



सत्यमेव जयते

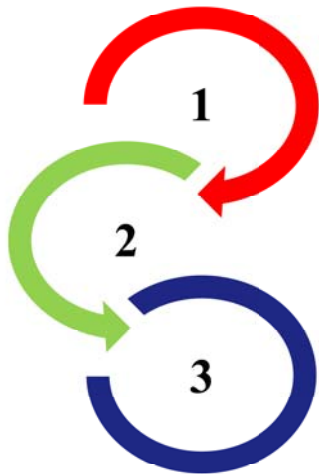
GOVERNMENT OF INDIA

Key Features of Budget 2023-2024

February, 2023

**MINISTRY OF FINANCE
BUDGET DIVISION**

Vision for Amrit Kaal



Opportunities for Citizens with focus on the Youth

Growth and Job Creation

Strong and Stable Macro-Economic Environment

Saptarishi-7 priorities



Sabka Saath Sabka Vikas-Inclusive Development

Agriculture and Cooperatives

Building Digital Public Infrastructure

Building an accessible, inclusive and informative solution for Farmers



Setting up Agriculture Accelerator Fund

For encouraging innovative start-ups in rural areas

ANB* Horticulture Clean Plant Program to be launched

To boost production of high value horticultural crops



Targeted Funding

₹20 lakh crore agricultural credit targeted at Animal Husbandry, Dairy and Fisheries sector

Making India Global Hub For Millets: 'Sree Anna'

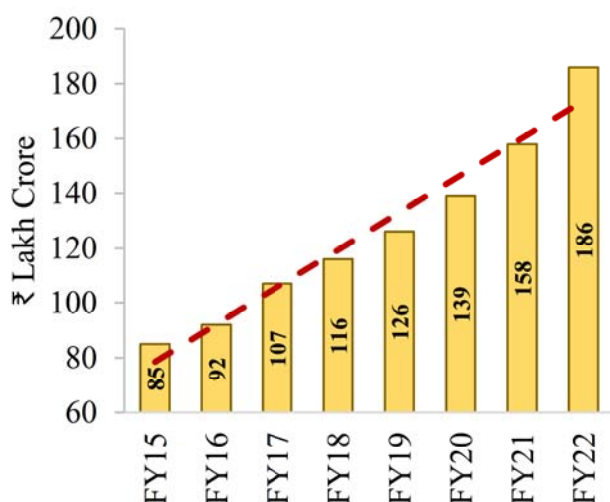
Support to be given to IIMR^, Hyderabad for promoting research



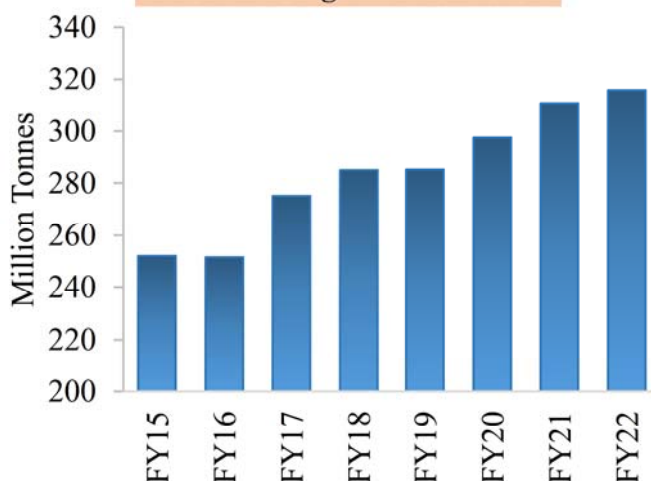
Setting-up of widely available storage capacity

Will enhance Farmers' remuneration by enabling sale at appropriate times

More Credit to Agriculture Sector



Record Foodgrain Production



*ANB -Atmanirbhar Bharat

^IIMR-Indian Institute of Millet Research

Sabka Saath Sabka Vikas-Inclusive Development

Health



157 New Nursing Colleges to be established

Sickle Cell Anaemia elimination Mission to be launched

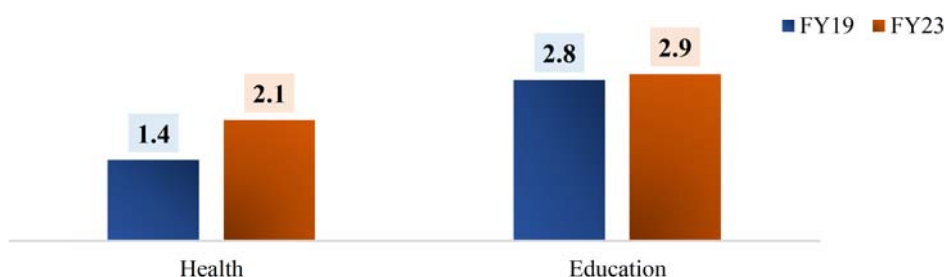


New Programme to promote research in Pharmaceuticals to be launched

Joint Public and Private Medical Research to be encouraged via select ICMR labs



Increase in Expenditure on Health and Education (% of GDP)



Education and Skilling

- ✓ Revamped Teachers' training via **District Institutes of Education and Training**
- ✓ **National Digital Library** to be set up for children and adolescents
- ✓ States will be encouraged to set up physical libraries at Panchayat and ward levels



