

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

SUMMARY OF THE UNION BUDGET 2023-24

**UNION BUDGET 2023-24 PRESENTS VISION FOR *AMRIT KAAL*-BLUE PRINT FOR
AN EMPOWERD AND INCLUSIVE ECONOMY**

**THREE PRONGED FOCUS DRIVEN BY FOUR TRANSFORMATIVE
OPPORTUNITIES CONSTITUTE FOUNDATION OF *AMRIT KAAL***

CAPITAL INVESTMENT OUTLAY INCREASED BY 33% TO Rs. 10 LAKH CRORE

EFFECTIVE CAPITAL EXPENDITURE AT 4.5% OF GDP

FISCAL DEFICIT ESTIMATED TO BE 5.9 % OF GDP IN BE 2023-24

REAL GDP TO GROW AT 7% IN FY2022-23

EXPORTS TO GROW AT 12.5% IN FY 2023

**ATMANIRBHAR CLEAN PLANT PROGRAM WITH OUTLAY OF ₹2200 CRORE TO
BE LAUNCHED TO BOOST AVAILABILITY OF QUALITY PLANTING MATERIAL
FOR HIGH VALUE HORTICULTURAL CROPS**

157 NEW NURSING COLLEGES TO BE ESTABLISHED

**OUTLAY FOR PM AWAAS YOJANA ENHANCED BY 66% TO OVER RS. 79,000
CRORE**

**HIGHEST EVER CAPITAL OUTLAY OF Rs. 2.40 LAKH CRORE PROVIDED FOR
RAILWAYS**

**URBAN INFRASTRUCTURE DEVELOPMENT FUND (UIDF) TO BE ESTABLISHED
THROUGH USE OF PRIORITY SECTOR LENDING SHORTFALL**

**500 NEW ‘WASTE TO WEALTH’ PLANTS UNDER GOBARDHAN SCHEME TO BE
ESTABLISHED AT TOTAL INVESTMENT OF Rs 10,000 CRORE**

**10,000 BIO-INPUT RESOURCE CENTRES TO BE SET-UP, CREATING NATIONAL-
LEVEL DISTRIBUTED MICRO-FERTILIZER AND PESTICIDE MANUFACTURING
NETWORK**

MANTRI KAUSHAL VIKAS YOJANA 4.0 TO BE LAUNCHED

**UNION BUDGET 2023-24 PROVIDES SUBSTANTIAL RELIEF FOR PERSONAL
INCOME TAX**

NEW SLABS ANNOUNCED UNDER THE NEW TAX REGIME

**RESIDENT INDIVIDUAL WITH TOTAL INCOME UPTO ₹ 7 LAKH WILL NOT
HAVE TO PAY ANY INCOME TAX UNDER NEW TAX REGIME**

**STANDARD DEDUCTION OF ₹ 50,000 WILL ALSO BE AVAILABLE TO SALARIED
INDIVIDUALS UNDER THE NEW TAX REGIME**

**NEW TAX REGIME FOR INDIVIDUAL AND HUF WILL BE THE DEFAULT
REGIME**

**LIMIT FOR TAX EXEMPTION ON LEAVE ENCASHMENT ON RETIREMENT OF
NON-GOVERNMENT SALARIED EMPLOYEES INCREASED TO ₹ 25 LAKH**

SLEW OF PROPOSALS ANNOUNCED FOR THE COOPERATIVE SECTOR

**INDIRECT TAX PROPOSALS AIM TO PROMOTE EXPORTS, BOOST DOMESTIC
MANUFACTURING, ENHANCE DOMESTIC VALUE ADDITION, ENCOURAGE
GREEN ENERGY AND MOBILITY**

**NUMBER OF BASIC CUSTOMS DUTY RATES ON GOODS, OTHER THAN
TEXTILES AND AGRICULTURE, REDUCED FROM 21 TO 13**

New Delhi, 1st February, 2023

In the 75th year of India's Independence, the World has recognized the Indian Economy as a 'bright star' as the Economic Growth is estimated at 7 per cent, which is the highest among all major economies, in spite of the massive global slowdown caused by COVID-19 and Russia-Ukraine War. This was stated by Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman, while presenting the Union Budget 2023-24 in Parliament today. She emphasized that Indian economy is on the right track, and despite a time of challenges, heading towards a bright future.

PART-A

Smt. Sitharaman said that this Budget hopes to build on the foundation laid in the previous Budget, and the blueprint drawn for India@100, which envisions a prosperous and inclusive India, where the fruits of development reach all regions and citizens, especially our youth, women, farmers, OBCs, Scheduled Castes and Scheduled Tribes.

Resilience amidst multiple crises

The Finance Minister said that India's rising global profile is due to several accomplishments like unique World Class Digital Public Infrastructure namely, Aadhaar, Co-Win and UPI; COVID-19 vaccination drive in unparalleled scale and speed; proactive role in frontier areas such as achieving the climate related goals, mission LiFE, and National Hydrogen Mission.

She said that during the Covid-19 pandemic, Government ensured that no one goes to bed hungry, with a scheme to supply free food grains to over 80 Crore persons for 28 months. The Minister added that continuing with Centre's commitment to ensure food and nutritional security, Government is implementing, from 1st January 2023, a scheme to supply free food grain to all Antyodaya and priority households for the next one year, under PM Garib Kalyan Anna Yojana (PMGKAY). The entire expenditure of about Rs 2 lakh crore will be borne by the Central Government.

G20 Presidency: Steering the global agenda through challenges

The Finance Minister pointed out that in these times of global challenges; the G20 Presidency gives India a unique opportunity to strengthen its role in the world economic order. With the theme of 'Vasudhaiva Kutumbakam', India is steering an ambitious, people-centric agenda to address global challenges, and to facilitate sustainable economic development, she added.

Achievements since 2014: Leaving no one behind

Smt. Sitharaman said that the government's efforts since 2014 have ensured for all citizens a better quality of living and a life of dignity and the per capita income has more than doubled to Rs 1.97 lakh. She said that in these nine 9 years, the Indian economy has increased in size from being 10th to 5th largest in the world. Moreover, the economy has become a lot more formalized as reflected in the EPFO membership, more than doubling to 27 crore, and 7,400 crore digital payments of Rs 126 lakh crore through UPI in 2022.



Achievements Since 2014

From 10th To 5th Largest Economy In
The World Within 9 Years



- ✓ **11.7 Cr household toilets** under Swachh Bharat Mission
- ✓ **9.6 Cr LPG connections** under Ujjawala Yojana
- ✓ **220 Cr Covid vaccinations** of 102 crore persons
- ✓ **47.8 Cr bank accounts** under PM Jan Dhan Yojana
- ✓ **44.6 crore persons covered** under PM Suraksha Bima and PM Jeevan Jyoti Yojana
- ✓ **2.2 Lakh Cr cash transferred** to **over 11.4 crore farmers** under PM Kisan Samman Nidhi
- ✓ Per capita income more than doubled to **Rs 1.97 lakh**



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The Finance Minister pointed out that the efficient implementation of many schemes, with universalisation of targeted benefits, has resulted in inclusive development and listed some of the schemes such as 11.7 crore household toilets under Swachh Bharat Mission, 9.6 crore LPG connections under Ujjawala, 220 crore Covid vaccinations of 102 crore persons, 47.8 crore PM Jan Dhan Bank Accounts, Insurance cover for 44.6 crore persons under PM Suraksha Bima and

PM Jeevan Jyoti Yojana, and Cash transfer of Rs 2.2 lakh crore to over 11.4 crore farmers under PM Kisan Samman Nidhi.



Vision For Amrit Kaal

Empowered & Inclusive Economy

- ✓ Opportunities for Citizens with focus on Youth
- ✓ Growth in Job Creation
- ✓ Strong and Stable Macro-Economic Environment



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Vision for Amrit Kaal – an empowered and inclusive economy

The Finance Minister said that our vision for the Amrit Kaal includes technology-driven and knowledge-based economy with strong public finances, and a robust financial sector and to achieve this, Jan Bhagidari through Sabka Saath Sabka Prayas is essential. She added that the economic agenda for achieving this vision focuses on three things and those are facilitating ample opportunities for citizens, especially the youth, to fulfill their aspirations, secondly, providing strong impetus to growth and job creation and finally to strengthen macro-economic stability. She added that to service these focus areas in our journey to India@100, the following four opportunities can be transformative during Amrit Kaal-

1. **Economic Empowerment of Women:** Deendayal Antyodaya Yojana National Rural Livelihood Mission has achieved remarkable success by mobilizing rural women into 81 lakh Self Help Groups and we will enable these groups to reach the next stage of economic empowerment through formation of large producer enterprises or collectives with each having several thousand members and managed professionally.
2. **PM Vishwakarma KAushal Samman (PM VIKAS):** For centuries, traditional artisans and craftspeople, who work with their hands using tools, have brought renown for India and they are generally referred to as Vishwakarma. The art and handicraft created by them represents the true spirit of Atmanirbhar Bharat.
The Finance Minister informed that for the first time, a package of assistance for them has been conceptualized and the new scheme will enable them to improve the quality, scale and reach of their products, integrating them with the MSME value chain. The components of the scheme will include not only financial support but also access to advanced skill training, knowledge of modern digital techniques and efficient green technologies, brand promotion, linkage with local and global markets, digital payments, and social security. This will greatly benefit the Scheduled Castes, Scheduled Tribes, OBCs, women and people belonging to the weaker sections.
3. **Tourism:** The Finance Minister said that the country offers immense attraction for domestic as well as foreign tourists, as there is a large potential to be tapped in tourism. She added that the sector holds huge opportunities for jobs and entrepreneurship for youth in particular and emphasized that promotion of tourism will be taken up on mission mode, with active participation of states, convergence of government programmes and public-private partnerships.
4. **Green Growth:** Dwelling on the subject of Green Growth, the FM said that India is implementing many programmes for green fuel, green energy, green farming, green mobility, green buildings, and green equipment, and policies for efficient use of energy across various economic sectors. These green growth efforts help in reducing carbon intensity of the economy and provides for largescale green job opportunities, she added.

Priorities of this Budget

Smt. Nirmala Sitharaman listed seven priorities of the Union Budget and said that they complement each other and act as the ‘Saptarishi’ guiding us through the Amrit Kaal.

They are as follows: 1) Inclusive Development 2) Reaching the Last Mile 3) Infrastructure and Investment 4) Unleashing the Potential 5) Green Growth 6) Youth Power 7) Financial Sector



Priority 1: Inclusive Development

The Government's philosophy of Sabka Saath Sabka Vikas has facilitated inclusive development covering in specific, farmers, women, youth, OBCs, Scheduled Castes, Scheduled Tribes, divyangjan and economically weaker sections, and overall priority for the underprivileged (vanchiton ko varyata). There has also been a sustained focus on Jammu & Kashmir, Ladakh and the North-East. This Budget builds on those efforts.



Agriculture and Cooperation

Digital Public Infrastructure for Agriculture

The Finance Minister said that the Digital Public infrastructure for agriculture will be built as an open source, open standard and inter operable public good. She said, this will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for growth of agri-tech industry and start-ups.

Agriculture Accelerator Fund

The FM announces that an Agriculture Accelerator Fund will be set-up to encourage agri-startups by young entrepreneurs in rural areas, which will aim at bringing innovative and affordable solutions for challenges faced by farmers. It will also bring in modern technologies to transform agricultural practices, increase productivity and profitability.

Enhancing productivity of cotton crop

To enhance the productivity of extra-long staple cotton, Government will adopt a cluster-based and value chain approach through Public Private Partnerships (PPP). This will

mean collaboration between farmers, state and industry for input supplies, extension services, and market linkages.

Atmanirbhar Horticulture Clean Plant Programme

Smt. Nirmala Sitharaman announced that the Government will launch an Atmanirbhar Clean Plant Programme to boost availability of disease-free, quality planting material for high value horticultural crops at an outlay of Rs 2,200 crore.

Global Hub for Millets: ‘Shree Anna’

Smt. Sitharaman quoted Prime Minister as saying, “India is at the forefront of popularizing Millets, whose consumption furthers nutrition, food security and welfare of farmers”. She said that India is the largest producer and second largest exporter of ‘Shree Anna’ in the world as it grows several types of ‘Shree Anna’ such as jowar, ragi, bajra, kuttu, ramdana, kangni, kutki, kodo, cheena, and sama.

She mentioned that these have a number of health benefits, and have been an integral part of our food for centuries and acknowledged with pride that the huge service done by small farmers in contributing to the health of fellow citizens by growing these ‘Shree Anna’. She added that to make India a global hub for ‘Shree Anna’, the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.

Agriculture Credit

Dwelling on welfare measures for farmers, the Finance Minister announced that the agriculture credit target will be increased to Rs 20 lakh crore with focus on animal husbandry, dairy and fisheries.

She informed that the Government will launch a new sub-scheme of PM Matsya Sampada Yojana with targeted investment of Rs 6,000 crore to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.

Cooperation

For farmers, especially small and marginal farmers, and other marginalized sections, the government is promoting cooperative-based economic development model. A new Ministry of Cooperation was formed with a mandate to realize the vision of ‘Sahakar Se Samridhi’. To realise this vision, the government has already initiated computerization

of 63,000 Primary Agricultural Credit Societies (PACS) with an investment of Rs 2,516 crore.

In consultation with all stakeholders and states, model bye-laws for PACS were formulated enabling them to become multipurpose PACS. A national cooperative database is being prepared for country-wide mapping of cooperative societies.

Smt. Sitharaman said that Government will implement a plan to set up massive decentralized storage capacity, which will help farmers store their produce and realize remunerative prices through sale at appropriate times. The government will also facilitate setting up of a large number of multipurpose cooperative societies, primary fishery societies and dairy cooperative societies in uncovered panchayats and villages in the next 5 years.

Health, Education and Skilling

Medical & Nursing Colleges

The Finance Minister announced that one hundred and fifty-seven new nursing colleges will be established in co-location with the existing 157 medical colleges established since 2014. She also informed that a Mission to eliminate Sickle Cell Anaemia by 2047 will be launched, which will entail awareness creation, universal screening of 7 crore people in the age group of 0-40 years in affected tribal areas, and counseling through collaborative efforts of central ministries and state governments. On Medical Research, she said that facilities in select ICMR Labs will be made available for research by public and private medical college faculty and private sector R&D teams for encouraging collaborative research and innovation.



Dwelling on the subject of Pharma Innovation, the Finance Minister informed that a new programme to promote research and innovation in pharmaceuticals will be taken up through centers of excellence. She said that the Government will also encourage industry to invest in research and development in specific priority areas.

Teachers' Training

Smt. Sitharaman said that Teachers' training will be re-envisioned through innovative pedagogy, curriculum transaction, continuous professional development, dipstick surveys, and ICT implementation. She added that the District Institutes of Education and Training will be developed as vibrant institutes of excellence for this purpose.



She also informed that a National Digital Library for Children and Adolescents will be set-up for facilitating availability of quality books across geographies, languages, genres and levels, and device agnostic accessibility. States will be encouraged to set up physical libraries for them at panchayat and ward levels and provide infrastructure for accessing the National Digital Library resources.

Additionally, to build a culture of reading, and to make up for pandemic-time learning loss, the National Book Trust, Children's Book Trust and other sources will be encouraged to provide and replenish non-curricular titles in regional languages and English to these physical libraries.

