

NEWS LETTER



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Mukund & Rohit

CHARTERED ACCOUNTANTS

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Opening Remarks

Learning is not a destination but a continuous journey. It is a process that evolves over time, requiring dedication, curiosity and an open mind. Embracing the idea that learning is ongoing empowers individuals to consistently seek knowledge and grow personally and professionally.

To foster continuous learning one can adopt several small yet impactful practices.

- Setting aside dedicated time for learning each day, even if it's just 15 minutes, can accumulate into substantial progress over time.
- Diversifying learning sources such as books, online courses, podcasts and workshops can provide varied perspectives and insights. Cultivating a habit of reflection, by regularly reviewing and synthesizing learned concepts, enhances retention and understanding.
- Engaging in discussions with peers, mentors or experts can stimulate critical thinking and deepen comprehension. Embracing challenges and stepping out of comfort zones fosters resilience and promotes growth.
- Finally, applying newfound knowledge through real-world projects or experiments solidifies understanding and hones practical skills.

By integrating these small ideas into daily routines, individuals can embark on a fulfilling journey of continuous learning, enriching their lives and making meaningful contributions to society.

Happy Learning!!!

CA Vinay Sehgal
Partner



Interim Budget 2024

- On 1st of February, 2024 the Union Finance Minister of India Smt. Nirmala Sitharaman presented the Budget for the 6th consecutive time. This budget was an Interim Budget due to the General Elections scheduled later this year in the month of April-May 2024. An Interim Budget is presented by a government that is going through a transition period or is in its last year in office ahead of general elections.
- The purpose of the interim budget is to ensure the continuity of government expenditure and essential services until the new government can present a full-fledged budget after taking office.

Key Points

- **Viksit Bharat@2047**

This year's Budget took on the Viksit Bharat theme, and it represents the government of India's ambitious vision to transform the nation into a developed entity by the centenary of its independence in 2047. 'Garib' (Poor), 'Yuva' (Youth), 'Annadata' (Farmers), and 'Mahilayen' (Women) are the four pillars of the Viksit Bharat Budget 2024.

- **Nari Shakti**

- 30 crore Mudra Yojana loans have been disbursed to women entrepreneurs.
- There has been an increase in female enrollment in higher education by 28 per cent in the past 10 years.
- There is 43% of female enrolment in STEM courses

- **Garib Kalyan ,Desh ka Kalyan**

- Direct Benefit Transfer (DBT) has led to savings of Rs. 2.7 lakh crore.
- 25 crore people have moved out of multidimensional poverty.
- Credit assistance has been given to 78 lakh street vendors under PM-SVANidhi. (PM SVANidhi is a central sector scheme launched by Ministry of Housing & Urban Affairs to provide a working capital (loan) upto Rs.10,000 to street vendors to resume their business).

- **Empowering the Youth**

- 1.4 crore youth have been trained under the Skill India Mission.
- Fostering entrepreneurial aspirations of youth - 43 crore loans have been sanctioned under the PM Mudra Yojana.
- A corpus of Rs.1 lakh crore to fund tech-savvy youth with a 50-year, interest-free loan at low or nil interest rates charge to provide financing/re-financing.

- **Welfare of Farmers (Annadata)**

- There has been direct financial assistance provided to 11.8 crore farmers under PM-KISAN.
- Crop Insurance has been given to 4 crore farmers under PM Fasal Bima Yojana.
- There has been an integration of 1,361 mandis under eNAM, supporting trading volume of Rs.3 lakh crore.

Other Key Areas

- **Capital Expenditure**

- The outlay for the next year is being increased by 11.1% to eleven lakh, eleven thousand, one hundred and eleven crore rupees (INR 11,11,111 Cr). This would be 3.4% of the GDP.

- **Railways**

- Three major economic railway corridor programs will be implemented. These are:
 - Energy, mineral and cement corridors
 - Port connectivity corridors
 - High-traffic density corridors
- Together with dedicated freight corridors, these three economic corridor programs will accelerate our GDP growth and reduce logistic costs.
- Forty thousand normal rail bogies will be converted to the Vande Bharat standards to enhance the safety, convenience, and comfort of passengers.

