

No big ticket announcement in the interim Budget, says FM Sitharaman

Shishir Sinha
New Delhi

Finance Minister Nirmala Sitharaman on Thursday said the forthcoming interim Budget will not have any big-ticket announcement. The Minister is expected to present the interim Budget on February 1, 2024.

It will be her sixth Budget — five full and one interim. With the general elections slated for next year, an interim Budget will be presented to take Parliament approval for expenditure beyond March 31. The new government will present a full Budget for FY25, most probably in July.

“No spectacular announcements come in that time (in a Vote-on-Account). So, you will have to wait till after the new government comes in and presents the next full Budget in July 2024,” the Minister said when asked on whether she will propose a ‘supercharged Budget’ in February during a conference organised by the Economic Affairs Department and CII here.

ONLY VOTE-ON-ACCOUNT
“I am not going to play spoilsport, but it is a matter



Finance Minister Nirmala Sitharaman addressing the CII Global Economic Policy Forum 2023, in New Delhi PTI

of fact that the February 1, 2024, Budget that will be announced will just be a Vote-on-Account because we will be in election mode. So, the Budget that the government presents will just be to meet the expenditure till a new government is sworn in,” she said.

Rules do not bar the government in majority to make new announcements, but the convention has been that successive government have avoided making major policy pronouncements before the election. This holds true even when the poll schedule has not been announced or the Code of Conduct has not come into effect.

But there have been breaks from this tradition. In

2019, Piyush Goyal, holding additional charge of Finance Ministry, presenting an interim Budget before the general elections, announced a ₹6,000 per year cash transfer to 12 crore farmers.

He also announced tax sops for the middle-class, including hiking the standard deduction available to the salaried class to ₹50,000 from ₹40,000. Along with this, a full tax rebate was announced for individual taxpayers having taxable annual income of up to ₹5 lakh.

The 2019 interim Budget had proposed that such taxpayers would not be required to pay any income tax.

GREEN TAX, NOT MORAL
Earlier, Sitharaman said the developed countries’ move to levy a border adjustment tax to fund their own green commitments is “not moral” at all and is against the concerns of developing nations.

“I want to make my industry green so I will impose on you a certain tax because you are coming up with non-green products and with that money, I will make my industry green. Border adjustment tax logic just goes against the concerns of the global South,” she said.

Also read p3