Priority 2: Reaching the Last Mile

The Finance Minister said that Prime Minister Vajpayee's government had formed the Ministry of Tribal Affairs and the Department of Development of North-Eastern Region to provide a sharper focus to the objective of 'reaching the last mile'. She said that Modi Government has formed the ministries of AYUSH, Fisheries, Animal Husbandry and Dairying, Skill Development, Jal Shakti and Cooperation.



Reaching The Last Mile

No One To Be Left Behind



- **Pradhan Mantri PVTG^{*} Development Mission** to be launched
- **Financial assistance** for sustainable micro irrigation in drought prone regions of Karnataka
- **38800 more teachers** for **740** Eklavya Model Residential Schools
- **Free food grain** to all Antyodaya and priority households for **one year, under PMGKAY**
- **Bharat SHRI** to be set up for digitization of ancient inscriptions
- Outlay of **PM Awas Yojna** enhanced by **66 %**

** Particularly Vulnerable Tribal Groups*



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Aspirational Districts and Blocks Programme

Smt. Sitharaman informed that building on the success of the Aspirational Districts Programme, the Government has recently launched the Aspirational Blocks Programme covering 500 blocks for saturation of essential government services across multiple domains such as health, nutrition, education, agriculture, water resources, financial inclusion, skill development, and basic infrastructure.

Pradhan Mantri PVTG Development Mission

The Finance Minister said that to improve socio-economic conditions of the particularly vulnerable tribal groups (PVTGs), Pradhan Mantri PVTG Development Mission will be launched. This will saturate PVTG families and habitations with basic facilities such as safe housing, clean drinking water and sanitation, improved access to education, health and nutrition, road and telecom connectivity, and sustainable livelihood opportunities. An amount of Rs 15,000 crore will be made available to implement the Mission in the next three years under the Development Action Plan for the Scheduled Tribes. Smt. Sitharaman announced that in the next three years, centre will recruit 38,800 teachers and support staff for the 740 Eklavya Model Residential Schools, serving 3.5 lakh tribal students.

Water for Drought Prone Region

The Finance Minister said that in the drought prone central region of Karnataka, central assistance of Rs 5,300 crore will be given to Upper Bhadra Project to provide sustainable micro irrigation and filling up of surface tanks for drinking water.

PM Awas Yojana

In an important announcement, the Finance Minister said that the outlay for PM Awas Yojana is being enhanced by 66 per cent to over Rs 79,000 crore.

‘Bharat Shared Repository of Inscriptions’ will be set up in a digital epigraphy museum, with digitization of one lakh ancient inscriptions in the first stage.

Priority 3: Infrastructure & Investment

Smt. Sitharaman said, investments in Infrastructure and productive capacity have a large multiplier impact on growth and employment and in view of this capital investment outlay is being increased steeply for the third year in a row by 33 per cent to Rs 10 lakh crore, which would be 3.3 per cent of GDP. She said that this will be almost three times the outlay in 2019-20. The ‘Effective Capital Expenditure’ of the Centre is budgeted at Rs 13.7 lakh crore, which will be 4.5 per cent of GDP.



Support to State Governments for Capital Investment

The Finance Minister informed that the Government has decided to continue the 50-year interest free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions, with a significantly enhanced outlay of Rs 1.3 lakh crore.

Railways

The Finance Minister announced that a capital outlay of Rs 2.40 lakh crore has been provided for the Railways, which is the highest ever outlay and about 9 times the outlay made in 2013-14.

She also informed that one hundred critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified and they will be taken up on priority with investment of Rs 75,000 crore, including Rs 15,000 crore from private sources.

Smt. Sitharaman said that fifty additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.

The Finance Minister announced that an Urban Infrastructure Development Fund (UIDF) will be established through use of priority sector lending shortfall, which will be managed by the National Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities. She said that States will be encouraged to leverage resources from the grants of the 15th Finance Commission, as well as existing schemes, to adopt appropriate user charges while accessing the UIDF.

Smt. Sitharaman said that Government will make available Rs 10,000 crore per annum for this purpose.

Priority 4: Unleashing the Potential

The Finance Minister said that for enhancing ease of doing business, more than 39,000 compliances have been reduced and more than 3,400 legal provisions have been decriminalized. She added that for furthering the trustbased governance, Government has introduced the Jan Vishwas Bill to amend 42 Central Acts.

UNLEASHING THE POTENTIAL

TOWARDS A TRANSPARENT AND ACCOUNTABLE ADMINISTRATION

- Phase 3 of E-Courts to be launched for efficient administration of justice
- Vivad se Vishwas I** for less stringent contract execution for MSMEs
- Vivad se Vishwas II** for easier settlement of contractual disputes of Govt and Govt undertakings
- 'Input Based' to 'Result Based' Financing for better allocation of scarce resources
- Entity Digi Locker** to be setup for businesses for secure online storing and sharing of documents

Logos: PIB, 75 Azadi Ka Amrit Mahotsav, G20 India 2023

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Centres of Excellence for Artificial Intelligence

The Finance Minister said that for realizing the vision of “Make A-I in India and Make A-I work for India”, three centers of excellence for Artificial Intelligence will be set-up

in top educational institutions. Leading industry players will partner in conducting interdisciplinary research, develop cutting-edge applications and scalable problem solutions in the areas of agriculture, health, and sustainable cities, which will galvanize an effective A-I ecosystem and nurture quality human resources in the field.

National Data Governance Policy.

The FM said that to unleash innovation and research by start-ups and academia, a National Data Governance Policy will be brought out, which will enable access to anonymized data.

She also announced that An Entity DigiLocker will be set up for use by MSMEs, large business and charitable trusts for storing and sharing documents online securely, whenever needed, with various authorities, regulators, banks and other business entities. On 5G Services, she announced that one hundred labs for developing applications using 5G services will be set up in engineering institutions to realize a new range of opportunities, business models, and employment potential. The labs will cover, among others, applications such as smart classrooms, precision farming, intelligent transport systems, and health care applications.

Priority 5: Green Growth

Smt. Sitharaman said that Prime Minister has given a vision for “LiFE”, or Lifestyle for Environment, to spur a movement of environmentally conscious lifestyle. India is moving forward firmly for the ‘panchamrit’ and net-zero carbon emission by 2070 to usher in green industrial and economic transition.



She said, this Budget builds on the focus on green growth. The recently launched National Green Hydrogen Mission, with an outlay of Rs 19,700 crores, will facilitate transition of the economy to low carbon intensity, reduce dependence on fossil fuel imports, and make the country assume technology and market leadership in this sunrise sector. The target is to reach an annual production of 5 MMT by 2030.

The Budget also provides Rs35,000 crore for priority capital investments towards energy transition and net zero objectives, and energy security by Ministry of Petroleum & Natural Gas.

The Finance Minister said that to steer the economy on the sustainable development path, Battery Energy Storage Systems with capacity of 4,000 MWH will be supported with Viability Gap Funding.

She also informed that the Inter-state transmission system for evacuation and grid integration of 13 GW renewable energy from Ladakh will be constructed with investment of Rs 20,700 crore including central support of Rs 8,300 crore.

GOBARdhan scheme

Smt. Nirmala Sitharaman announced that 500 new ‘waste to wealth’ plants under GOBARdhan (Galvanizing Organic Bio-Agro Resources Dhan) scheme will be established for promoting circular economy. These will include 200 compressed biogas (CBG) plants, including 75 plants in urban areas, and 300 community or cluster-based plants at total investment of Rs 10,000 crore.

She said, in due course, a 5 per cent CBG mandate will be introduced for all organizations marketing natural and bio gas and for collection of bio-mass and distribution of bio-manure, appropriate fiscal support will be provided.

Bhartiya Prakritik Kheti Bio-Input Resource Centres

The Finance Minister announced that over the next 3 years, the Centre will facilitate one crore farmers to adopt natural farming. For this, 10,000 Bio-Input Resource Centres will be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.

The Finance Minister said that in furtherance of the vehicle scrapping policy mentioned in Budget 2021-22, she has allocated adequate funds to scrap old vehicles of the Central Government and States will also be supported in replacing old vehicles and ambulances.

Priority 6: Youth Power

The Finance Minister said that to empower the youth and help the ‘Amrit Peedhi’ realize their dreams, Government has formulated the National Education Policy, focused on skilling, adopted economic policies that facilitate job creation at scale, and have supported business opportunities.



Youth Power

Empowering 'Amrit Peedhi'

- **Pradhan Mantri Kaushal Vikas Yojana 4.0**
 - On-job training, industry partnership, new age courses like AI, robotics, mechatronics, 3D printing, drones, etc
- **Skill India Digital Platform**
 - Expanding digital ecosystem to enable demand-based formal skilling, linking with employers and facilitating access to entrepreneurship schemes



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Youth Power

Empowering 'Amrit Peedhi'

› National Apprenticeship Promotion Scheme

- › To provide stipend support to 47 lakh youth in three years

› Boosting Tourism

- › 50 destinations to be selected and developed as complete package for domestic & foreign tourists

› Setting Up Of Unity Malls In State Capitals

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

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She also announced that Pradhan Mantri Kaushal Vikas Yojana 4.0 will be launched to skill lakhs of youth within the next three years. On-job training, industry partnership, and alignment of courses with needs of industry will be emphasized. The scheme will also cover new age courses for Industry 4.0 like coding, AI, robotics, mechatronics, IOT, 3D printing, drones, and soft skills.

She also announced that to skill youth for international opportunities, 30 Skill India International Centres will be set up across different States.

National Apprenticeship Promotion Scheme

Smt. Nirmala Sitharaman said that to provide stipend support to 47 lakh youth in three years, Direct Benefit Transfer under a pan-India National Apprenticeship Promotion Scheme will be rolled out.

Unity Mall

The FM said that States will be encouraged to set up a Unity Mall in their state capital or most prominent tourism centre or the financial capital for promotion and sale of their own ODOPs (one district, one product), GI products and other handicraft products, and for providing space for such products of all other States.

Priority 7: Financial Sector

Credit Guarantee for MSMEs

The Finance Minister said that last year, she proposed revamping of the credit guarantee scheme for MSMEs and announced happily that the revamped scheme will take effect from 1st April 2023 through infusion of Rs 9,000 crore in the corpus. This will enable additional collateral-free guaranteed credit of Rs 2 lakh crore. Further, the cost of the credit will be reduced by about 1 per cent.



Financial Sector



Proposed Measures:

- ✓ **Setting up of National Financial Information Registry:**
 - To facilitate efficient credit flow, promote financial inclusion, and foster financial stability.
- ✓ **Setting up of a Central Data processing Centre:**
 - For faster handling of administrative work under the Companies Act
- ✓ **Credit Guarantee for MSMEs:**
 - Rs. 9,000 Cr infusion in corpus from 1st April 2023

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Smt. Sitharaman said that a National Financial Information Registry will be set up to serve as the central repository of financial and ancillary information. This will facilitate efficient flow of credit, promote financial inclusion, and foster financial stability. A new legislative framework will govern this credit public infrastructure, and it will be designed in consultation with the RBI.

She also announced that a Central Processing Centre will be setup for faster response to companies through centralized handling of various forms filed with field offices under the Companies Act.



Financial Sector



Proposed Measures:

- ✓ **Mahila Samman Bachat Patras:**
 - One-time new small savings scheme for 2-year period with deposit facility of up to Rs 2 lakh for women
- ✓ **Benefits for Senior Citizens:**
 - Enhanced maximum deposit limit for senior citizens savings scheme from Rs 15 lakh to Rs 30 lakh
- ✓ **GIFT IFSC:**
 - Several initiatives to promote **business activities** in GIFT IFSC

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For commemorating Azadi Ka Amrit Mahotsav, a one-time new small savings scheme, Mahila Samman Savings Certificate, will be made available for a two-year period up to

March 2025. This will offer deposit facility upto Rs 2 lakh in the name of women or girls for a tenor of 2 years at fixed interest rate of 7.5 per cent with partial withdrawal option.

Senior Citizens

The Finance Minister announced that the maximum deposit limit for Senior Citizen Savings Scheme will be enhanced from Rs 15 lakh to Rs 30 lakh.

Also, the maximum deposit limit for Monthly Income Account Scheme will be enhanced from Rs 4.5 lakh to Rs 9 lakh for single account and from Rs 9 lakh to Rs 15 lakh for joint account.

Fiscal Management

Fifty-year interest free loan to States

Smt. Nirmala Sitharaman said that the entire fifty-year loan to states has to be spent on capital expenditure within 2023-24. Most of this will be at the discretion of states, but a part will be conditional on states increasing their actual capital expenditure. She said, parts of the outlay will also be linked to, or allocated for, the following purposes: like Scrapping old government vehicles, Urban planning reforms and actions, Financing reforms in urban local bodies to make them, creditworthy for municipal bonds, Housing for police personnel above or as part of police stations, Constructing Unity Malls, Children and adolescents' libraries and digital infrastructure and State share of capital expenditure of central schemes.



Financial Sector

Fiscal Management

- ✓ Fifty-year interest **free loan to States**
- ✓ Fiscal Deficit of **3.5% of GSDP** allowed for States
- ✓ Fiscal Deficit for 2022-23 is 6.4% (RE), for 2023-24 is 5.9% (BE) and is on target to be below **4.5% by 2025-26**
- ✓ Budget Estimates 2023-24:
 - Total Receipts (Other than borrowings): **Rs 27.2 Lakh Cr**
 - Total Expenditure: **Rs. 45 Lakh Cr**
 - Net Tax Receipts: **Rs 23.3 Lakh Cr**



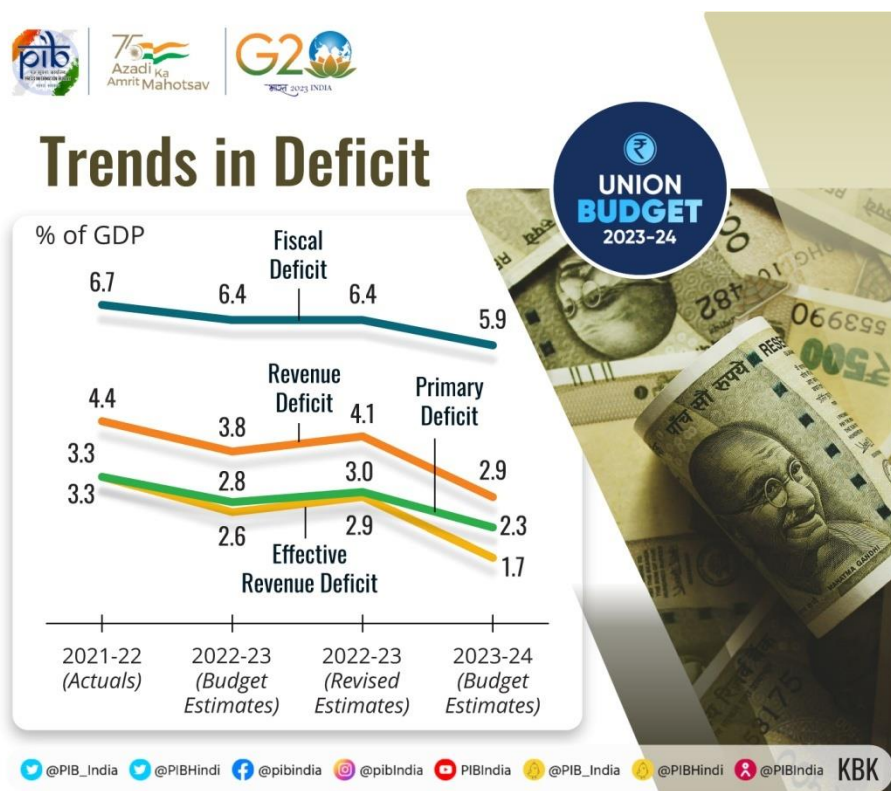
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The Revised Estimate of the total receipts other than borrowings is Rs 24.3 lakh crore, of which the net tax receipts are Rs 20.9 lakh crore. The Revised Estimate of the total expenditure is Rs 41.9 lakh crore, of which the capital expenditure is about Rs 7.3 lakh crore. Similarly, the Revised Estimate of the fiscal deficit is 6.4 per cent of GDP, adhering to the Budget Estimate.