The Big Tent that accommodates all



9 crore drinking water connections to rural houses



Cash transfer of ₹2.2 lakh crore to over 11.4 crore Farmers under PM-KISAN



Insurance cover for 44.6 crore persons under PMSBY* and PMJJY^

11.7 crore household toilets constructed under SBM



9.6 crore LPG connections under Ujjawala

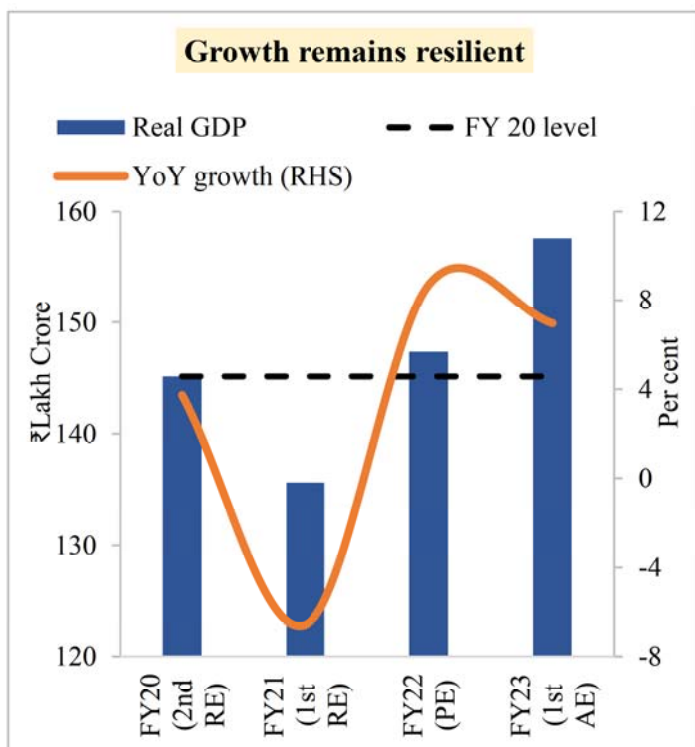
Inclusive Development Achievements

47.8 crore PM Jan Dhan bank accounts

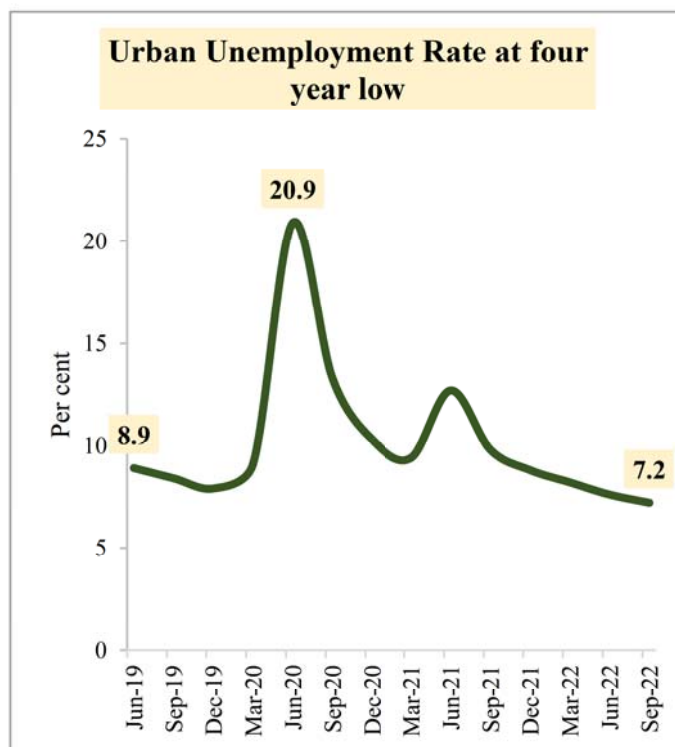
220 crore Covid vaccinations of 102 crore persons



Growth remains resilient



Urban Unemployment Rate at four year low



*PMSBY: Pradhan Mantri Suraksha Bima Yojana

^PMJJY: Pradhan Mantri Jeevan Jyoti Yojana

Reaching the Last Mile



Pradhan Mantri PVTG* Development Mission to be launched

Financial assistance to be given for sustainable micro irrigation in drought prone regions of Karnataka



More teachers to be recruited for 740 Eklavya Model Residential Schools

Bharat (SHRI)^ to be set up for digitization of ancient inscriptions



Infrastructure and Investment

Incentives to boost Investment in Infrastructure and productive capacity

Multiplier
Impact

Rise in growth and employment



Increased capital investment outlay by 33.4% to ₹10 lakh crore



Continuation of 50 year interest free loan to State Governments to incentivize infrastructure investment



Highest ever Capital outlay of ₹2.4 lakh crore for Railways



100 transport infrastructure projects identified for end-to-end connectivity for ports, coal, steel, fertilizer sectors



Creating Urban Infrastructure in Tier 2 and 3 cities via establishment of UIDF**

*PVTG: Particularly Vulnerable Tribal Groups, ^SHRI: Shared Repository of Inscriptions,