- **Healthcare**

- Total expenditure on health has been increased from ₹79,221 crore in 2023-24 to ₹90,171 crore in 2024-25.
- Government to set up more medical colleges by utilizing the existing hospital infrastructure.
- To encourage vaccination for girls in the age group of 9 to 14 years for the prevention of cervical cancer.
- Allocation on Biotechnology Research and Development increased from ₹500 crore in 2023-24 to ₹1,100 crore in 2024-25.

- U-WIN platform for managing immunization and intensified efforts of Mission Indradhanush to be rolled out throughout the country.
- Allocation to Ayushman Bharat Yojana (PMJAY) increased from ₹7,200 crore in 2023-24 to ₹7,500 crore in 2024-25.

- **Rooftop Solarization**

- Through rooftop solarization, one crore households will be enabled to obtain up to 300 units of free electricity every month.
- The following benefits are expected:
 - Savings of up to fifteen to eighteen thousand rupees annually for households from free solar electricity and selling the surplus to the distribution companies.
 - Charging of electric vehicles.
 - Entrepreneurship opportunities for a large number of vendors for supply and installation.
 - Employment opportunities for the youth with technical skills in manufacturing, installation, and maintenance.

- **Agricultural Sector**

- Encouraging the use of 'Nano DAP' for various crops across all agro-climatic zones. Nano-DAP (Di-ammonium Phosphate) is a nanotechnology-based agri-input developed by the Indian Farmers Fertilizer Cooperative Limited (IFFCO). It helps in correcting the Nitrogen & Phosphorus deficiencies in standing

crops.

- Strategizing for AtmaNirbharta (self-reliance) in oilseeds, covering research, procurement, value addition, and crop insurance.

- **Taxation**

- No changes in income tax slabs or income tax rates for the financial year 2024-25 were announced however it is proposed to withdraw outstanding Tax demands up to Rs.25,000 pertaining to the period up to F.Y.2009-10 and Rs.10,000 for financial years 2010-11 to 2014-15. This is expected to benefit up to a crore tax-payers.

- Certain tax benefits to start-ups and investments made by sovereign wealth funds/pension funds, tax exemption of some IFSC units earlier expiring on 31.03.2024 extended up to 31.03.2025.

- **Green Energy**

- Towards meeting our commitment for 'net-zero' by 2070, the following measures will be taken.

- Viability gap funding will be provided for harnessing offshore wind energy potential for an initial capacity of one giga-watt.

- Coal gasification and liquefaction capacity of 100 MT will be set up by 2030. This will also help in reducing imports of natural gas, methanol, and ammonia.

- Phased mandatory blending of Compressed Biogas (CBG) in Compressed Natural Gas (CNG) for transport and piped natural gas (PNG) for domestic purposes will be mandated.

Budget at a Glance

(Rs. In crores)

	2022-2023 Actuals	2023-2024 Budget Estimates	2023-2024 Revised Estimates	2024-2025 Budget Estimates
1. Revenue Receipts	23,83,206.00	26,32,281.00	26,99,713.00	30,01,275.00
2. Tax Revenue (Net to Centre)	20,97,786.00	23,30,631.00	23,23,918.00	26,01,574.00
3. Non Tax Revenue	2,85,421.00	3,01,650.00	3,75,795.00	3,99,701.00
4. Capital Receipts	18,09,951.00	18,70,816.00	17,90,773.00	17,64,494.00
5. Recovery of Loans	26,161.00	23,000.00	26,000.00	29,000.00
6. Other Receipts	46,035.00	61,000.00	30,000.00	50,000.00
7. Borrowings and Other Liabilities	17,37,755.00	17,86,816.00	17,34,773.00	16,85,494.00
8. Total Receipts (1+4)	41,93,157.00	45,03,097.00	44,90,486.00	47,65,768.00