Budget Estimates 2023-24

Concluding the Part-One of the General Budget, Ms Nirmala Sitharaman said that the total receipts other than borrowings and the total expenditure are estimated at Rs 27.2 lakh crore and Rs 45 lakh crore respectively. The net tax receipts are estimated at Rs 23.3 lakh crore.

The fiscal deficit is estimated to be 5.9 per cent of GDP.



She said that in her Budget Speech for 2021-22, she had announced that Government plans to continue the path of fiscal consolidation, reaching a fiscal deficit below 4.5 per cent by 2025-26 with a fairly steady decline over the period. She said that the Government has adhered to this path, and reiterated to bring the fiscal deficit below 4.5 per cent of GDP by 2025-26.

Smt. Sitharaman said, to finance the fiscal deficit in 2023-24, the net market borrowings from dated securities are estimated at Rs11.8 lakh crore. The balance financing is expected to come from small savings and other sources. The gross market borrowings are estimated at Rs 15.4 lakh crore.

Part B

Smt Nirmala Sitharaman provides major relief in the personal income tax. The indirect tax proposals contained in the budget aim to promote exports enhance domestic value addition, encourage green energy and mobility.

Personal Income Tax

There are five major announcements relating to the personal income tax. The rebate limit in the new tax regime has been increased to ₹ 7 lakh, meaning that persons in the new tax regime with income upto ₹ 7 lakh will not have to pay any tax. The tax structure in the new personal tax regime has been changed by reducing number of slabs to five and increasing the tax exemption limit to ₹ 3 lakh. This will provide major relief to all tax payers in the new regime.

Substantial Relief in Personal Income Tax

BENEFITING OUR HARD- WORKING MIDDLE CLASS

- No Income tax for persons with income up to **7 lakh** in the new tax regime
- Standard deduction of 50,000 to salaried people and deduction up to 15,000 for pensioners under new tax regime also
- Reduction of the highest surcharge rate from **37% to 25%** under new tax regime
- Tax exemption limit on leave encashment on retirement of non-govt salaried employees increased to 25 lakh

UNION BUDGET 2023-24

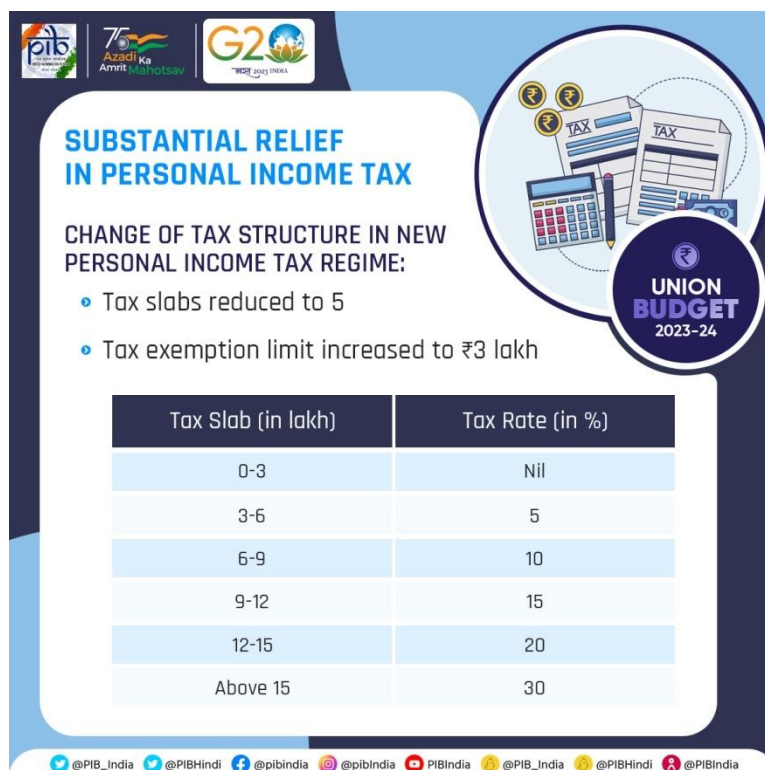
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The benefit of standard deduction has been extended to the salaried class and the pensioners including family pensioner under the new tax regime. Salaried individual will get standard deduction of ₹ 50,000 and pensioner ₹ 15,000 as per the proposal. Each salaried person with an income of ₹ 15.5 lakh or more will thus gain ₹ 52,500, from the above proposals.

The highest surcharge rate in personal income tax has been reduced from 37% to 25% in the new tax regime for income above ₹2 crore. This would result in maximum tax rate of personal income tax come down to 39% which was earlier 42.74%.

The limit of tax exemption on leave encashment on retirement of non-government salaried employees has been increased from ₹3 lakh to ₹25 lakh.

The new income tax regime has been made the default tax regime. However, the citizens will continue to have the option to avail the benefit of the old tax regime.



Indirect Tax Proposals

The indirect tax proposals announced in the budget by the Union Minister for Finance & Corporate Affairs, Smt Nirmala Sitharaman emphasized on simplification of tax structure with fewer tax rates so as to help in reducing compliance burden and improving tax administration. The number of basic customs duty rates on goods, other than textiles and agriculture, has been reduced from 21 to 13. There are minor changes in the basic customs duties, cesses and surcharges on items including toys, bicycles, automobiles and naphtha.

Indirect Tax Proposals



✓ Green Mobility:

- To exempt excise duty on GST-paid compressed bio gas

✓ Electronics:

- To provide relief in customs duty on import of certain parts of mobile phones
- To reduce basic customs duty on parts of open cells of TV panels to 2.5%

✓ Electricals:

- To increase basic customs duty on electric kitchen chimney from 7.5% to 15%
- To reduce basic customs duty on chimney heat coils from 20% to 15%

✓ Chemicals and Petrochemicals:

- To exempt basic customs duty on chemicals and petrochemicals
- To reduce basic customs duty on acid grade fluorspar and crude glycerine to 2.5%

1/2



Indirect Tax Proposals



✓ Marine products:

- To reduce duty on key inputs for domestic manufacture of shrimp feed

✓ Lab Grown Diamonds:

- To reduce basic customs duty on seeds used in their manufacturing

✓ Precious Metals:

- To increase customs duties on articles made from gold and platinum
- To increase import duty on silver dore, bars and articles

✓ Compounded Rubber:

- To increase basic customs duty rate on compounded rubber from 10% to 25%

✓ Cigarettes:

- National Calamity Contingent Duty (NCCD) on specified cigarettes to be revised upwards by about 16%

2/2



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To avoid cascading of taxes on blended compressed natural gas, excise duty on GST-paid compressed bio-gas contained in it has been exempted from excise duty. Customs duty exemption has been extended to import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.

To further deepen domestic value addition in manufacture of mobile phones, the Finance Minister announced relief in customs duty on import of certain parts and inputs like camera lens. The concessional duty on lithium-ion cells for batteries will continue for another year. Basic customs duty on parts of open cells of TV panels has been reduced to 2.5%. The Budget also proposes changes in the basic customs duty to rectify inversion of duty structure and encourage manufacturing of electrical kitchen chimneys.

Denatured ethyl alcohol has been exempted from basic customs duty. Basic customs duty has also been reduced on acid grade fluorspar and crude glycerin. Duty is being reduced on key inputs for domestic manufacture of shrimp feed. Basic customs duty on seeds used in the manufacture of Lab Grown Diamonds has also been reduced. The import duty on silver dore, bars and articles has been increased to align them with that on gold and platinum. The basic customs duty rate on compounded rubber has been increased. National Calamity Contingent Duty on specified cigarettes has been revised upwards by about 16%. The basic customs duty on crude glycerin for use in manufacture of epichlorohydrin is proposed to be reduced from 7.5% to 2.5%.

Common IT Return Form

The Union Budget also proposes to roll out a next-generation common IT return form for tax payer convenience. It also stipulates a plan to strengthen the grievance redressal mechanism for direct taxes. The Finance Minister also announced deployment of about 100 Joint Commissioners for disposals of small appeals in direct tax matters. She also said that the department will be more selective in taking up cases for scrutiny of returns already received this year.

Better targeting of tax concessions

For better targeting of tax concessions and exemptions, deduction from capital gains on investment in residential house has been capped at ₹ 10 crore. Income tax exemption from proceeds of insurance policies with very high value will also have limit. There are a number of proposals relating to rationalization and simplification of direct taxes in the Union Budget.

Other major proposals in the Budget relate to Extension of period of tax benefits to funds relocating to IFSC, GIFT City till 31.03.2025; Decriminalisation under section 276A of the Income Tax Act; Allowing carry forward of losses on strategic disinvestment including that of IDBI Bank; and Providing EEE status to Agniveer Fund.

Proposals relating to MSMEs

Describing MSMEs as growth engines of our economy, the Budget proposes enhanced limits for micro enterprises and certain professionals for availing the benefit of presumptive taxation. To

support MSMEs in timely receipt of payments, the Budget allows deduction for expenditure incurred on payments made to them only when payment is actually made.

Cooperation

The Budget has a slew of proposals for the cooperative sector. New cooperatives that commence manufacturing activities till 31st March next year shall get the benefit of a lower tax rate of 15%. The Budget provides an opportunity to sugar cooperatives to claim payments made to sugarcane farmers for the period prior to assessment year 2016-17 as expenditure. A higher limit of ₹ 2 lakh per member has been provided for cash deposits to and loans in cash by Primary Agricultural Cooperative Societies and Primary Cooperative Agriculture and Rural Development Banks. The Budget proposes a higher limit of ₹ 3 crore for TDS on cash withdrawal for cooperative societies.

Start-ups

The Budget proposes to extend the date of incorporation for income tax benefits to start-ups from 31.03.2023 to 31.03.2024. It also provides the benefit of carry forward of losses on change of shareholding of start-ups from 7 years of incorporation to 10 years.

Amendments in CGST Act

The Budget provides for amending the CGST Act so as to raise the minimum threshold of tax amount for launching prosecution under GST from ₹ 1 crore to ₹ 2 crore, except for the offence of issuance of invoices without supply of goods and services or both. The compounding amount will be reduced from the present range of 50 to 150% of tax amount to the range of 25 to 100%. It will also decriminalize certain clauses of the Act like obstruction and preventing of any officer from discharge of his duties, deliberate tempering of evidence or failure to supply the information.

Implications of tax changes

Announcing the changes in the direct and indirect taxes, the Finance Minister said that revenue of about ₹ 38,000 crore will be foregone as a result of these proposals, while revenue of about ₹3,000 crore will be additionally mobilised. She said thus the total revenue foregone is about ₹35,000 crore annually on account of these proposals.

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**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

HIGHLIGHTS OF THE UNION BUDGET 2023-24

New Delhi, 1st February 2023

The Union Minister of Finance and Corporate Affairs Smt. Nirmala Sitharaman presented the Union Budget 2023-24 in Parliament today. The highlights of the Budget are as follows:

PART A

- Per capita income has more than doubled to ₹1.97 lakh in around nine years.
- Indian economy has increased in size from being 10th to 5th largest in the world in the past nine years.
- EPFO membership has more than doubled to 27 crore.
- 7,400 crore digital payments of ₹126 lakh crore has taken place through UPI in 2022.
- 11.7 crore household toilets constructed under Swachh Bharat Mission.
- 9.6 crore LPG connections provided under Ujjwala.
- 220 crore covid vaccination of 102 crore persons.
- 47.8 crore PM Jan Dhan bank accounts.
- Insurance cover for 44.6 crore persons under PM Suraksha Bima and PM Jeevan Jyoti Yojana.
- Cash transfer of ₹2.2 lakh crore to over 11.4 crore farmers under PM Kisan Samman Nidhi.
- **Seven priorities of the budget ‘Saptarishi’** are inclusive development, reaching the last mile, infrastructure and investment, unleashing the potential, green growth, youth power and financial sector.
- **Atmanirbhar Clean Plant Program** with an outlay of ₹2200 crore to be launched to boost availability of disease-free, quality planting material for high value horticultural crops.
- 157 new nursing colleges to be established in co-location with the existing 157 medical colleges established since 2014.
- Centre to recruit 38,800 teachers and support staff for the 740 Eklavya Model Residential Schools, serving 3.5 lakh tribal students over the next three years.
- Outlay for **PM Awas Yojana** is being enhanced by 66% to over Rs. 79,000 crore.
- Capital outlay of Rs. 2.40 lakh crore has been provided for the Railways, which is the highest ever outlay and about nine times the outlay made in 2013-14.
- **Urban Infrastructure Development Fund (UIDF)** will be established through use of priority Sector Lending shortfall, which will be managed by the national Housing Bank,

and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.

- **Entity DigiLocker** to be setup for use by MSMEs, large business and charitable trusts to store and share documents online securely.
- 100 labs to be setup for 5G services based application development to realize a new range of opportunities, business models, and employment potential.
- 500 new ‘waste to wealth’ plants under **GOBARDhan** (Galvanizing Organic Bio-Agro Resources Dhan) scheme to be established for promoting circular economy at total investment of Rs 10,000 crore. 5 per cent compressed biogas mandate to be introduced for all organizations marketing natural and bio gas.
- Centre to facilitate one crore farmers to adopt natural farming over the next three years. For this, 10,000 **Bio-Input Resource Centres** to be set-up, creating a national-level distributed micro-fertilizer and pesticide manufacturing network.
- **Pradhan Mantri Kaushal Vikas Yojana 4.0**, to be launched to skill lakhs of youth within the next three years covering new age courses for Industry 4.0 like coding, AI, robotics, mechatronics, IOT, 3D printing, drones, and soft skills.
- 30 **Skill India International Centres** to be set up across different States to skill youth for international opportunities.
- Revamped credit guarantee scheme for MSMEs to take effect from 1st April 2023 through infusion of Rs 9,000 crore in the corpus. This scheme would enable additional collateral-free guaranteed credit of Rs 2 lakh crore and also reduce the cost of the credit by about 1 per cent.
- **Central Processing Centre** to be setup for faster response to companies through centralized handling of various forms filed with field offices under the Companies Act.
- The maximum deposit limit for Senior Citizen Savings Scheme to be enhanced from Rs 15 lakh to Rs 30 lakh.
- Targeted Fiscal Deficit to be below 4.5% by 2025-26.
- **Agriculture Accelerator Fund** to be set-up to encourage agri-startups by young entrepreneurs in rural areas.
- To make India a global hub for '*Shree Anna*', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.
- ₹20 lakh crore agricultural credit targeted at animal husbandry, dairy and fisheries
- A new **sub-scheme of PM Matsya Sampada Yojana** with targeted investment of ₹6,000 crore to be launched to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.
- **Digital public infrastructure for agriculture** to be built as an open source, open standard and inter operable public good to enable inclusive farmer centric solutions and support for growth of agri-tech industry and start-ups.