**UIDF: Urban Infrastructure Development Fund

Unleashing the Potential-*Trust Based Governance*



Measures



Expected Outcomes



Make AI in India: Three specialized AI centres to be set up in educational Institutes

AI based solutions in agriculture, health and sustainable cities

National Data Governance Policy to be introduced

Enable access to anonymized data for research by Start-ups and academia

Vivad se Vishwas I: Less stringent contract execution for MSMEs

Relief to MSMEs affected during the Covid period

Vivad se Vishwas II: Easier and standardized settlement scheme

Faster settlement of contractual disputes of Govt. and Govt. undertakings

Phase 3 of ***E-Courts*** to be launched

Effective administration of Justice

Entity Digi Locker to be set-up for use by business enterprises and charitable trusts

Facilitating secure online storing and sharing of documents with the business ecosystem

Setting up of 100 ***labs for 5G services*** based application development

To tap employment potential and business opportunities

R&D grant for ***Lab Grown Diamonds (LGD)*** sector

To reduce import dependency by encouraging domestic production

Green Growth

Green Credit Programme

To be notified under EPA to incentivize sustainable actions

PM-PRANAM* to be launched

Will incentivize States/UTs to promote usage of alternative fertilizers

500 new 'Waste to Wealth' plants

To be established under GOBARdhan# scheme for promoting circular economy

Sustainable Ecosystem development

- MISHTI^ to be taken up for Mangrove plantation along the coastline
- Amrit Dharohar to be implemented for optimal usage of wetlands

Other Initiatives

- Setting up 10,000 bio-inputs resource centres to facilitate farmers to adopt natural farming
- Promotion of Battery energy storage systems
- Promotion of coastal shipping for energy efficient transportation
- Funds to be allocated for replacing old polluting vehicles



Amrit Peedhi - Youth Power



PMKVY 4.0 will be launched

Covering new courses like coding, AI, Robotics, 3D printing etc.



Measures to boost Tourism sector

At least 50 destinations to be selected, through challenge mode, to be developed as a complete package for domestic and foreign tourists



States will be encouraged to set-up Unity Malls

For promotion and sale of ODOP (One District-One Product), GI and handicraft products

* PRANAM: PM Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth

^ MISHTI: Mangrove Initiative for Shoreline Habitats and Tangible Incomes

GOBARdhan: Galvanizing Organic Bio-Agro resources Dhan

Financial Sector

Setting up of National Financial Information registry

To enable efficient lending, promote financial inclusion and enhance financial stability

Setting up of a Central Data processing Centre

For faster handling of administrative work under the Companies Act

Credit Guarantee scheme for MSMEs

Expanded corpus under a revamped scheme to enable additional collateral free guaranteed credit of ₹2 lakh crore



Mahila Samman Bachat Patra

One-time new small savings scheme for a 2-year period with a deposit facility of up to ₹2 lakh for women

Benefits for Senior Citizens

Enhanced maximum deposit limit for senior citizens savings scheme from ₹15 lakh to ₹30 lakh

Other Initiatives

- Initiatives to promote business activities in GIFT IFSC
- Create more trained professionals in Securities Markets via award of educational certificates

Fiscal Management



50 year Interest Free Loans to States

- To be spent on Capital Expenditure within 2023-24
- Part of the loan is conditional on States increasing actual Capital expenditure and parts of outlay will be linked to States undertaking several reforms

Fiscal Deficit of 3.5% of GSDP allowed for States (0.5% tied to Power sector reforms)

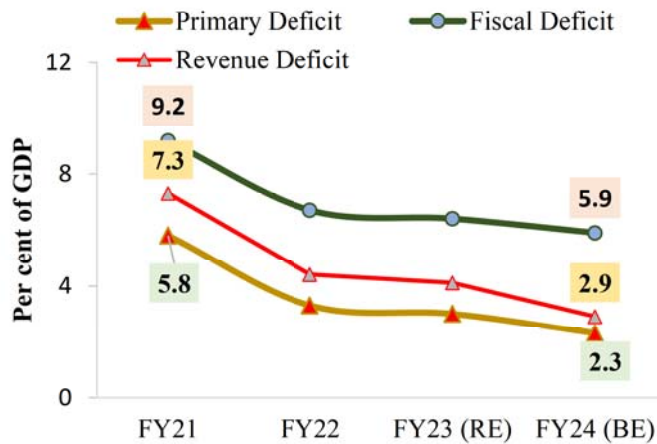


Fiscal Consolidation

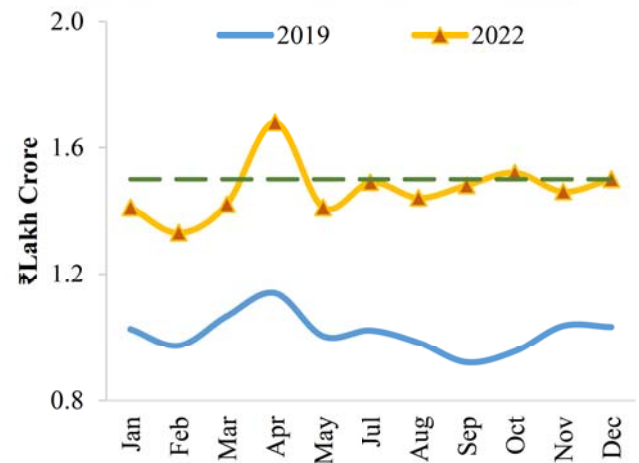
Targeted Fiscal Deficit to be below 4.5% by 2025-26

