



Union Budget

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UNION BUDGET

A statement of the estimated receipts and expenditure of the Govt in an FY

ARTICLE 112 (PART V)

- President of India to present the **Annual Financial Statement** for each FY before both Houses of Parliament

The term 'Budget' is not mentioned anywhere in the Constitution of India

NODAL BODY FOR PREPARING BUDGET

- **Budget Division** (Dept of Economic Affairs, Ministry of Finance) in **consultation with NITI Aayog** and concerned Ministries

The first Budget of Independent India was presented in 1947

MAJOR COMPONENTS OF BUDGET

- Estimates of **revenue and capital receipts**
- **Ways and means** to raise the revenue
- Estimates of **expenditure**
- Actual receipts/**expenditures of closing FY** (+ deficit/surplus)
- **Economic/financial policy** of upcoming FY

Till 2017, the Govt of India had 2 budgets - Railway Budget and General Budget

STAGES OF BUDGET ENACTMENT

- Presentation
- **General discussion**
- **Scrutiny** by Dept Committees
- **Voting** on Demands for Grants
- Passing an **Appropriation Bill**
- Passing of **Finance Bill**

What else does the Constitution of India provide for the Budget?

- **Without the recommendation of the President:**
 - No demand for a grant can be made
 - No money bill imposing tax can be introduced
- No money can be withdrawn from the Consolidated Fund of India except under **appropriation** made by law
- **Role of Parliament:**
 - Money/Finance Bill (involving taxation) - introduced only in LS
 - Vote on the demand for grants - RS has no such power
 - Money/Finance Bill - to be returned to LS by RS in 14 days
 - LS may/may not accept the recommendations made by RS

[Union Budget 2023-24 Part A](#)

[Union Budget 2023-24 Part B](#)

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