- Computerisation of 63,000 Primary Agricultural Credit Societies (PACS) with an investment of ₹2,516 crore initiated.
- Massive decentralised storage capacity to be set up to help farmers store their produce and realize remunerative prices through sale at appropriate times.
- **Sickle Cell Anaemia elimination mission** to be launched.
- Joint public and Private Medical research to be encouraged via select ICMR labs for encouraging collaborative research and innovation.
- New Programme to promote research in Pharmaceuticals to be launched.
- Rs. 10 lakh crore capital investment, a steep increase of 33% for third year in a row, to enhance growth potential and job creation, crowd-in private investments, and provide a cushion against global headwinds.
- **Aspirational Blocks Programme covering 500 blocks** launched for saturation of essential government services across multiple domains such as health, nutrition, education, agriculture, water resources, financial inclusion, skill development, and basic infrastructure.
- Rs. 15,000 crore for implementation of **Pradhan Mantri PVTG Development Mission** over the next three years under the Development Action Plan for the Scheduled Tribes.
- Investment of Rs. 75,000 crore, including Rs. 15,000 crore from private sources, for one hundred critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors.
- **New Infrastructure Finance Secretariat** established to enhance opportunities for private investment in infrastructure.
- **District Institutes of Education and Training** to be developed as vibrant institutes of excellence for Teachers' Training.
- A National **Digital Library for Children and Adolescents** to be set-up for facilitating availability of quality books across geographies, languages, genres and levels, and device agnostic accessibility.
- Rs. 5,300 crore to be given as central assistance to Upper Bhadra Project to provide sustainable micro irrigation and filling up of surface tanks for drinking water.
- **'Bharat Shared Repository of Inscriptions'** to be set up in a digital epigraphy museum, with digitization of one lakh ancient inscriptions in the first stage.
- 'Effective Capital Expenditure' of Centre to be Rs. 13.7 lakh crore.
- Continuation of 50-year interest free loan to state governments for one more year to spur investment in infrastructure and to incentivize them for complementary policy actions.
- Encouragement to states and cities to undertake urban planning reforms and actions to transform our cities into 'sustainable cities of tomorrow'.
- Transition from manhole to machine-hole mode by enabling all cities and towns to undertake 100 percent mechanical desludging of septic tanks and sewers.

- **iGOT Karmayogi**, an integrated online training platform, launched to provide continuous learning opportunities for lakhs of government employees to upgrade their skills and facilitate people-centric approach.
- More than 39,000 compliances reduced and more than 3,400 legal provisions decriminalized to enhance Ease Of Doing Business.
- Jan Vishwas Bill to amend 42 Central Acts have been introduced to further trust-based governance.
- Three centres of excellence for Artificial Intelligence to be set-up in top educational institutions to realise the vision of “**Make AI in India and Make AI work for India**”.
- **National Data Governance Policy** to be brought out to unleash innovation and research by start-ups and academia.
- One stop solution for reconciliation and updation of identity and address of individuals to be established using DigiLocker service and Aadhaar as foundational identity.
- PAN will be used as the common identifier for all digital systems of specified government agencies to bring in Ease of Doing Business.
- 95 per cent of the forfeited amount relating to bid or performance security, will be returned to MSME’s by government and government undertakings in cases the MSME’s failed to execute contracts during Covid period.
- Result Based Financing to better allocate scarce resources for competing development needs.
- **Phase-3 of the E-Courts project** to be launched with an outlay of Rs. 7,000 crore for efficient administration of justice.
- **R & D grant for Lab Grown Diamonds (LGD) sector** to encourage indigenous production of LGD seeds and machines and to reduce import dependency.
- Annual production of 5 MMT under **Green Hydrogen Mission** to be targeted by 2030 to facilitate transition of the economy to low carbon intensity and to reduce dependence on fossil fuel imports.
- ₹35000 crore outlay for energy security, energy transition and net zero objectives.
- Battery energy storage systems to be promoted to steer the economy on the sustainable development path.
- 20,700 crore outlay provided for renewable energy grid integration and evacuation from Ladakh.
- “**PM Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth**” (PM-PRANAM) to be launched to incentivize States and Union Territories to promote alternative fertilizers and balanced use of chemical fertilizers.
- ‘**Mangrove Initiative for Shoreline Habitats & Tangible Incomes**’, MISHTI, to be taken up for mangrove plantation along the coastline and on salt pan lands, through convergence between MGNREGS, CAMPA Fund and other sources.

- **Green Credit Programme** to be notified under the Environment (Protection) Act to incentivize and mobilize additional resources for environmentally sustainable and responsive actions.
- **Amrit Dharohar scheme** to be implemented over the next three years to encourage optimal use of wetlands, enhance bio-diversity, carbon stock, eco-tourism opportunities and income generation for local communities.
- A **unified Skill India Digital platform** to be launched for enabling demand-based formal skilling, linking with employers including MSMEs, and facilitating access to entrepreneurship schemes.
- **Direct Benefit Transfer under a pan-India National Apprenticeship Promotion Scheme** to be rolled out to provide stipend support to 47 lakh youth in three years.
- At least 50 tourist destinations to be selected through challenge mode; to be developed as a complete package for domestic and foreign tourists.
- Sector specific skilling and entrepreneurship development to be dovetailed to achieve the objectives of the '**Dekho Apna Desh**' initiative.
- Tourism infrastructure and amenities to be facilitated in border villages through the **Vibrant Villages Programme**.
- States to be encouraged to set up a **Unity Mall** for promotion and sale of their own and also all others states' **ODOPs (One District, One Product)**, GI products and handicrafts.
- **National Financial Information Registry** to be set up to serve as the central repository of financial and ancillary information for facilitating efficient flow of credit, promoting financial inclusion, and fostering financial stability. A new legislative framework to be designed in consultation with RBI to govern this credit public infrastructure.
- Financial sector regulators to carry out a comprehensive review of existing regulations in consultation with public and regulated entities. Time limits to decide the applications under various regulations would also be laid down.
- To enhance business activities in GIFT IFSC, the following measures to be taken.
- Delegating powers under the SEZ Act to IFSCA to avoid dual regulation.
- Setting up a single window IT system for registration and approval from IFSCA, SEZ authorities, GSTN, RBI, SEBI and IRDAI.
- Permitting acquisition financing by IFSC Banking Units of foreign bank.
- Establishing a subsidiary of EXIM Bank for trade re-financing.
- Amending IFSCA Act for statutory provisions for arbitration, ancillary services, and avoiding dual regulation under SEZ Act
- Recognizing offshore derivative instruments as valid contracts.
- Amendments proposed to the Banking Regulation Act, the Banking Companies Act and the Reserve of India Act to improve bank governance and enhance investors' protection.
- Countries looking for digital continuity solutions would be facilitated for setting up of their Data Embassies in GIFT IFSC.

- SEBI to be empowered to develop, regulate, maintain and enforce norms and standards for education in the National Institute of Securities Markets and to recognize award of degrees, diplomas and certificates.
- Integrated IT portal to be established to enable investors to easily reclaim the unclaimed shares and unpaid dividends from the Investor Education and Protection Fund Authority.
- To commemorate Azadi Ka Amrit Mahotsav, a one-time new small savings scheme, **Mahila Samman Savings Certificate** to be launched. It will offer deposit facility upto Rs 2 lakh in the name of women or girls for tenure of 2 years (up to March 2025) at fixed interest rate of 7.5 per cent with partial withdrawal option.
- The maximum deposit limit for Monthly Income Account Scheme to be enhanced from Rs 4.5 lakh to Rs 9 lakh for single account and from Rs 9 lakh to Rs 15 lakh for joint account.
- The entire fifty-year interest free loan 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 specific loans.
- Fiscal Deficit of 3.5% of GSDP allowed for States of which 0.5% is tied to Power sector reforms.
- **Revised Estimates 2022-23:**
 - The total receipts other than borrowings is Rs 24.3 lakh crore, of which the net tax receipts are Rs 20.9 lakh crore.
 - The total expenditure is Rs 41.9 lakh crore, of which the capital expenditure is about Rs 7.3 lakh crore.
 - The fiscal deficit is 6.4 per cent of GDP, adhering to the Budget Estimate.
- **Budget Estimates 2023-24:**
 - The total receipts other than borrowings is estimated at Rs 27.2 lakh crore and the total expenditure is estimated at Rs 45 lakh crore.
 - The net tax receipts are estimated at Rs 23.3 lakh crore.
 - The fiscal deficit is estimated to be 5.9 per cent of GDP.
 - To finance the fiscal deficit in 2023-24, the net market borrowings from dated securities are estimated at Rs 11.8 lakh crore.
 - The gross market borrowings are estimated at Rs 15.4 lakh crore.

PART – B

DIRECT TAXES

- Direct Tax proposals aim to maintain **continuity** and **stability** of taxation, further **simplify and rationalise** various provisions to **reduce the compliance burden**, promote the **entrepreneurial spirit** and provide tax relief to citizens.
- Constant endeavour of the Income Tax Department to improve Tax Payers Services by making **compliance easy and smooth**.

- To further improve tax payer services, proposal to roll out a next-generation **Common IT Return Form** for tax payer convenience, along with plans to strengthen the grievance redressal mechanism.
- **Rebate limit** of Personal Income Tax to be **increased to Rs. 7 lakh** from the current Rs. 5 lakh in the new tax regime. Thus, persons in the new tax regime, with income up to Rs. 7 lakh to not pay any tax.
- Tax structure in new personal income tax regime, introduced in 2020 with six income slabs, to change by reducing the **number of slabs to five** and **increasing the tax exemption limit to Rs. 3 lakh**. Change to provide major relief to all tax payers in the new regime.

New tax rates

Total Income (Rs)	Rate (per cent)
Up to 3,00,000	Nil
From 3,00,001 to 6,00,000	5
From 6,00,001 to 9,00,000	10
From 9,00,001 to 12,00,000	15
From 12,00,001 to 15,00,000	20
Above 15,00,000	30

- Proposal to **extend the benefit of standard deduction** of Rs. 50,000 to salaried individual, and deduction from family pension up to Rs. 15,000, in the new tax regime.
- **Highest surcharge rate to reduce** from 37 per cent to 25 per cent in the new tax regime. This to further result in reduction of the maximum personal income tax rate to 39 per cent.
- The limit for tax exemption on **leave encashment** on retirement of non-government salaried employees to increase **to Rs. 25 lakh**.
- The new income tax regime to be made the **default tax regime**. However, citizens will continue to have the option to avail the benefit of the old tax regime.
- **Enhanced limits for micro enterprises and certain professionals** for availing the benefit of presumptive taxation proposed. Increased limit to apply only in case the

amount or aggregate of the amounts received during the year, in cash, does not exceed five per cent of the total gross receipts/turnover.

- Deduction for expenditure incurred on payments made to MSMEs to be allowed only when payment is actually made in order to support MSMEs in timely receipt of payments.
- **New co-operatives** that commence manufacturing activities till 31.3.2024 to get the **benefit of a lower tax rate** of 15 per cent, as presently available to new manufacturing companies.
- Opportunity provided to sugar co-operatives to claim payments made to sugarcane farmers for the period prior to assessment year 2016-17 as expenditure. This expected to provide them a relief of almost Rs. 10,000 crore.
- Provision of a **higher limit of Rs. 2 lakh per member** for cash deposits to and loans in cash by Primary Agricultural Co-operative Societies (PACS) and Primary Co-operative Agriculture and Rural Development Banks (PCARDBs).
- A **higher limit of Rs. 3 crore for TDS** on cash withdrawal to be provided to co-operative societies.
- **Date of incorporation** for income tax benefits to start-ups to be **extended** from 31.03.23 to 31.3.24.
- Proposal to provide the benefit of carry forward of losses on change of shareholding of start-ups from seven years of incorporation to ten years.
- Deduction from capital gains on investment in residential house under sections 54 and 54F to be capped at Rs. 10 crore for better targeting of tax concessions and exemptions.
- Proposal **to limit income tax exemption** from proceeds of **insurance policies with very high value**. Where aggregate of premium for life insurance policies (other than ULIP) issued on or after 1st April, 2023 is above Rs. 5 lakh, income from only those policies with aggregate premium up to Rs. 5 lakh shall be exempt.
- Income of authorities, boards and commissions set up by statutes of the Union or State for the purpose of housing, development of cities, towns and villages, and regulating, or regulating and developing an activity or matter, proposed to be exempted from income tax.
- **Minimum threshold** of Rs. 10,000/- for **TDS to be removed** and taxability relating to online gaming to be clarified. Proposal to provide for TDS and taxability on net winnings at the time of withdrawal or at the end of the financial year.
- Conversion of gold into electronic gold receipt and vice versa not to be treated as capital gain.
- TDS rate to be reduced from 30 per cent to 20 per cent on taxable portion of EPF withdrawal in non-PAN cases.
- Income from Market Linked Debentures to be taxed.
- Deployment of about 100 Joint Commissioners for disposal of small appeals in order to reduce the pendency of appeals at Commissioner level.

- Increased selectivity in taking up appeal cases for scrutiny of returns already received this year.
- Period of **tax benefits** to funds relocating to **IFSC, GIFT City** extended till 31.03.2025.
- Certain acts of omission of liquidators under section 276A of the Income Tax Act to be **decriminalized** with effect from 1st April, 2023.
- Carry forward of losses on strategic disinvestment including that of IDBI Bank to be allowed.
- **Agniveer Fund** to be provided **EEE status**. The payment received from the Agniveer Corpus Fund by the Agniveers enrolled in Agnipath Scheme, 2022 proposed to be exempt from taxes. Deduction in the computation of total income is proposed to be allowed to the Agniveer on the contribution made by him or the Central Government to his Seva Nidhi account.

INDIRECT TAXES

- Number of basic customs duty rates on goods, other than textiles and agriculture, reduced to 13 from 21.
- **Minor changes in the basic custom duties, cesses and surcharges** on some items including toys, bicycles, automobiles and naphtha.
- Excise duty exempted on **GST-paid compressed bio gas** contained in blended compressed natural gas.
- Customs Duty on specified capital goods/machinery for manufacture of **lithium-ion cell for use in battery of electrically operated vehicle (EVs)** extended to 31.03.2024
- Customs duty exempted on vehicles, specified automobile parts/components, sub-systems and tyres when imported by notified testing agencies, for the purpose of testing and/ or certification, subject to conditions.
- Customs duty on **camera lens and its inputs/parts** for use in manufacture of camera module of cellular mobile phone **reduced to zero** and concessional duty on lithium-ion cells for batteries extended for another year.
- Basic customs duty reduced on **parts of open cells of TV panels** to 2.5 per cent.
- Basic customs duty on **electric kitchen chimney** increased to 15 per cent from 7.5 per cent.
- Basic customs duty on **heat coil for manufacture of electric kitchen chimneys** reduced to 15 per cent from 20 per cent.
- **Denatured ethyl alcohol** used in chemical industry exempted from basic customs duty.
- Basic customs duty reduced on **acid grade fluorspar** (containing by weight more than 97 per cent of calcium fluoride) to 2.5 per cent from 5 per cent.