Indian Economy backed by strong macroeconomic fundamentals

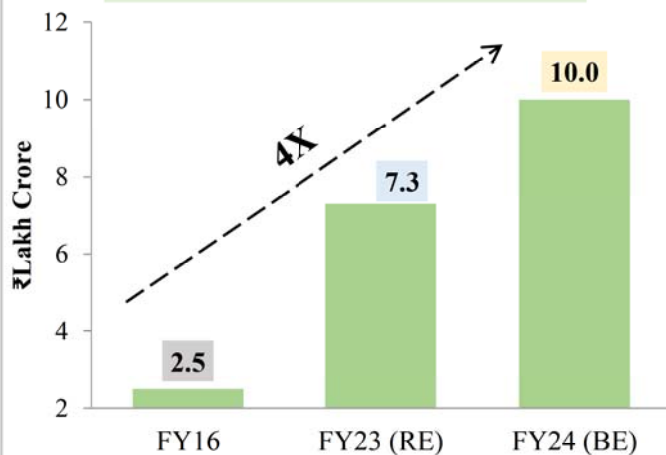
Union Government on the path of fiscal consolidation



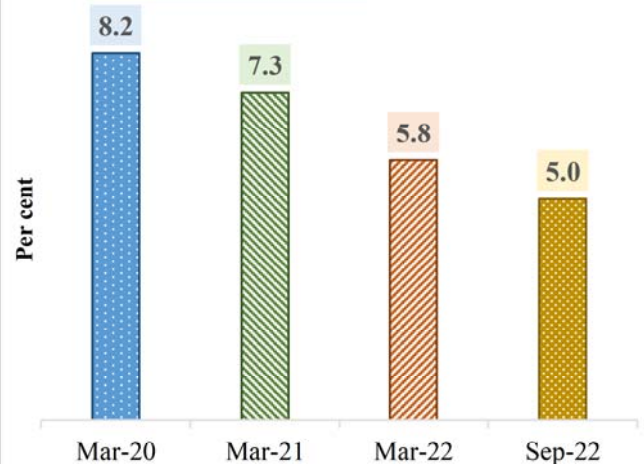
GST monthly revenue continues to remain around ₹1.5 lakh crore



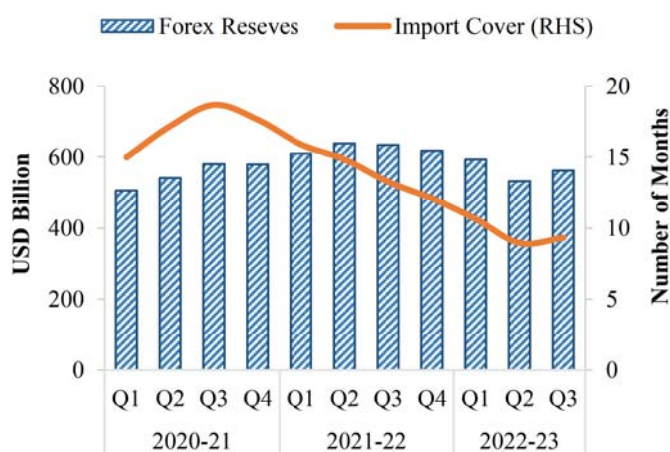
Increasing Capital Expenditure of Union Government



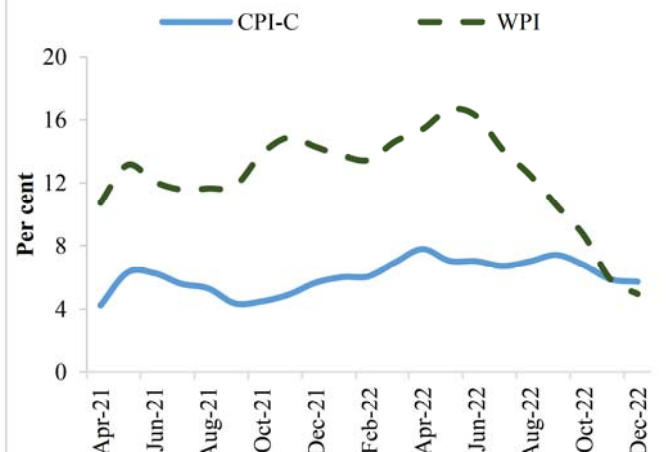
Asset quality in banks improving with lower NPAs



