Minister stated on July 23 that the government has also proposed the exemption of three more cancer medications from customs duties. The government has also allocated ₹2,143 crore for PLI for the pharmaceutical industry.

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