- Basic customs duty on **crude glycerin** for use in manufacture of epichlorhydrin reduced to 2.5 per cent from 7.5 per cent.
- Duty reduced on key inputs for domestic manufacture of **shrimp feed**.
- Basic customs duty reduced on seeds used in the manufacture of **lab grown diamonds**.
- Duties on articles made from **dore and bars of gold and platinum** increased.
- Import duty on **silver dore, bars and articles** increased.
- Basic Customs Duty exemption on raw materials for manufacture of CRGO Steel, ferrous scrap and nickel cathode continued.
- Concessional BCD of 2.5 per cent on copper scrap is continued.
- Basic customs duty rate on **compounded rubber** increased to 25 per cent from 10 per cent or 30 per kg whichever is lower.
- National Calamity Contingent Duty (NCCD) on **specified cigarettes** revised upwards by about 16 per cent.

Legislative Changes in Customs Laws

- Customs Act, 1962 to be amended to specify a time limit of nine months from date of filing application for passing final order by Settlement Commission.
- Customs Tariff Act to be amended to clarify the intent and scope of provisions relating to Anti-Dumping Duty (ADD), Countervailing Duty (CVD), and Safeguard Measures.
- CGST Act to be amended
 - to raise the **minimum threshold of tax amount** for launching prosecution under GST from one crore to two crore;
 - to reduce the **compounding amount** from the present range of 50 to 150 per cent of tax amount to the range of 25 to 100 per cent;
 - **decriminalise certain offences**;
 - to **restrict filing of returns/statements** to a maximum period of three years from the due date of filing of the relevant return/statement; and
 - to enable unregistered suppliers and composition taxpayers to make intra-state supply of goods through E-Commerce Operators (ECOs).

RM/ABB/YB/SNC/KAK/LP/NJ/RC/SSV/SV

**Press Information Bureau
Government of India**

BUDGET 2023-24 PRESENTS VISION FOR *AMRIT KAAL*- BLUE PRINT FOR AN EMPOWERED AND INCLUSIVE ECONOMY

THREE PRONGED FOCUS DRIVEN BY FOUR TRANSFORMATIVE OPPORTUNITIES CONSTITUTE FOUNDATION OF *AMRIT KAAL*

SEVEN PRIORITIES TO ACT AS *SAPTARISHI* TO GUIDE VISION OF *AMRIT KAAL*

NEW SCHEME FOR TRADITIONAL ARTISANS -PM VISHWAKARMA KAUSHAL SAMMAN (PM VIKAS)-ANNOUNCED

New Delhi, 1st February, 2023

Union Budget 2023-24 presented by Smt. Nirmala Sitharaman, Union Minister of Finance and Corporate Affairs in the Parliament today outlined the vision of *Amrit Kaal* which shall reflect an empowered and inclusive economy. “We envision a prosperous and inclusive India, in which the fruits of development reach all regions and citizens, especially our youth, women, farmers, OBCs, Scheduled Castes and Scheduled Tribes”, she said.

Vision for *Amrit Kaal* – an empowered and inclusive economy

Union Finance Minister highlighted that “Our vision for the *Amrit Kaal* includes technology-driven and knowledge-based economy with strong public finances, and a robust financial sector”. To achieve this, Jan Bhagidari through Sabka Saath Sabka Prayas is essential, she added.

The economic agenda for achieving this vision would focus on three priorities:

1. facilitating ample opportunities for citizens, especially the youth, to fulfil their aspirations;
2. providing strong impetus to growth and job creation; and
3. strengthening macro-economic stability



Vision For Amrit Kaal

Empowered & Inclusive Economy

- ✓ Opportunities for Citizens with focus on Youth
- ✓ Growth in Job Creation
- ✓ Strong and Stable Macro-Economic Environment



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To service these focus areas in country's journey to India@100, the budget identifies four transformative opportunities:-

1. **Economic Empowerment of Women through SHGs:**

Noting that the Deendayal Antyodaya Yojana National Rural Livelihood Mission has achieved remarkable success by mobilizing rural women into 81 lakh Self Help Groups (SHGs), Union Finance Minister stated that “We will enable these groups to reach the next stage of economic empowerment through formation of large producer enterprises or collectives with each having several thousand members and managed professionally. They will be helped with supply of raw materials and for better design, quality, branding and marketing of their products.” Through supporting policies, they will be enabled to scale up their operations to serve the large consumer markets, as has been the case with several start-ups growing into ‘Unicorns’, she added.

JOURNEY TO INDIA @100

4 TRANSFORMATIVE OPPORTUNITIES

- Economic Empowerment of Women
 - **81 lakh** Self Help Groups under DAY-NRLM to be transformed into large producer enterprises
- **PM Vishwakarma KAushal Samman (PM VIKAS)**
 - Financial support, skill training and knowledge to traditional artisans
- Tapping the potential of Tourism
- Green Growth leading to efficient use of energy across sectors and green jobs

UNION BUDGET 2023-24

Logos: PIB, Azadi Ka Amrit Mahotsav, G20 India 2023

Social media handles: @PIB_India, @PIBHindi, @pibindia, @pibindia, PIBIndia, @PIB_India, @PIBHindi, @PIBHindi

2. PM Vishwakarma KAushal Samman (PM VIKAS):

Union Finance Minister announced a new scheme for the traditional artisans and craftspeople, generally referred to as Vishwakarma. Noting that the art and handicraft created by them represent the true spirit of Atmanirbhar Bharat, for the first time, a package of assistance for them has been conceptualized.

The new scheme will:-

(a) enable them to improve the quality, scale and reach of their products, integrating them with the MSME value chain

(b) include not only financial support but also access to advanced skill training, knowledge of modern digital techniques and efficient green technologies, brand promotion, linkage with local and global markets, digital payments, and social security

(c) greatly benefit the Scheduled Castes, Scheduled Tribes, OBCs, women and people belonging to the weaker sections.

3. Tourism Promotion in Mission Mode:

Underlining the immense tourism potential the country offers for domestic as well as foreign tourists, Union Finance Minister stated that “The sector holds huge opportunities for jobs and entrepreneurship for youth in particular and there is a large potential to be tapped in tourism.” She announced that promotion of tourism will be taken up on mission mode, with active participation of states, convergence of government programmes and public-private partnerships.

4. Green Growth:

Union Finance Minister emphasized the focus of the Government on green growth efforts that help in reducing carbon intensity of the economy and provides for largescale green job opportunities. She noted that “We are implementing many programmes for green fuel, green energy, green farming, green mobility, green buildings, and green equipment, and policies for efficient use of energy across various economic sectors.”



Saptarishi: Seven guiding priorities of Budget 2023-24

Union Finance Minister announced the first budget in *Amrit Kaal* will be guided by seven priorities that complement each other and act as the 'Saptarishi'.

- 1) Inclusive Development
- 2) Reaching the Last Mile
- 3) Infrastructure and Investment
- 4) Unleashing the Potential
- 5) Green Growth
- 6) Youth Power
- 7) Financial Sector



Sabka Saath Sabka Vikas

A key theme of Union Budget 2023-24 is the focus on inclusive development. Smt. Nirmala Sitharaman pointed out “The Government’s philosophy of Sabka Saath Sabka Vikas has facilitated inclusive development covering in specific, farmers, women, youth, OBCs, Scheduled Castes, Scheduled Tribes, *divyangjan* and economically weaker sections, and overall priority for the underprivileged (*vanchiton ko variyata*).” There has also been a sustained focus on Jammu & Kashmir, Ladakh and the North-East. This Budget builds on those efforts, she highlighted.

RM/MV/M/PS

**Press Information Bureau
Government of India**

**MANTRA OF “LEAVING NO ONE BEHIND” HAS RESULTED IN INCLUSIVE
DEVELOPMENT SINCE 2014**

MORE THAN DOUBLE GROWTH IN PER CAPITA INCOME

INDIAN ECONOMY NOW FIFTH LARGEST IN THE WORLD

EPFO MEMBERSHIP MORE THAN DOUBLED TO 27 CRORE

7,400 CRORE DIGITAL PAYMENTS OF Rs. 126 LAKH CRORE THROUGH UPI IN 2022

New Delhi, 1st February, 2023

Highlighting the country's achievements since 2014, Union Finance Minister, Smt Nirmala Sitharaman while presenting the Union Budget 2023-24 emphasized the mantra of "leaving no one behind" has resulted in inclusive development of the country. This has ensured a better quality of living and a life of dignity for all citizens, she highlighted.

Enumerating on the numerous achievements of the Government since 2014, she pointed out that the per capita income has more than doubled to Rs. 1.97 lakh.

In addition, in the past nine 9 years, the Indian economy has increased in size from being 10th to 5th largest in the world. "We have significantly improved our position as a well-governed and innovative country with a conducive environment for business as reflected in several global indices and have made significant progress in many Sustainable Development Goals," she stated.

Noting that the economy has become a lot more formalized, the Union Finance Minister stated that this is reflected in the EPFO membership more than doubling to 27 crore. In addition, 7,400 crore digital payments of Rs. 126 lakh crore were made through UPI in 2022.

The Union Finance Minister gave credit to the efficient implementation of many schemes with universalisation of targeted benefits for the resultant inclusive development across the country since 2014.



Achievements Since 2014

From 10th To 5th Largest Economy In
The World Within 9 Years

- ✓ **11.7 Cr household toilets** under Swachh Bharat Mission
- ✓ **9.6 Cr LPG connections** under Ujjawala Yojana
- ✓ **220 Cr Covid vaccinations** of 102 crore persons
- ✓ **47.8 Cr bank accounts** under PM Jan Dhan Yojana
- ✓ **44.6 crore persons covered** under PM Suraksha Bima and PM Jeevan Jyoti Yojana
- ✓ **2.2 Lakh Cr cash transferred** to **over 11.4 crore farmers** under PM Kisan Samman Nidhi
- ✓ Per capita income more than doubled to **Rs 1.97 lakh**



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Some of the notable achievements include:

- | | |
|------|---|
| i. | 11.7 crore household toilets under Swachh Bharat Mission, |
| ii. | 9.6 crore LPG connections under Ujjawala, |
| iii. | 220 crore Covid vaccination of 102 crore persons, |
| iv. | 47.8 crore PM Jan Dhan bank accounts, |
| v. | Insurance cover for 44.6 crore persons under PM Suraksha Bima and PM Jeevan Jyoti Yojana, and |
| vi. | Cash transfer of Rs.2.2 lakh crore to over 11.4 crore farmers under PM Kisan Samman Nidhi |

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**INDIA'S FOCUS ON WIDE RANGING REFORMS AND SOUND POLICIES
RESULTED IN RESILIENCE DURING CRISES**

SABKA PRAYAS & JAN BHAGIDARI HELPED IN TRYING TIMES

**ACCOMPLISHMENTS SUCH AS UNIQUE WORLD CLASS DIGITAL PUBLIC
INFRASTRUCTURE; UNPARALLELED COVID VACCINATION DRIVE; MISSION
LIFE, AND HYDROGEN MISSION LEADING TO INDIA'S RISING GLOBAL
PROFILE**

New Delhi, 1st February, 2023

Commending the resilience shown by India amidst multiple crises, Union Minister for Finance & Corporate Affairs, Smt Nirmala Sitharaman credited this to country's focus on wide-ranging reforms and sound policies. "Implemented through *Sabka Prayas* resulting in *Jan Bhagidari* and targeted support to those in need, these helped us perform well in trying times," she elaborated.

India's rising Global Profile:

While presenting the Union Budget 2023-24 in Parliament today, the Finance Minister underscored that India's rising global profile is because of several accomplishments. These include:

- Unique world class digital public infrastructure, e.g., Aadhaar, Co-Win and UPI
- Covid vaccination drive in unparalleled scale and speed
- Proactive role in frontier areas such as achieving the climate related goals, Mission LiFE
- National Hydrogen Mission

Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY)

Highlighting the efforts during the Covid-19 pandemic, Smt Sitharaman said that during pandemic, the scheme to supply free food grains to over 80 crore persons for 28 months ensured that no one goes to bed hungry. “Continuing our commitment to ensure food and nutritional security, we are implementing, from 1st January 2023, a scheme to supply free food grain to all Antyodaya and priority households for the next one year, under PM Garib Kalyan Anna Yojana (PMGKAY),” she pointed out. The entire expenditure of about Rs. 2 lakh crore will be borne by the Central Government, the Finance Minister said.

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Government of India**

157 NEW NURSING COLLEGES TO BE ESTABLISHED

**SICKLE CELL ANAEMIA ELIMINATION MISSION TO BE LAUNCHED WITH
UNIVERSAL SCREENING OF 7 CRORE PEOPLE IN AFFECTED TRIBAL AREAS**

**FACILITIES IN SELECT ICMR LABS TO BE MADE AVAILABLE TO ENCOURAGE
COLLABORATIVE RESEARCH & INNOVATION BY PUBLIC AND PRIVATE
SECTOR**

**NEW PROGRAMME ANNOUNCED TO PROMOTE RESEARCH AND INNOVATION
IN PHARMACEUTICALS**

**DEDICATED MULTIDISCIPLINARY COURSES FOR MEDICAL DEVICES TO BE
SUPPORTED IN EXISTING INSTITUTIONS**

New Delhi, 1st February, 2023

With a view to envision a prosperous and inclusive India, in which the fruits of development reach all regions and citizens, especially our youth, women, farmers, OBCs,

Scheduled Castes and Scheduled Tribes, Union Minister for Finance and Corporate Affairs, Smt Nirmala Sitharaman presented Union Budget 2023-24 in Parliament, here today.

New Nursing Colleges

In line with this vision of India@100 and Amrit Kaal, the Finance Minister announced establishment of 157 new nursing colleges in co-location with the existing 157 medical colleges, established since 2014.

Sickle Cell Anaemia Elimination Mission

Smt Nirmala Sitharaman also announced launch of Sickle Cell Anaemia Elimination Mission which will entail awareness creation, universal screening of 7 crore people in the age group of 0-40 years in affected tribal areas, and counseling through collaborative efforts of central ministries and state governments.

The infographic features logos for PIB, 75 Azadi Ka Amrit Mahotsav, and G20 India 2023 at the top. The main title is 'AFFORDABLE HEALTH FOR ALL' in large teal letters, with the subtitle 'INCLUSIVE DEVELOPMENT' below it. A circular badge on the right side reads 'UNION BUDGET 2023-24'. The background shows a laboratory setting with a person in a white coat and gloves handling a test tube. The infographic lists five key health initiatives, each preceded by a teal circle with a white plus sign:

- Enhanced Health Expenditure: **2.1%** of GDP in FY23
- Sickle Cell Anaemia elimination Mission** to be launched
- 157** New Nursing Colleges to be established
- Joint Public and Private Medical Research to be encouraged via select ICMR labs
- New Programme to promote research in Pharmaceuticals to be launched

At the bottom, there is a row of social media handles: @PIB_India, @PIBHindi, @pibindia, @pibindia, PIBIndia, @PIB_India, @PIBHindi, and @PIBIndia.

