



The Present Status of Budget in India: An Analytical Review

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Abstract: *The given article has drawn a detailed analytical view of the present status of the budget in India, its fiscal policies, revenue generation, expenditure patterns, and their economic implications. These are drawn from the latest data in government reports, economic survey reports, and financial analyses in order to bring forth clarity regarding India's fiscal health and budgetary priorities in FY 2023–24.*

Key words: Detailed analytical view, Present status, Budget, Revenue generation, Expenditure patterns, Economic implications, Economic survey, Latest data, Budgetary priorities, Clarity, FY 2023-24

I. Introduction:

The budget is the most important economic policy tool in India, reflecting any government's earning and spending priorities and, therefore, its general economic strategy. Notably, the period 2023–24 has been remarkable in view of the ongoing recovery from the pandemic and the resultant growth-stimulating initiatives that the government has mooted without compromising on fiscal discipline. view of the ongoing recovery from the pandemic and the resultant growth-stimulating initiatives that the government has mooted without compromising on fiscal discipline.

II. Revenue Generation:

1. Tax Revenue: a) Direct Taxes: The collection of direct taxes has increased significantly, in the form of income tax and corporate tax, on account of better compliance and digitization efforts put in at the government level.

b) Indirect Taxes: Goods and Services Tax (GST) stays as one of the vital sources of revenue, with remarkable enhancements in collection efficiency and compliance rates.

2. Non-Tax Revenue: a) Dividends and Profits: The main contribution to this has come from public

sector enterprises and financial institutions through dividends.

b) Fees and Charges: Contributions of fees from various government services and charges from regulatory funds have been sizeable.

Expenditure Patterns:

1. Capital Expenditure:

The government has prioritized infrastructure development, allocating significant resources to road, rail, and urban development projects.

Investments in the renewable energy and technology sectors have been emphasized to drive long-term economic growth.

2. Revenue Expenditure:

Subsidies: Large subsidies on food, fertilizers, and fuel remain but are sought to be rationalized and better targeted.

Welfare Schemes: Stepped-up engagement in social welfare programs relating to health, education, and rural development-oriented initiatives enables growth to be all-inclusive.

Fiscal Deficit and Debt :

Next financial more measured fiscal deficit will be aimed at 6.4 percent, a development seen to have demonstrated commitment to the path of fiscal consolidation but ensured that enough expenditure was made for the goal of economic recovery. Public debt is still a concern in which efforts are underway towards the management of debt and the reduction of the debt-to-GDP ratio through prudent management of finances and growth in the economy.

Economic Implications:

1. Inflation:

The government has failed to control inflation amidst the global supply chain disruption and volatile prices of commodities.



The Monetary Policy Coordination with RBI seeks to ensure that inflation is within the target range.

2. Growth Prospect:

The economy may post a growth of about 7 per cent in 2023-24, riding on the back of strong domestic demand, crusading investments and export performance.

Further structural reforms in labour, agriculture, and industrial sectors would improve the growth prospects.

III. Conclusion:

The present budget status of India is one of relative balancing of measures for economic recovery, fiscal consolidation, and long-term growth. Of course, there are apprehensions regarding inflation and public debt, but the strategies in revenue generation, expenditure prioritization, and fiscal management are such that the economy would not go off course

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