9. Total Expenditure (10+13)	41,93,157.00	45,03,097.00	44,90,486.00	47,65,768.00
10. On Revenue Account of which	34,53,132.00	35,02,136.00	35,40,239.00	36,54,657.00
11. Interest Payments	9,28,517.00	10,79,971.00	10,55,427.00	11,90,440.00
12. Grants in Aid for creation of Capital Account	3,06,264.00	3,69,988.00	3,21,190.00	3,85,582.00
13. On Capital Account	7,40,025.00	10,00,961.00	9,50,246.00	11,11,111.00
14. Effective Capital Expenditure (12+13)	10,46,289.00	13,70,949.00	12,71,436.00	14,96,693.00
15. Revenue Deficit (10-1)	10,69,926.00	8,69,855.00	8,40,527.00	6,53,383.00
% of GDP	(3.9)	(2.9)	(2.8)	(2.0)
16. Effective Revenue Deficit (15-12)	7,63,662.00	4,99,867.00	5,19,337.00	2,67,801.00
% of GDP	(2.8)	(1.7)	(1.8)	(0.8)
17. Fiscal Deficit [9-(1+5+6)]	17,37,755.00	17,86,816.00	17,34,773.00	16,85,494.00
% of GDP	(6.4)	(5.9)	(5.8)	(5.1)
18. Primary Deficit (17-11)	8,09,238.00	7,06,845.00	6,79,346.00	4,95,054.00
% of GDP	(3.0)	(2.3)	(2.3)	(1.5)

Fiscal Deficit

Fiscal deficit is the difference between the total revenue and total expenditure of a government in a financial year. Fiscal deficit arises when the expenditure of a government is more than the revenue generated by the government in a given fiscal year. Fiscal deficit happens due to events like a major rise in capital expenditure or deficit arising from revenue. It serves as an indicator of how well the government is managing its finances.

Fiscal Deficit Formula = Total Expenditure – Total revenue (Excluding the borrowings)

Fiscal deficits can influence interest rates and borrowing costs within an economy. When governments need to finance their deficits through borrowing, it increases the demand for credit, potentially driving up interest rates. Higher interest rates can impact businesses' borrowing costs, limiting their investments and affecting economic growth.

Fiscal deficits have implications for inflation levels within an economy. If governments finance deficits by printing money or excessive borrowing from central banks, it can increase the money supply. This influx of money can lead to inflationary pressures, eroding purchasing power and impacting the overall economy, including consumer spending and business investments.

The Revised Estimate of the fiscal deficit is 5.8 percent of GDP and Fiscal Deficit for financial year 2024-25 is estimated to be 5.1 percent of GDP with an aim to further reduce it below 4.5 percent of GDP by the year 2025-26.