ICMR Labs available for R&D:

To promote research in medical sector and innovation, the Finance Minister said that facilities in select ICMR Labs will be made available for public and private medical college faculty and private sector R&D teams.

Research & Innovation in Pharma Sector:

A new programme to promote research and innovation in pharmaceuticals will be taken up through centers of excellence, the Finance Minister announced. “We shall also encourage industry to invest in research and development in specific priority areas”, she added.

Dedicated multidisciplinary courses for medical devices:

Highlighting importance of futuristic medical technologies and high-end manufacturing in medical sector, Smt Sitharaman stated that dedicated multidisciplinary courses for medical devices will be supported in existing institutions to ensure availability of skilled manpower for futuristic medical technologies, high-end manufacturing and research.

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**ATMANIRBHAR CLEAN PLANT PROGRAM TO BE LAUNCHED WITH AN
OUTLAY OF Rs. 2,200 CRORE TO BOOST AVAILABILITY OF QUALITY
PLANTING MATERIAL FOR HIGH VALUE HORTICULTURAL CROPS**

**AGRICULTURE ACCELERATOR FUND TO BE SET-UP TO ENCOURAGE
AGRI-STARTUPS IN RURAL AREAS**

**INDIAN INSTITUTE OF MILLET RESEARCH, HYDERABAD TO BE SUPPORTED
AS THE CENTRE OF EXCELLENCE FOR ‘SHREE ANNA’**

**DIGITAL PUBLIC INFRASTRUCTURE FOR AGRICULTURE TO BE BUILT AS AN
OPEN SOURCE, OPEN STANDARD AND INTER OPERABLE PUBLIC GOOD FOR
INCLUSIVE, FARMER-CENTRIC SOLUTIONS**

**AGRICULTURE CREDIT TARGET TO BE INCREASED TO Rs. 20 LAKH CRORE
WITH FOCUS ON ANIMAL HUSBANDRY, DAIRY AND FISHERIES**

**NEW SUB-SCHEME OF PM MATSYA SAMPADA YOJANA TO BE LAUNCHED
WITH TARGETED INVESTMENT OF Rs. 6,000 CRORE**

**CLUSTER-BASED, VALUE CHAIN APPROACH TO BE ADOPTED TO ENHANCE
PRODUCTIVITY OF EXTRA-LONG STAPLE COTTON**

New Delhi, 1st February, 2023

An Atmanirbhar Clean Plant Program will be launched with an outlay of Rs. 2,200 crore to boost availability of disease-free, quality planting material for high value horticultural crops, the Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman said while presenting the Union Budget 2022-23 in Parliament today.

In her Budget Speech, the Finance Minister stated that an Agriculture Accelerator Fund will be set-up to encourage agri-startups by young entrepreneurs in rural areas. The Fund will aim at bringing innovative and affordable solutions for challenges faced by farmers, and will also bring in modern technologies to transform agricultural practices, increase productivity and profitability, she added.

AGRICULTURE AND COOPERATIVES

INCLUSIVE DEVELOPMENT

- More Credit to Agriculture Sector:
186 lakh cr in FY22
- Agriculture Accelerator Fund** to encourage Start-Ups in rural areas
- Atmanirbhar Bharat Horticulture Clean Plant Program** to boost production of high value horticultural crops
- ₹20 lakh cr** credit for Animal Husbandry, Dairy and Fisheries sector
- Additional storage capacity for farm produce
- Support to making India a Global Hub For Millets: '**Shree Anna**'

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Referring to millets as '*Shree Anna*', the Finance Minister quoted the Prime Minister as saying, "India is at the forefront of popularizing Millets, whose consumption furthers nutrition, food security and welfare of farmers." She noted that India is the largest producer and second largest exporter of '*Shree Anna*' in the world, and that several types of millets such as *jowar*, *ragi*, *bajra*, *kuttu*, *ramdana*, *kangni*, *kutki*, *kodo*, *cheena*, and *sama* are grown in the country. These have a number of health benefits, and have been an integral part of India's food for centuries, she said.

The Finance Minister acknowledged with pride the huge service done by small farmers in contributing to the health of fellow citizens by growing these crops. To make India a global hub for millets, the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level, she highlighted.

Digital public infrastructure for agriculture will be built as an open source, open standard and inter operable public good, Smt. Sitharaman said in her speech. “This will enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for growth of agri-tech industry and start-ups,” she elaborated.

The Finance Minister said that the agriculture credit target will be increased to Rs. 20 lakh crore with focus on animal husbandry, dairy and fisheries. A new sub-scheme of PM Matsya Sampada Yojana will also be launched with a targeted investment of Rs. 6,000 crore to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market, she added.

To enhance the productivity of extra-long staple cotton, a cluster-based and value chain approach will be adopted through Public Private Partnerships (PPP), Smt. Sitharaman said. This will mean collaboration between farmers, state and industry for input supplies, extension services, and market linkages, she elucidated.

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ACHIEVEMENTS SINCE 2014: LEAVING NO ONE BEHIND

**GOVERNMENT ENSURED ALL CITIZENS A BETTER QUALITY LIVING WITH
DIGNITY SINCE 2014 – SMT. NIRMALA SITHARAMAN**

New Delhi: 1st February, 2023

While presenting the **Union Budget 2023-24** in Parliament today, the Union Minister for Finance & Corporate Affairs, Smt. Nirmala Sitharaman said that since 2014 the government has ensured all citizens a better quality of life with dignity and the per capita income has more than doubled to Rs. 1.97 lakh. She further said that our economy has increased from being 10th to 5th

largest in the world in these 9 years and improved as a well-governed and innovative country with a conducive environment for business in global indices. We have made significant progress in many Sustainable Development Goals, she added.

The Finance Minister said that the economy has become a lot more formalised as reflected in the EPFO membership more than doubling to 27 crore, and ₹7,400 crore digital payments of ₹126 lakh crore through UPI in 2022. She further said that the efficient implementation of many schemes, with universalisation of targeted benefits, has resulted in inclusive development, such as:

- 11.7 crore household toilets under Swachh Bharat Mission,
- 9.6 crore LPG connections under Ujjawala,
- 220 crore Covid vaccination of 102 crore persons,
- 47.8 crore PM Jan Dhan bank accounts,
- Insurance cover for 44.6 crore persons under PM Suraksha Bima and PM Jeevan Jyoti Yojana, and
- Cash transfer of ₹2.2 lakh crore to over 11.4 crore farmers under PM Kisan Samman Nidhi



Achievements Since 2014

From 10th To 5th Largest Economy In
The World Within 9 Years

- ✓ **11.7 Cr household toilets** under Swachh Bharat Mission
- ✓ **9.6 Cr LPG connections** under Ujjawala Yojana
- ✓ **220 Cr Covid vaccinations** of 102 crore persons
- ✓ **47.8 Cr bank accounts** under PM Jan Dhan Yojana
- ✓ **44.6 crore persons covered** under PM Suraksha Bima and PM Jeevan Jyoti Yojana
- ✓ **2.2 Lakh Cr cash transferred** to **over 11.4 crore farmers** under PM Kisan Samman Nidhi
- ✓ Per capita income more than doubled to **Rs 1.97 lakh**



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**TEACHERS' TRAINING TO BE REVAMPED 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 LEVEL**

**A CULTURE OF READING AND FINANCIAL LITERACY TO BE ENCOURAGED
THROUGH PHYSICAL LIBRARIES**

New Delhi, 1st February, 2023

Government's philosophy of Sabka Saath Sabka Vikas has facilitated ***inclusive development*** said the Union Minister for Finance and Corporate Affairs, Smt Nirmala Sitharaman while presenting the Union Budget 2023-24 in Parliament today,

The Union Budget adopts seven priorities which complement each other and act as the '*Saptarishi*' guiding us through the Amrit Kaal. **Inclusive development** is one of the priorities of the Government, which includes Health, Education and Skilling.

While giving stress on ***Teachers' Training***, the Finance Minister said that teachers' training will be re-envisioned through innovative pedagogy, curriculum transaction, continuous professional development, dipstick surveys, and ICT implementation. The District Institutes of Education and Training will be developed as vibrant institutes of excellence for this purpose, she added.



The Minister announced the setting up of a ***National Digital Library for Children and Adolescents*** for facilitating availability of quality books across geographies, languages, genres and levels, and device agnostic accessibility. She informed that states will be encouraged to set up physical libraries for them at panchayat and ward levels and provide infrastructure for accessing the National Digital Library resources.

The Minister also informed that to *build a culture of reading* and to make up for pandemic-time learning loss, the National Book Trust, Children's Book Trust and other sources will be encouraged to provide and replenish non curricular titles in regional languages and English to these physical libraries. Collaboration with NGOs that work in literacy will also be a part of this initiative, she added.

To inculcate financial literacy, Smt Nirmala Sitharaman said that financial sector regulators and organizations will be encouraged to provide age-appropriate reading material to these libraries.

RM/AK/UD

**PRESS INFORMATION BUREAU
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**NATIONAL EDUCATION POLICY FORMULATED TO EMPOWER YOUTH AND
HELP ‘AMRIT PEEDHI’ REALIZE THEIR DREAMS**

**PRADHAN MANTRI KAUSHAL VIKAS YOJANA 4.0 TO BE LAUNCHED TO SKILL
LAKHS OF YOUTH**

**30 SKILL INDIA INTERNATIONAL CENTRES TO BE SET UP ACROSS DIFFERENT
STATES**

**DIRECT BENEFIT TRANSFER TO BE ROLLED OUT TO PROVIDE STIPEND
SUPPORT TO 47 LAKH YOUTH IN 3 YEARS**

**UNIFIED SKILL INDIA DIGITAL PLATFORM TO BE LAUNCHED TO EXPAND
DIGITAL ECOSYSTEM FOR SKILLING**

New Delhi, 1st February 2023

To empower our youth and help the ‘Amrit Peedhi’ realize their dreams, we have formulated the National Education Policy, focused on skilling, adopted economic policies that facilitate job creation at scale, and have supported business opportunities, said Union Minister for Finance & Corporate Affairs Smt Nirmala Sitharaman while presenting the Union budget 2023-2024 in Parliament here today.

Union Budget 2023-2024 adopts seven priorities, which complement each other and act as the ‘*Saptarishi*’ guiding us through the Amrit Kaal. **Youth Power** is one of the priority areas which include Skill Development.

Pradhan Mantri Kaushal Vikas Yojana 4.0

The Finance Minister announced that **Pradhan Mantri Kaushal Vikas Yojana 4.0** will be launched to skill lakhs of youth within the next three years. The scheme will emphasize on On-job training, industry partnership, and alignment of courses with needs of industry. She further highlighted that the scheme will also cover new age courses for Industry 4.0 like coding, AI, robotics, mechatronics, IOT, 3D printing, drones, and soft skills.



Youth Power

Empowering 'Amrit Peedhi'

- **Pradhan Mantri Kaushal Vikas Yojana 4.0**
 - › On-job training, industry partnership, new age courses like AI, robotics, mechatronics, 3D printing, drones, etc
- **Skill India Digital Platform**
 - › Expanding digital ecosystem to enable demand-based formal skilling, linking with employers and facilitating access to entrepreneurship schemes



1/2

Smt Sitharaman also proposed to set up **30 Skill India International Centres across different States** to skill the youth for international opportunities.

ACCESSIBLE EDUCATION AND SKILLING

INCLUSIVE DEVELOPMENT

- Enhanced Education Expenditure:
2.9% of GDP in FY23
- 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
- PMKVY 4.0** to be launched to skill lakhs of youth

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National Apprenticeship Promotion Scheme

The Minister announced the roll-out the Direct Benefit Transfer under a **pan-India National Apprenticeship Promotion Scheme** to provide stipend support to 47 lakh youth in three years.



Youth Power

Empowering 'Amrit Peedhi'



› National Apprenticeship Promotion Scheme

- › To provide stipend support to 47 lakh youth in three years

› Boosting Tourism

- › 50 destinations to be selected and developed as complete package for domestic & foreign tourists

› Setting Up Of Unity Malls In State Capitals

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

2/2

Unified Skill India Digital platform

Smt Sitharaman informed that the digital ecosystem for skilling will be further expanded with the launch of a **unified Skill India Digital platform**. Elaborating on the platform, she said it would

- Enable demand-based formal skilling

- Link with employers including MSMEs
- Facilitate access to entrepreneurship schemes

RM/AK/SR

PRESS INFORMATION BUREAU

GOVERNMENT OF INDIA

HIGHEST EVER CAPITAL OUTLAY OF ₹2.40 LAKH CRORE FOR RAILWAYS

100 CRITICAL TRANSPORT INFRASTRUCTURE PROJECTS IDENTIFIED

**HARMONIZED MASTER LIST OF INFRASTRUCTURE TO BE REVIEWED BY
EXPERT COMMITTEE**

New Delhi, 1st February, 2023

Investments in infrastructure and productive capacity have a large multiplier impact on growth and employment. After the subdued period of the pandemic, private investments are growing again. This was mentioned in the Union Budget Speech 2023-24 presented by Union Finance & Corporate Affairs Minister Smt Nirmala Sitharaman in the Parliament here today.



Ensuring Last Mile Connectivity

- An expert committee to review the **Harmonized Master List of Infrastructure**
- Highest ever Capital outlay of **₹2.4 lakh crore** for Railways
- **100 critical transport** infrastructure projects identified
- **50 additional airports, heliports, water aerodromes and advance landing grounds** to be revived
- Coastal shipping to be promoted through **PPP mode**



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Railways

The Finance Minister stated that a capital outlay of ₹2.40 lakh crore has been provided for the Railways. This highest ever outlay is about 9 times the outlay made in 2013- 14.

Logistics & Regional Connectivity

One hundred critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified. They will be taken up on priority with investment of ₹75,000 crore, including ₹15,000 crore from private sources. The Finance Minister further said that fifty additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.

Harmonized Master List of Infrastructure

Smt Sitharaman also mentioned that an expert committee will review the Harmonized Master List of Infrastructure. The committee will recommend the classification and financing framework suitable for Amrit Kaal.

RM/AV

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**URBAN INFRASTRUCTURE DEVELOPMENT FUND TO BE ESTABLISHED
INCENTIVES FOR CITIES TO IMPROVE CREDIT WORTHINESS FOR MUNICIPAL
BONDS
100 PER CENT MECHANICAL DESLUDGING OF SEPTIC TANKS TO BE ENABLED
IN CITIES AND TOWNS**

New Delhi, 1st February, 2023

States and cities will be encouraged to undertake urban planning reforms and actions to transform cities into ‘sustainable cities of tomorrow’. This means efficient use of land resources, adequate resources for urban infrastructure, transit-oriented development, enhanced availability and affordability of urban land, and opportunities for all. This was stated by Union Finance & Corporate Affairs Minister Smt Nirmala Sitharaman while presenting the Union Budget 2023-24 in the Parliament here today.

Urban Infrastructure Development Fund

Smt. Sitharaman mentioned that an Urban Infrastructure Development Fund (UIDF) will be established through use of priority sector lending shortfall. This will be managed by the National Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities.



Making Cities Ready for Municipal Bonds

The Finance Minister said that the cities will be incentivized to improve their credit worthiness for municipal bonds. This will be done through property tax governance reforms and ring-fencing user charges on urban infrastructure.