Sufficient Foreign Exchange Reserves to cover 9 months of Imports



Wholesale prices converging to retail prices



Tax Proposals

Simplification in Indirect Taxes to deliver



Higher Exports



Higher domestic manufacturing



More value addition in the economy



Green energy and mobility

Changes to custom duty on

Benefits

Import of capital goods for Li-ion battery manufacturing



For Greener mobility

Import of mobile camera lens



Deepening Value Addition

Denatured ethyl alcohol



For chemical industry

Key inputs for producing shrimp feed



More marine exports

Seeds for manufacturing lab grown diamonds



Export Promotion

Continuing concessional basic custom duty on copper scrap



Augmenting raw material availability for MSMEs

Compounded rubber, to bring it at par with natural rubber



To curb duty circumvention

Direct Tax Proposals

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



45% of the returns on tax payers' portal were processed within 24 hours



Average processing period reduced from 93 to 16 days in 8 years



Processed more than 6.5 crore returns this year

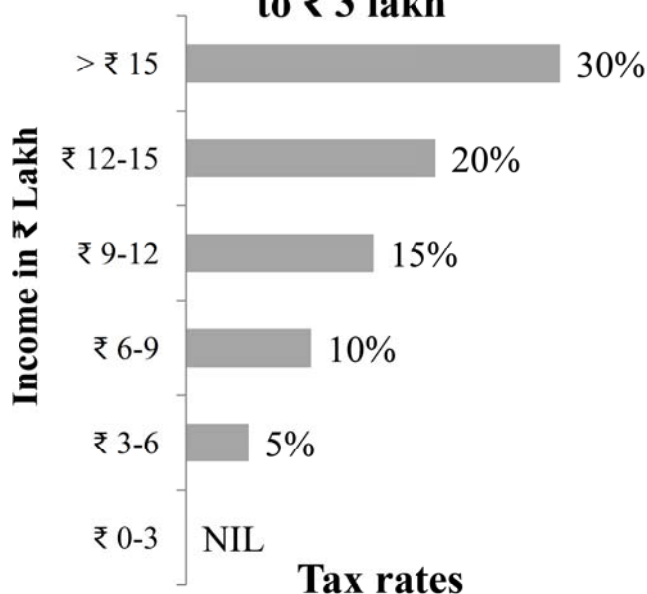
Further Simplifying Personal Income Tax



Income limit for rebate of income tax increased from ₹5 lakh to ₹7 lakh in the new regime

New Income tax regime

Exemption limit increased to ₹ 3 lakh



- Highest surcharge rate on income above ₹5 crore to be reduced from 37% to 25% under new regime
- Extending benefits of standard deduction to new tax regime for salaried class and pensioners
- Increasing tax exemption limit to ₹25 lakh on leave encashment on retirement for non-government salaried employees

Simplifying Tax Benefits for Industry

MSME



- Enhanced limits for micro enterprises and professionals to avail benefits of presumptive taxation ; 95% of receipts to be non cash
- Deduction on payments made to MSMEs to be allowed only when payment is actually made

- Extending 15% corporate tax benefits to new co-operatives, commencing manufacturing till 31st March, 2024
- Higher limit of ₹2 lakh per member for deposits & loans in cash by PACS and PCARDBs
- Higher limit of ₹3 crore for TDS on cash withdrawal for co-operative societies



COOPERATIVES

STARTUPS



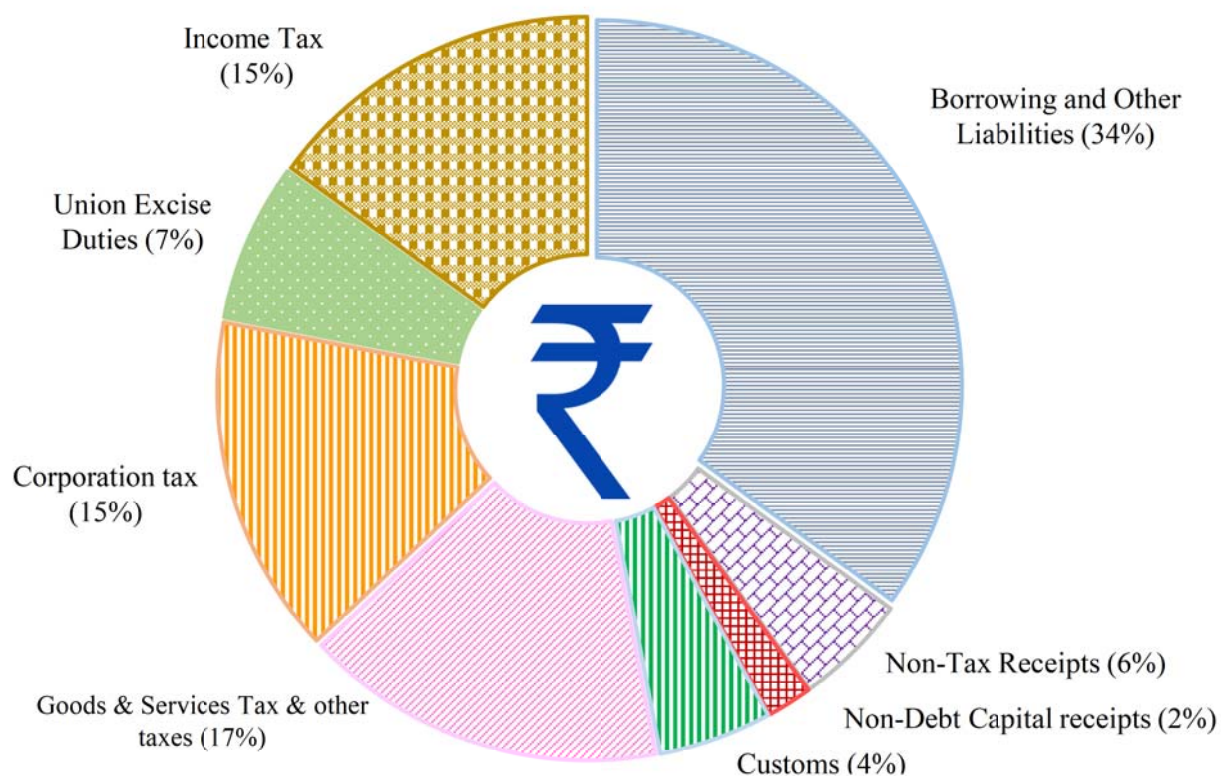
- Extension of the date of incorporation by one year for income tax benefits to start-ups
- Benefit of carry forward of losses on change of shareholding of start-ups from seven years of incorporation to ten years.