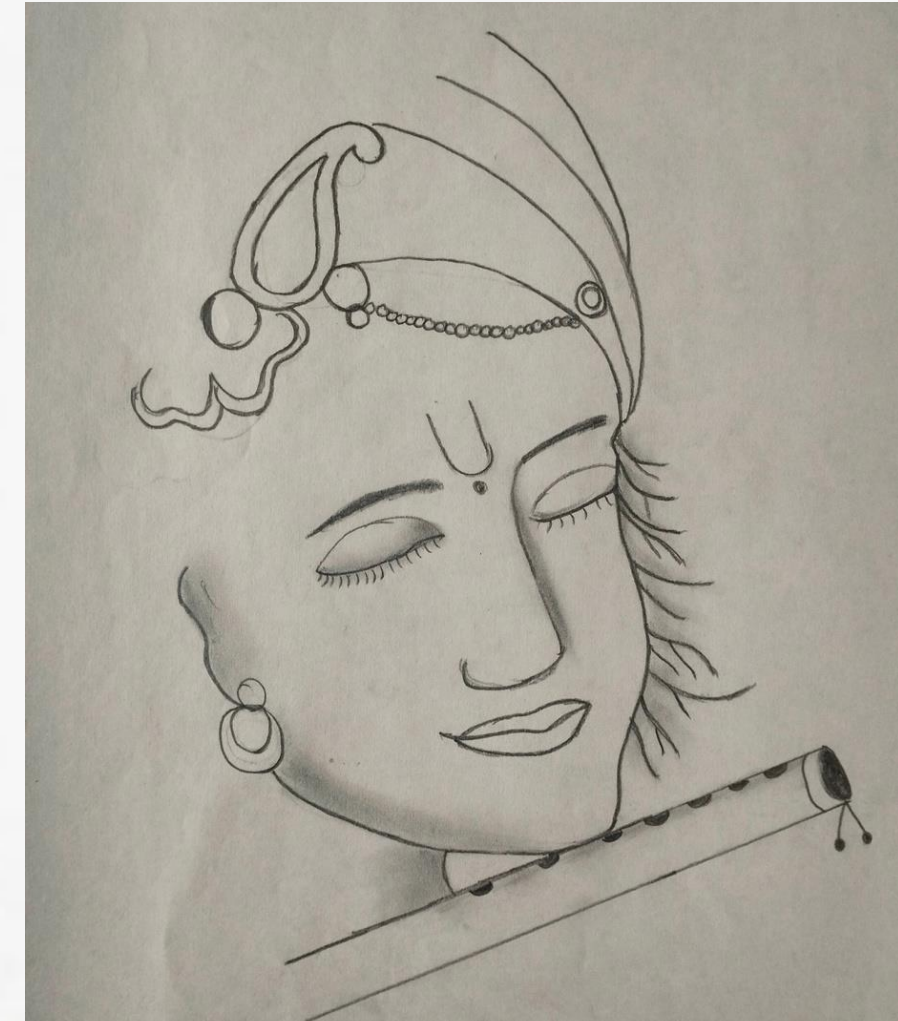
Vibrant Gujarat Global summit

- Vibrant Gujarat, also referred to as Vibrant Gujarat Global Summit, is a biennial investors' global business event that is held in the state of Gujarat. The event is aimed at bringing together business leaders, investors, corporations, thought leaders, policy and opinion makers; the summit is advertised as a platform to understand and explore business opportunities in Gujarat. The summit's primary objective is to promote Gujarat as an attractive investment destination and to facilitate partnerships and collaborations across different sectors. Summit began in 2003 and is now held every two years.
- Prime Minister Shri Narendra Modi kicked off the 10th edition of the Vibrant Gujarat global summit 2024 at Mahatma Mandir Convention and Exhibition Centre in Gandhinagar, Gujarat on Tuesday, January 9. The summit, held from January 9 to 12, carried the theme 'Gateway to the future' and commemorating two decades of success for the event.
- The summit has gained International Recognition attracting participation from a diverse array of countries and leaders. The Participation of the UAE President Sheikh Mohammad bin Zayed Al Nahyan in the summit further highlights its global significance.
- Memorandums of Understanding for 41,299 projects with investment proposals worth Rs 26.33 lakh crore were signed in the summit, which saw participation from more than 61,000 delegates from over 140 countries.

Key Decisions Taken

- Adani Group Chairperson Gautam Adani announced Rs. 2 Lakh crore investment in Gujarat over the next 5 years, focused primarily on the development of Khavda Renewable Energy Park which will be world's largest green energy park in Kutch district of Gujarat which will generate over 30 Gigawatt of renewable energy. This will help in generating over 1 lakh jobs.
- RIL Chairman and MD Mukesh D. Ambani announced the initiation of the Dhirubhai Ambani Green Complex over 5,000 acres in Jamnagar, with plans to commission the green complex in the latter half of 2024. This will generate a large number of green jobs and enable production of green products and materials and will make Gujarat a leading exporter of Green Products. Reliance will set up India's first and world-class carbon fiber facility at Hazira in Gujarat.
- In India's bid for hosting 2036 Olympics, Reliance and Reliance Foundation will join forces with several other partners in Gujarat to improve education, sports and skills infrastructure.
- Tata Group Chairman N Chandrasekaran has announced that they are setting up a semiconductor fab in Gujarat's Dholera. Tata Group is also building the C295 defence aircraft in Vadodara and will expand the manufacturing at Dholera. Along with these the group will begin construction of a 20 gigawatt lithium ion storage battery factory in Sanand City in the next two months, this expansion is aimed at meeting the growing demand for electric vehicles

Artists of the Month



Gosiya
Shaikh



Devang
Mithapara

Newsletter Credits



Vipin Pandey



Mihir Prajapati



Yash Ranpara

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Thank you