Urban Sanitation

All cities and towns will be enabled for 100 per cent mechanical desludging of septic tanks and sewers to transition from manhole to machine-hole mode. Enhanced focus will be provided for scientific management of dry and wet waste.

RM/AV

PRESS INFORMATION BUREAU

GOVERNMENT OF INDIA

**COASTAL SHIPPING TO BE PROMOTED THROUGH PPP MODE WITH VIABILITY
GAP FUNDING**

STATES TO BE SUPPORTED IN REPLACING OLD VEHICLES

New Delhi, 1st February, 2023

India is moving forward firmly for the ‘panchamrit’ and net-zero carbon emission by 2070 to usher in green industrial and economic transition. This Budget builds on India’s focus on green growth. This was stated by Union Finance & Corporate Affairs Minister Smt Nirmala Sitharaman while presenting the Union Budget 2023-24 in the Parliament here today.

Coastal Shipping

Speaking in line with green growth, Smt Sitharaman proposed that coastal shipping will be promoted as the energy efficient and lower cost mode of transport, both for passengers and freight, through PPP mode with viability gap funding.



Ensuring Last Mile Connectivity

- An expert committee to review the **Harmonized Master List of Infrastructure**
- Highest ever Capital outlay of **₹2.4 lakh crore** for Railways
- **100 critical transport** infrastructure projects identified
- **50 additional airports, heliports, water aerodromes and advance landing grounds** to be revived
- Coastal shipping to be promoted through **PPP mode**



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Vehicle Replacement

The Finance Minister also mentioned that the states will be supported in replacing old vehicles and ambulances. A part of the State's outlay of fifty year loan to be spent on capital expenditure is also linked or allocated for scrapping old government vehicles as one of the seven purposes. Smt Sitharaman further stated that replacing old polluting vehicles is an important part of

greening our economy. In furtherance of the vehicle scrapping policy mentioned in Budget 2021-22, adequate funds have been allocated to scrap old vehicles of the Central Government.

RM/AV

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**PRADHAN MANTRI PVTG DEVELOPMENT MISSION TO BE LAUNCHED WITH
AN OUTLAY OF Rs.15000 CRORE**

**38800 TEACHERS AND SUPPORT STAFF TO BE RECRUITED FOR 740 EKLAVYA
MODEL RESIDENTIAL SCHOOLS**

**CENTRAL ASSISTANCE OF Rs.5300 CRORE TO PROVIDE SUSTAINABLE MICRO
IRRIGATION AND FILLING UP OF SURFACE TANKS FOR DRINKING WATER IN
KARNATAKA**

**OUTLAY FOR PM AWAS YOJANA PROPOSED TO BE ENHANCED BY 66 PER
CENT**

**BHARAT SHARED REPOSITORY OF INSCRIPTIONS' WILL BE SET UP IN A
DIGITAL EPIGRAPHY MUSEUM**

DIGITIZATION OF ONE LAKH ANCIENT INSCRIPTIONS IN THE FIRST STAGE

FINANCIAL SUPPORT TO BE PROVIDED TO POOR PRISONERS

New Delhi, 1st February, 2023

A sustained and conscious effort is being made to ensure that the benefits of the Budget are felt across all sections of society in the country. While tabling the Union Budget 2023-24 in Parliament today, the Union Minister for Finance and Corporate Affairs, Smt Nirmala Sitharaman said, *"We envision a prosperous and inclusive India, in which the fruits of development reach all regions and citizens."*

Priority 2: Reaching the Last Mile

Pradhan Mantri PVTG Development Mission

In order to improve socio-economic conditions of the particularly vulnerable tribal groups (PVTGs), the Finance Minister stated that the Pradhan Mantri PVTG Development Mission will be launched . *"This will saturate PVTG families and habitations with basic facilities such as safe*

housing, clean drinking water and sanitation, improved access to education, health and nutrition, road and telecom connectivity, and sustainable livelihood opportunities”, she added.

The Finance Minister further stated that Rs.15,000 crore will be made available to implement the Mission in the next three years under the Development Action Plan for the Scheduled Tribes.

Eklavya Model Residential Schools

The Finance Minister stated that 38,800 teachers and support staff will be recruited for the 740 Eklavya Model Residential Schools, serving 3.5 lakh tribal students in the next three years.



Reaching The Last Mile

No One To Be Left Behind



- **Pradhan Mantri PVTG^{*} Development Mission** to be launched
- **Financial assistance** for sustainable micro irrigation in drought prone regions of Karnataka
- **38800 more teachers** for **740** Eklavya Model Residential Schools
- **Free food grain** to all Antyodaya and priority households for **one year, under PMGKAY**
- **Bharat SHRI** to be set up for digitization of ancient inscriptions
- Outlay of **PM Awas Yojna** enhanced by **66 %**

** Particularly Vulnerable Tribal Groups*

Aspirational Districts and Blocks Programme

The Finance Minister stated that the Aspirational Blocks Programme has been launched covering 500 blocks for saturation of essential government services across multiple domains such as health, nutrition, education, agriculture, water resources, financial inclusion, skill development, and basic infrastructure.

PM Awas Yojana

The outlay for PM Awas Yojana is proposed to be enhanced by 66 per cent to over Rs.79,000 crore.

Water for Drought Prone Region

In the drought prone central region of Karnataka, central assistance of Rs.5,300 crore is proposed to be given to Upper Bhadra Project to provide sustainable micro irrigation and filling up of surface tanks for drinking water.

Bharat Shared Repository of Inscriptions (Bharat SHRI)

The Finance Minister stated that a ‘Bharat Shared Repository of Inscriptions’ will be set up in a digital epigraphy museum, with digitization of one lakh ancient inscriptions in the first stage.

Support for poor prisoners

In order to provide support to poor persons who are in prisons and unable to afford the penalty or the bail amount, the Finance Minister stated that the required financial support will be provided.

RM/JJ/SM

PRESS INFORMATION BUREAU GOVERNMENT OF INDIA

**AMENDMENTS TO THE BANKING REGULATION ACT, THE BANKING
COMPANIES ACT AND THE RESERVE BANK OF INDIA ACT PROPOSED TO
IMPROVE BANK GOVERNANCE AND ENHANCE INVESTORS’ PROTECTION**

**AN INTEGRATED IT PORTAL PROPOSED TO BE ESTABLISHED FOR INVESTORS
TO RECLAIM UNCLAIMED SHARES AND UNPAID DIVIDENDS WITH EASE**

**FISCAL SUPPORT FOR DIGITAL PUBLIC INFRASTRUCTURE TO CONTINUE IN
2023-24**

**ANNOUNCEMENT OF MAHILA SAMMAN SAVINGS CERTIFICATE WITH
DEPOSIT FACILITY UPTO Rs. 2 LAKH IN THE NAME OF WOMEN OR GIRLS**

**MAXIMUM DEPOSIT LIMIT FOR SENIOR CITIZEN SAVINGS SCHEME TO BE
ENHANCED FROM Rs. 15 LAKH TO Rs. 30 LAKH**

**MAXIMUM DEPOSIT LIMIT FOR MONTHLY INCOME ACCOUNT SCHEME WILL
BE ENHANCED**

New Delhi, 1st February, 2023

With consistent reforms in the financial sector and innovative use of technology, financial markets in India have strengthened. The Union Budget 2023-24 proposes to further solidify the financial sector. The Union Minister for Finance and Corporate Affairs Smt Nirmala Sitharaman while tabling the Union Budget 2023-24 in Parliament today said, *“Our vision for the Amrit Kaal includes technology-driven and knowledge-based economy with strong public finances, and a robust financial sector.”*

Improving Governance and Investor Protection in Banking Sector

The Finance Minister stated that to improve bank governance and enhance investors’ protection, certain amendments to the Banking Regulation Act, the Banking Companies Act and the Reserve Bank of India Act are proposed.



Financial Sector



Proposed Measures:

- ✓ **Setting up of National Financial Information Registry:**
 - To facilitate efficient credit flow, promote financial inclusion, and foster financial stability.
- ✓ **Setting up of a Central Data processing Centre:**
 - For faster handling of administrative work under the Companies Act
- ✓ **Credit Guarantee for MSMEs:**
 - Rs. 9,000 Cr infusion in corpus from 1st April 2023

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Central Data Processing Centre

“A Central Processing Centre is proposed to be setup for faster response to companies through centralized handling of various forms filed with field offices under the Companies Act”, the Finance Minister said.

Reclaiming of shares and dividends

The Finance Minister stated that for investors to reclaim unclaimed shares and unpaid dividends from the Investor Education and Protection Fund Authority with ease, an integrated IT portal is proposed to be established.

Digital Payments

Digital payments continue to find wide acceptance across sectors of the economy, as well as sections of society. Sharing data for the last year, the Finance Minister said, ***“In 2022, they showed an increase of 76 per cent in transactions and 91 per cent in value. Fiscal support for this digital public infrastructure will continue in 2023-24.”***



Financial Sector



Proposed Measures:

- ✓ **Mahila Samman Bachat Patras:**
 - One-time new small savings scheme for 2-year period with deposit facility of up to Rs 2 lakh for women
- ✓ **Benefits for Senior Citizens:**
 - Enhanced maximum deposit limit for senior citizens savings scheme from Rs 15 lakh to Rs 30 lakh
- ✓ **GIFT IFSC:**
 - Several initiatives to promote **business activities** in GIFT IFSC

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Azadi Ka Amrit Mahotsav Mahila Samman Bachat Patra

Economic empowerment of Women is an important theme across the Budget, and for commemorating Azadi Ka Amrit Mahotsav, the Finance Minister stated that a one-time new small savings scheme, Mahila Samman Savings Certificate, will be made available for a two-year period up to March 2025. This will offer deposit facility upto Rs.2 lakh in the name of women or girls for a tenor of 2 years at fixed interest rate of 7.5 per cent with a partial withdrawal option.

Senior Citizens

For empowerment of Senior Citizens, the Finance Minister said, *“The maximum deposit limit for Senior Citizen Savings Scheme will be enhanced from Rs. 15 lakh to Rs. 30 lakh. Further, the maximum deposit limit for Monthly Income Account Scheme will be enhanced from Rs. 4.5 lakh to Rs. 9 lakh for single account and from Rs.*

9 lakh to Rs.15 lakh for joint account.’

Data Embassy

For countries looking for digital continuity solutions, facilitation of setting up of their Data Embassies in GIFT IFSC will be done.

Capacity Building in Securities Market

To further build capacity of functionaries and professionals in the securities market, the Budget proposes that SEBI will be empowered to develop, regulate, maintain and enforce norms and standards for education in the National Institute of Securities Markets. It will be further empowered to recognize award of degrees, diplomas and certificates.

RM/JJ

PRESS INFORMATION BUREAU GOVERNMENT OF INDIA

₹ 9000 CRORE FOR REVAMPED CREDIT-GUARANTEE SCHEME TO MSMEs

₹ 2 LAKH CRORE ADDITIONAL COLLATERAL-FREE CREDIT TO MSMEs

RELIEF PROPOSED FOR MSMEs UNDER VIVAD SE VISHWAS I AND II SCHEMES

**RELIEF TO MSMEs, START-UPS AND PROFESSIONALS THROUGH EASE OF
DOING BUSINESS**

NATIONAL FINANCIAL INFORMATION REGISTRY TO BE SET UP

SLEW OF INITIATIVES TO ENHANCE BUSINESS ACTIVITIES IN GIFT IFSC

PUBLIC CONSULTATION TO OPTIMISE FINANCIAL SECTOR REGULATIONS

New Delhi, 1st February 2023

While presenting the Union Budget 2023-24 in Parliament here today, Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman proposed to **continue** the **financial sector reforms** and innovative use of technology which have led to **financial inclusion** at scale, better and **faster service delivery**, ease of access to credit and participation in financial markets.

CREDIT GUARANTEE TO MSMEs

Smt. Sitharaman announced that the **revamped credit guarantee scheme for MSMEs**, proposed in the previous Budget, will take effect from 1st April 2023 through infusion of ₹ **9000 crore** in the corpus. *“This will enable additional collateral-free guaranteed credit of ₹ 2 lakh crore. Further, the cost of credit will be reduced by about 1%,”* she said.

UNLEASHING THE POTENTIAL

TOWARDS A TRANSPARENT AND ACCOUNTABLE ADMINISTRATION

- Phase 3 of E-Courts to be launched for efficient administration of justice
- Vivad se Vishwas I** for less stringent contract execution for MSMEs
- Vivad se Vishwas II** for easier settlement of contractual disputes of Govt and Govt undertakings
- 'Input Based' to 'Result Based' Financing for better allocation of scarce resources
- Entity Digi Locker** to be setup for businesses for secure online storing and sharing of documents

UNION BUDGET 2023-24

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VIVAD SE VISHWAS I – RELIEF FOR MSMEs

Giving significant relief to MSMEs, the Finance Minister proposed that in cases of failure by MSMEs to execute contracts during the Covid period, 95 per cent of the forfeited amount relating to bid or performance security, will be returned to them by government and government undertakings.

VIVAD SE VISHWAS II – SETTTLING CONTRACTUAL DISPUTES

To settle contractual disputes of government and government undertakings, wherein arbitral award is under challenge in a court, a voluntary settlement scheme with standardized terms will be introduced. This will be done by offering graded settlement terms depending on pendency level of the dispute.

MSMEs AND PROFESSIONALS

Stating that MSMEs are growth engines of our economy, the Finance Minister said that micro enterprises with turnover up to ₹2 crore and certain professionals with turnover of up to ₹50 lakh can avail the benefit of presumptive taxation. The Finance Minister proposed to provide enhanced limits of ₹3 crore and ₹75 lakh respectively, to the tax payers whose cash receipts are no more than 5 per cent. Moreover, to support MSMEs in timely receipt of payments, Smt. Sitharaman further proposed to allow deduction for expenditure incurred on payments made to them only when payment is actually made.

START-UPS

While presenting the Union Budget, the Union Finance Minister said, "Entrepreneurship is vital for a country's economic development. We have taken a number of measures for start-ups and they have borne results. India is now the third largest ecosystem for start-ups globally, and ranks second in innovation quality among middle-income countries. I propose to extend the date of incorporation for income tax benefits to start-ups from 31.03.23 to 31.3.24. I further propose to provide the benefit of carry forward of losses on change of shareholding of start-ups from seven years of incorporation to ten years."



Financial Sector



Proposed Measures:

- ✓ **Setting up of National Financial Information Registry:**
 - To facilitate efficient credit flow, promote financial inclusion, and foster financial stability.
- ✓ **Setting up of a Central Data processing Centre:**
 - For faster handling of administrative work under the Companies Act
- ✓ **Credit Guarantee for MSMEs:**
 - Rs. 9,000 Cr infusion in corpus from 1st April 2023

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NATIONAL FINANCIAL INFORMATION REGISTRY

The Finance Minister also announced setting up of a National Financial Information Registry to serve as the central repository of financial and ancillary information. *“This will facilitate efficient flow of credit, promote financial inclusion, and foster financial stability,”* she said.


Smt. Sitharaman added that a new legislative framework will govern this credit public infrastructure, and it will be designed in consultation with the RBI.