- Income of authorities, boards and commissions set up by statutes of the Union or State to be exempted from income tax in certain sectors
- Extension of period of tax benefits to funds relocating to IFSC, GIFT City till 31st March, 2025

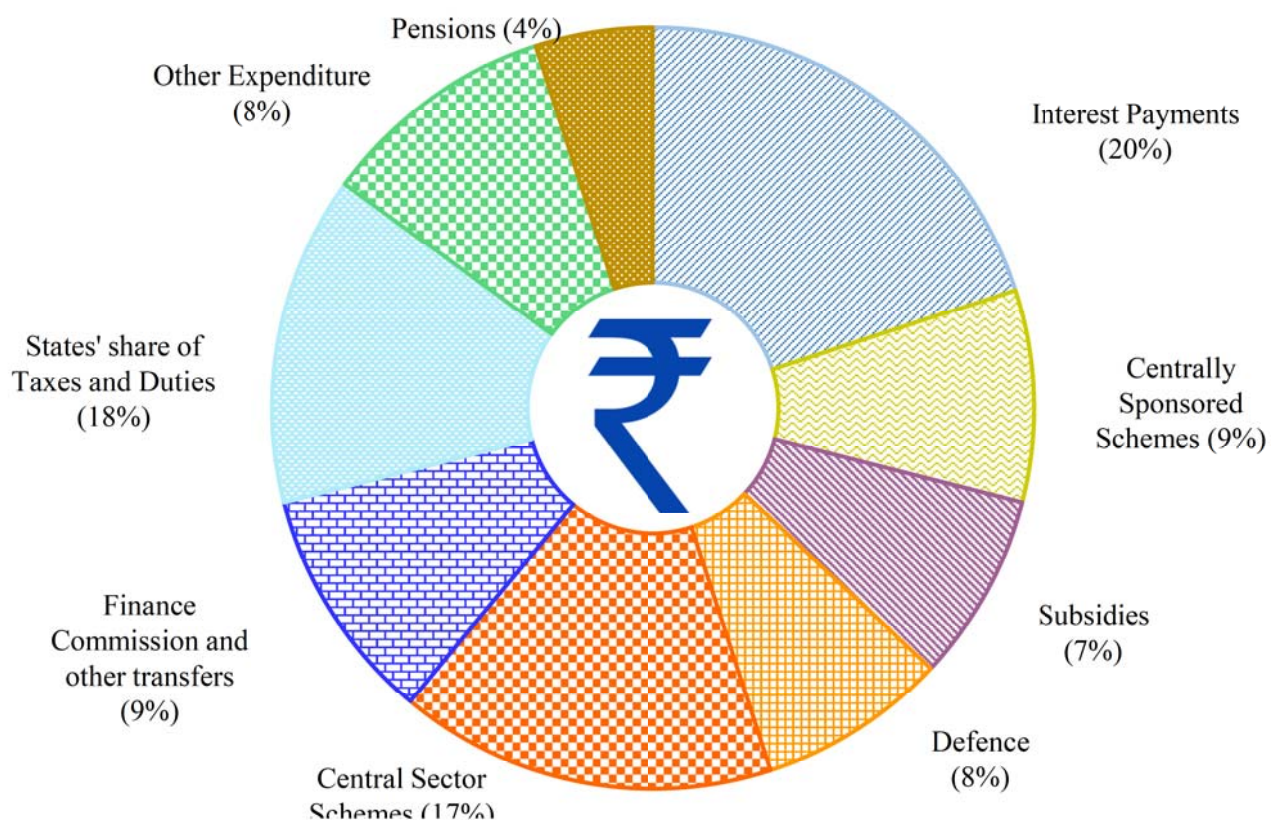


RATIONALISATION

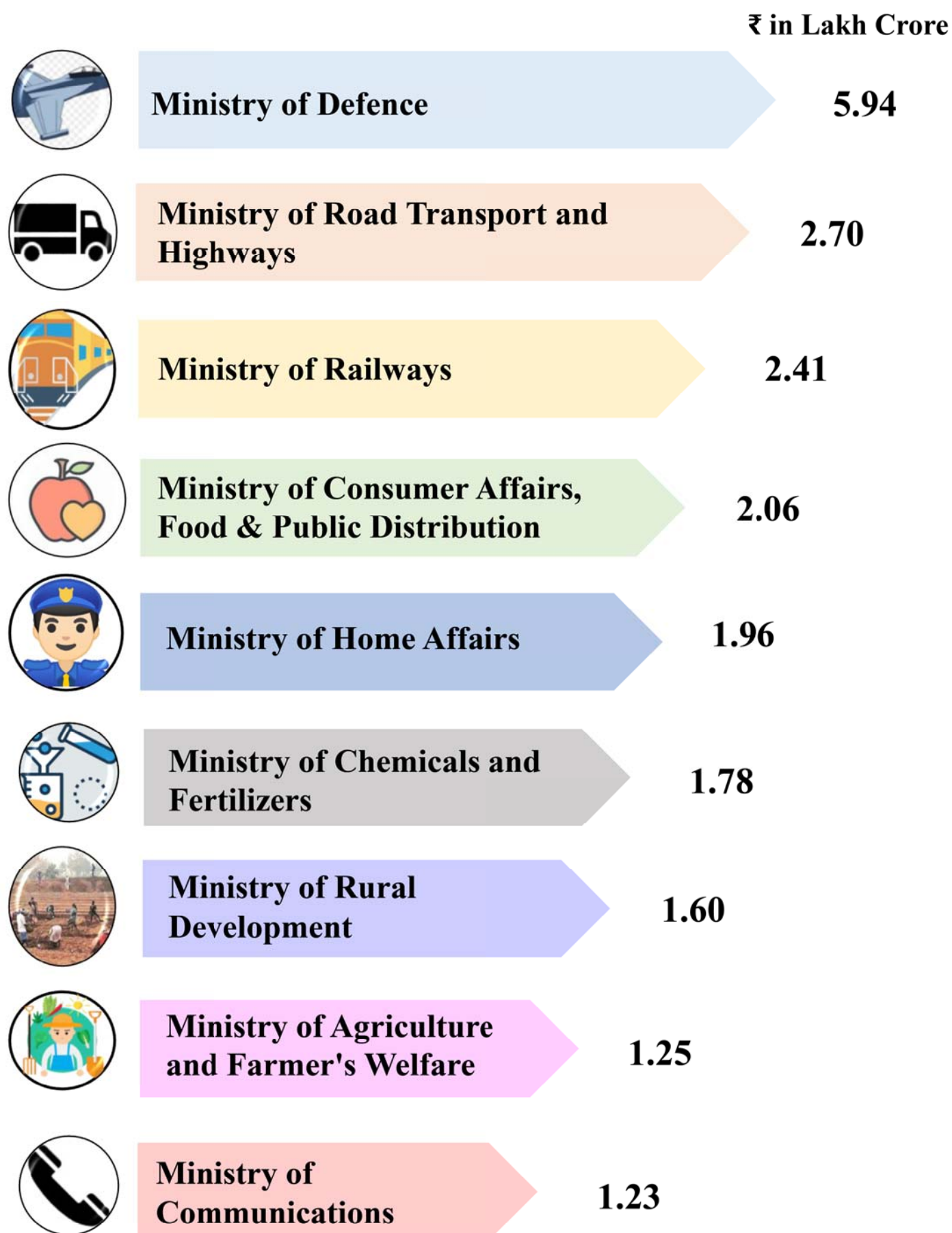
Rupee Comes From



Rupee Goes To



Allocation for Specific Ministries



Allocation to Major Schemes (in ₹ crore)

Development of Pharmaceutical Industry

100



1,250

2022-23(BE)

2023-24(BE)

Jal Jeevan Mission

60,000



70,000

2022-23(BE)

2023-24(BE)

Eklavya Model Residential Schools

2,000



5,943

2022-23(BE)

2023-24(BE)

Pradhan Mantri Awas Yojana

48,000



79,590

2022-23(BE)

2023-24(BE)

Scheme for Faster Adoption and Manufacturing of EV's (FAME)

2,908



5,172

2022-23(BE)

2023-24(BE)

North East Special Infrastructure Development Scheme

1,419



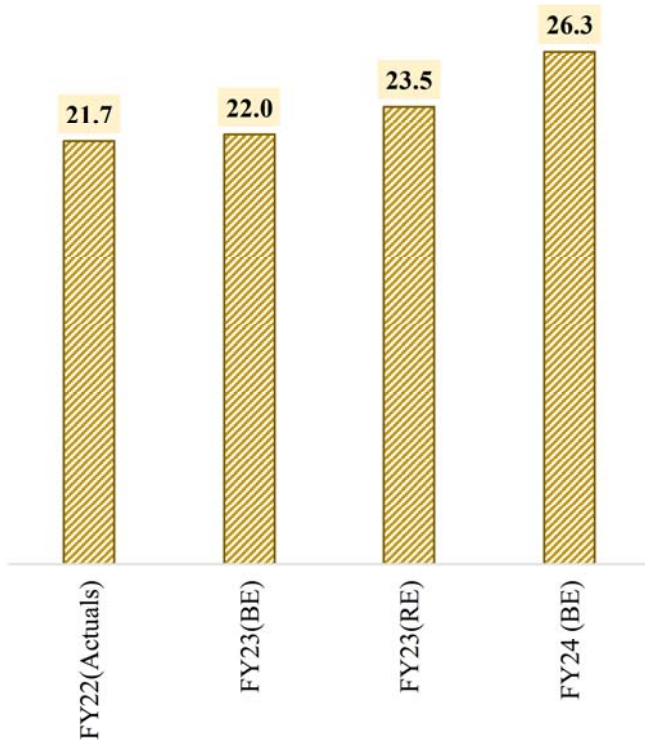
2,491

2022-23(BE)

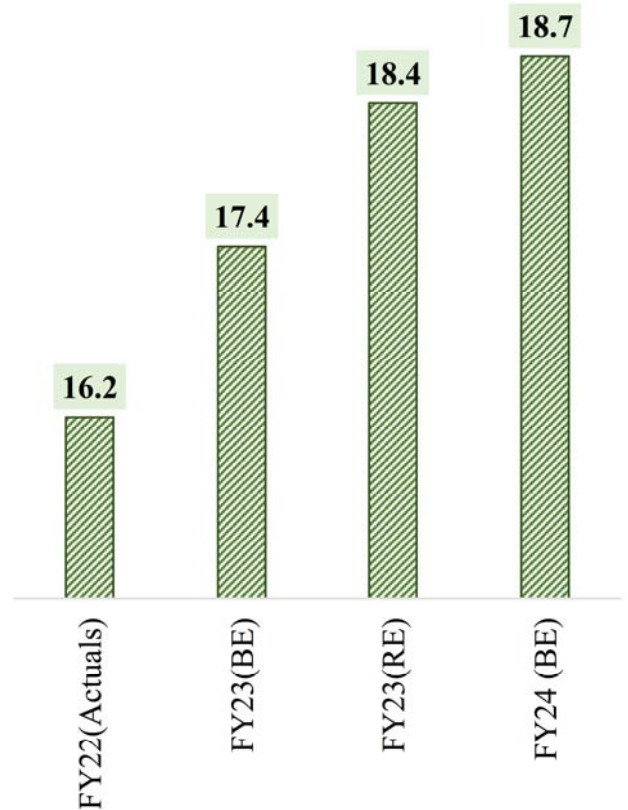
2023-24(BE)

Receipts and Expenditure (₹Lakh Crore)

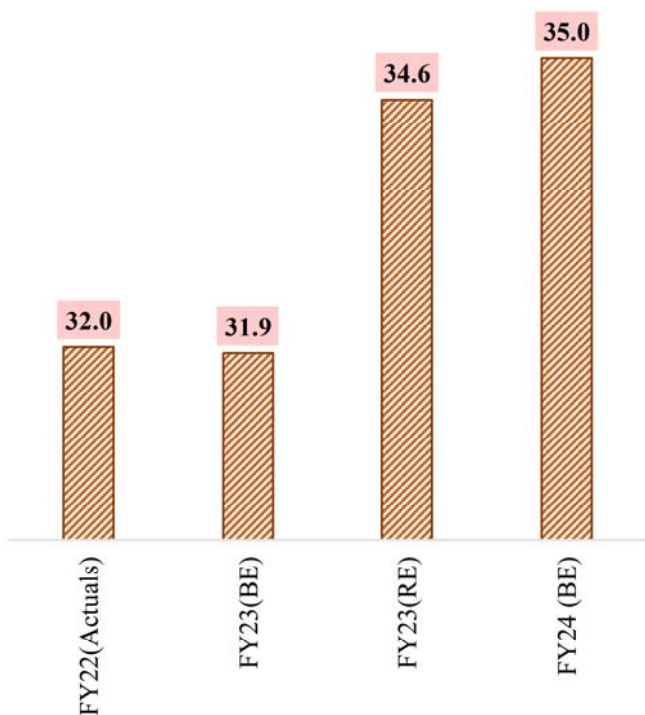
Revenue Receipts



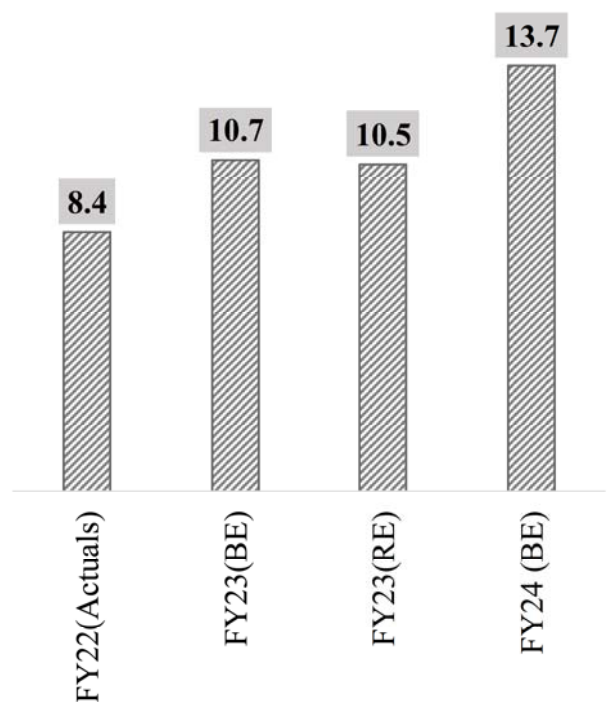
Capital Receipts



Revenue Expenditure



Effective Capital Expenditure



SHAILESH SHINDE

C A PROFESSIONALS & TEAM

I. I. T. POWAI, MUMBAI