GIFT IFSC

To enhance business activities in GIFT IFSC, Budget 2023-24 proposes a slew of initiatives viz. **delegating powers** under SEZ Act to IFSCA to avoid dual regulation, **single window IT system** for registration and regulatory approval, **permitting acquisition financing** by IFSC banking units of foreign banks, establishing **subsidiary of EXIM Bank** for trade re-financing, recognizing offshore derivative instruments as valid contracts.



Financial Sector











UNION BUDGET 2023-24

Proposed Measures:

- ✓ **Mahila Samman Bachat Patras:**
 - One-time new small savings scheme for 2-year period with deposit facility of up to Rs 2 lakh for women
- ✓ **Benefits for Senior Citizens:**
 - Enhanced maximum deposit limit for senior citizens savings scheme from Rs 15 lakh to Rs 30 lakh
- ✓ **GIFT IFSC:**
 - Several initiatives to promote **business activities** in GIFT IFSC

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FINANCIAL SECTOR REGULATIONS

In order to meet the needs of *Amrit Kaal* and to facilitate optimum regulation in the financial sector, the Finance Minister proposed to incorporate public consultation, as necessary and feasible, to the process of regulation-making and issuing subsidiary directions.

Smt. Sitharaman added that financial sector regulators will be requested to comprehensively review existing regulations to simplify, ease and reduce cost of compliance. *“For this, they will consider suggestions from public and regulated entities. Time limits to decide the applications under various regulations will also be laid down,”* she said.

RM/PC/KMN

PRESS INFORMATION BUREAU

GOVERNMENT OF INDIA

50 DESTINATIONS TO BE DEVELOPED AS A ‘COMPLETE PACKAGE OF TOURISM’

AN APP TO ENHANCE TOURIST EXPERIENCE TO BE LAUNCHED

**SECTOR SPECIFIC SKILLING AND ENTREPRENEURSHIP DEVELOPMENT TO BE
DOVETAILED TO ACHIEVE OBJECTIVES OF ‘DEKHO APNA DESH’ INITIATIVE**

**TOURISM INFRASTRUCTURE AND AMENITIES TO BE FACILITATED IN
BORDER VILLAGES UNDER VIBRANT VILLAGES PROGRAMME**

**UNITY MALL TO PROVIDE FILLIP TO ODOPs, GI AND HANDICRAFT PRODUCTS
TO BE SET UP IN STATES**

New Delhi, 1st February 2023

At least **50 destinations** will be selected and developed as a complete package of tourism, announced the Union Minister for Finance & Corporate Affairs Smt Nirmala Sitharaman while presenting the Union budget 2023-2024 in Parliament here today. She added that these destinations will be selected through challenge mode using an integrated and innovative

approach while the focus of development of tourism would be on domestic as well as foreign tourists.

The Finance Minister proposed to launch an App in which all the relevant aspects of the tourist destination would be made available, in addition to aspects such as physical connectivity, virtual connectivity, tourist guides, high standards for food streets and tourists' security, to enhance tourist experience.

To strengthen the domestic tourism, Sector specific skilling and entrepreneurship development will be dovetailed to achieve the objectives of the '**Dekho Apna Desh**' initiative, the Budget 2023-24 proposed. To encourage tourism in the border villages, tourism infrastructure and amenities will be facilitated under the **Vibrant Villages Programme**, announced the Finance Minister.

Speaking about the various tourism schemes, Smt. Sitharaman said *“‘Dekho Apna Desh’ initiative was launched as an appeal by the Prime Minister to the middle class to prefer domestic tourism over international tourism while ‘Swadesh Darshan Scheme’ was launched for integrated development of theme-based tourist circuit.”*

The Minister said **Unity Mall**, to promote and sell State's own One District, One Product (ODOPs), Geographical Indication (GI) and other handicraft products, will be set up in states. She further added that States would be encouraged to set up such Unity Mall in the capital city or most prominent tourism centre or the financial capital and also provide space for ODOPs & GI products of other States as well.



Youth Power

Empowering 'Amrit Peedhi'

› National Apprenticeship Promotion Scheme

- › To provide stipend support to 47 lakh youth in three years

› Boosting Tourism

- › 50 destinations to be selected and developed as complete package for domestic & foreign tourists

› Setting Up Of Unity Malls In State Capitals

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

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“The country offers immense attraction for domestic as well as foreign tourists. There is a large potential to be tapped in tourism. The sector holds huge opportunities for jobs and entrepreneurship for youth in particular. Promotion of tourism will be taken up on mission mode, with active participation of states, convergence of government programmes and public-private partnerships.” said the Finance Minister talking about the potential of Tourism in India.

RM/SR

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**NATIONAL GREEN HYDROGEN MISSION TO FACILITATE THE TRANSITION
TOWARDS A LOW CARBON ECONOMY; INDIA SETS A TARGET OF ANNUAL
PRODUCTION OF 5 MMT BY 2030**

**ALLOCATION OF ₹ 35,000 CRORE PROPOSED FOR PRIORITY CAPITAL
INVESTMENT TOWARDS ENERGY TRANSITION AND NET ZERO OBJECTIVES**

**GREEN CREDIT PROGRAMME TO BE NOTIFIED FOR INCENTIVIZING
ENVIRONMENTALLY SUTAINABLE AND RESPONSIVE ACTIONS**

**PM-PRANAM TO PROMOTE ALTERNATIVE FERTILIZERS AND BALANCED USE
OF CHEMICAL FERTILIZERS**

**PROPOSAL TO ESTABLISH 500 NEW ‘WASTE TO WEALTH’ PLANTS UNDER
GOBARDHAN SCHEME WITH A TOTAL INVESTMENT OF ₹ 10,000 CRORE**

**AMRIT DHAROHAR SCHEME TO PROMOTE VALUES OF LOCAL COMMUNITIES
IN CONSERVING WETLAND ECOSYSTEM**

New Delhi, 1st February, 2023

“India is moving forward firmly for the ‘panchamrit’ and net-zero carbon emission by 2070 to usher in green industrial and economic transition.”, the Union Minister for Finance and Corporate Affairs, Smt Nirmala Sitharaman, said while presenting the Union Budget 2023-24 in

Parliament today. Highlighting the vision for “**LiFE**”, or Lifestyle for Environment, aimed at spurring a movement of **environmentally conscious lifestyle**, Finance Minister added that the budget builds on our focus on ‘**Green Growth**’, which will guide us through the *Amrit Kaal*.

Green Hydrogen Mission

While mentioning the recently announced **National Green Hydrogen Mission**, Finance Minister explained that it will facilitate the transition of the economy to a **low carbon intensity & reduce dependence** on fossil fuel imports. “*It will also make country assume technology and market leadership in this sunrise sector.*”, she added.

Smt. Sitharaman also announced India’s target to reach an **annual production of 5 MMT** by **2030**.



Energy transition and storage projects

Finance Minister proposed an allocation of **₹ 35,000 crore** for priority capital investments towards **energy transition** and **net zero objectives**, and **energy security** by Ministry of Petroleum & Natural Gas.

Finance Minister stated that **Battery Energy Storage Systems** with capacity of **4,000 MWH** will be supported with **Viability Gap Funding**. “*A detailed framework for Pumped Storage Projects will also be formulated*”, she added while announcing the measures for steering the economy on the sustainable development path.

Renewable Energy Evacuation

The **Inter-state transmission system** for evacuation and grid integration of 13 GW renewable energy from Ladakh has been proposed with an investment of **₹ 20,700 crore** including central support of **₹ 8,300 crore**.

Green Credit Programme

Finance Minister proposed a **Green Credit Programme**, to be notified under the Environment (Protection) Act. for encouraging **behavioural change** by incentivizing environmentally sustainable and responsive actions by companies, individuals and local bodies. *“This will help mobilize additional resources for such activities”*, she added.

PM-PRANAM

“PM Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth” will be launched to incentivize States and Union Territories to promote **alternative fertilizers** and **balanced use of chemical fertilizers**.

GOBARDhan scheme

Establishment of **500 new ‘waste to wealth’ plants** under GOBARDhan (**Galvanizing Organic Bio-Agro Resources Dhan**) scheme have been proposed for promoting **circular economy**. These will include **200 compressed biogas (CBG) plants**, including 75 plants in urban areas, and 300 community or cluster-based plants at **total investment of ₹ 10,000 crore**.

To avoid cascading of taxes on blended compressed natural gas, **exemption of excise duty on GST-paid CBG** contained in it, has also been proposed.

Finance Minister also announced a proposal for introducing a **5 per cent CBG mandate** in due course, for all organizations marketing natural and bio gas,. *“For collection of bio-mass and distribution of bio-manure, appropriate fiscal support will be provided.”*, she added

Bhartiya Prakritik Kheti Bio-Input Resource Centres

“Over the next 3 years, we will facilitate 1 crore farmers to adopt natural farming.”, the Finance Minister said while announcing the proposal to set-up **10,000 Bio-Input Resource Centres**, thereby creating a national-level distributed **micro-fertilizer** and **pesticide manufacturing** network.

MISHTI

Building on India’s success in afforestation, Finance Minister announced that **‘Mangrove Initiative for Shoreline Habitats & Tangible Incomes’** will be taken up for mangrove plantation along the **coastline** and on **salt pan lands**, wherever feasible, through convergence between MGNREGS, CAMPA Fund and other sources.

Amrit Dharohar

Highlighting the importance of local communities in conserving the wetland ecosystem, Finance Minister also announced the **Amrit Dharohar** scheme which will **promote** their unique conservation values. This scheme will be implemented over the **next three years** to encourage optimal use of wetlands, and **enhance bio-diversity, carbon stock, eco-tourism** opportunities and income **generation** for **local communities**

RM/KS

PRESS INFORMATION BUREAU GOVERNMENT OF INDIA

FINANCE MINISTER PROPOSES MULTI-SECTORED FOCUS ON REFORMS THROUGH TECHNOLOGY-DRIVEN AND KNOWLEDGE-BASED MECHANISMS DURING AMRIT KAAL

DIGITAL PUBLIC INFRASTRUCTURE FOR AGRICULTURE PROPOSED TO BE BUILT UP AS INTER OPERABLE PUBLIC GOOD

NATIONAL DIGITAL LIBRARY FOR CHILDREN AND ADOLESCENTS PROPOSED 100 LABS FOR DEVELOPING APPLICATIONS USING 5G SERVICES TO BE SET UP

SIMPLIFICATION OF KYC AND EXPANSION OF DIGILOCKER FOR INDIVIDUALS PROPOSED

ENTITY DIGILOCKER PROPOSED FOR USE BY MSMEs, LARGE BUSINESS AND CHARITABLE TRUSTS FOR EASE OF SHARING DOCUMENTS

PHASE-3 OF THE E-COURTS PROJECT PROPOSED TO BE LAUNCHED WITH AN OUTLAY OF ₹7,000 CRORE

‘BHARAT SHARED REPOSITORY OF INSCRIPTIONS’ TO BE SET UP IN A DIGITAL EPIGRAPHY MUSEUM

FISCAL SUPPORT TO DIGITAL PAYMENTS AS DIGITAL PUBLIC INFRA TO CONTINUE IN 2023-24

New Delhi, 1st Feb. 2023

As part of the overarching *Saptarishi* – 7 priorities of the Government, Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman, while presenting the Union Budget 2022-23 in Parliament today, proposed a multi-sectored focus on reforms through technology-driven and knowledge-based mechanisms during *Amrit Kaal*.

The Finance Minister stated, “Our vision for the *Amrit Kaal* includes technology-driven and knowledge-based economy with strong public finances, and a robust financial sector. To achieve this, *Jan Bhagidari* through *Sabka Saath Sabka Prayas* is essential.”

Elaborating further, the Finance Minister said, “Our focus on wide-ranging reforms and sound policies, implemented through *Sabka Prayas* is resulting in *Jan Bhagidari* and targeted support to those in need, helped us perform well in trying times.”

The Finance Minister, while presenting the Union Budget, attributed India’s rising global profile to several accomplishments, such as:

- Unique world class digital public infrastructure, e.g., Aadhaar, Co-Win and UPI
- Covid vaccination drive in unparalleled scale and speed
- Proactive role in frontier areas such as achieving the climate related goals
- Mission LiFE, and
- National Hydrogen Mission

Farmer-centric Digital Public Infrastructure

The Finance Minister proposed **Digital public infrastructure for agriculture** to be built as an open source, open standard and inter operable public good. This will, Smt. Sitharaman said, enable inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for growth of agri-tech industry and start-ups.



National Digital Library for children and adolescents

As part of inclusive development, Smt. Sitharaman proposed to set up a National Digital Library for children and adolescents for facilitating availability of quality books across geographies, languages, genres and levels, and device agnostic accessibility. The Finance Minister stated that States will be encouraged to set up physical libraries for them at panchayat and ward levels and provide infrastructure for accessing the National Digital Library resources.

Bharat Shared Repository of Inscriptions (Bharat SHRI)

The Finance Minister proposed ‘Bharat Shared Repository of Inscriptions’, to be set up in a digital epigraphy museum, with digitisation of one lakh ancient inscriptions in the first stage.

5G Services

Smt. Sitharaman proposed setting up of 100 labs for developing applications using 5G services in engineering institutions to realise a new range of opportunities, business models, and employment potential. The labs will cover, among others, applications such as smart classrooms, precision farming, intelligent transport systems, and health care applications.

Three centres of excellence for Artificial Intelligence

To realise the vision of “Make AI in India and Make AI work for India”, the Finance Minister proposed three centres of excellence for Artificial Intelligence to be set-up in top educational institutions. Leading industry players will partner in conducting interdisciplinary research,

develop cutting-edge applications and scalable problem solutions in the areas of agriculture, health, and sustainable cities. This will galvanize an effective AI ecosystem and nurture quality human resources in the field.

Simplification of Know Your Customer (KYC) process

Streamlining the financial sector further, Smt. Sitharaman proposed that the KYC process will be simplified adopting a ‘risk-based’ instead of ‘one size fits all’ approach. The financial sector regulators will also be encouraged to have a KYC system fully amenable to meet the needs of Digital India.

Fintech Services

Smt. Sitharaman said that Fintech services in India have been facilitated by our digital public infrastructure including Aadhaar, PM Jan Dhan Yojana, Video KYC, India Stack and UPI, and proposed to enable more Fintech innovative services, the scope of documents available in DigiLocker for individuals to be expanded.

Entity DigiLocker

The Finance Minister proposed to set up an Entity DigiLocker for use by MSMEs, large business and charitable trusts. This will be towards storing and sharing documents online securely, whenever needed, with various authorities, regulators, banks and other business entities.

UNLEASHING THE POTENTIAL

TOWARDS A TRANSPARENT AND ACCOUNTABLE ADMINISTRATION

- Phase 3 of E-Courts to be launched for efficient administration of justice
- Vivad se Vishwas I** for less stringent contract execution for MSMEs
- Vivad se Vishwas II** for easier settlement of contractual disputes of Govt and Govt undertakings
- 'Input Based' to 'Result Based' Financing for better allocation of scarce resources
- Entity Digi Locker** to be setup for businesses for secure online storing and sharing of documents

UNION BUDGET 2023-24

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E-Courts

The Finance Minister proposed that for an efficient administration of justice, Phase-3 of the E-Courts project will be launched with an outlay of ₹7,000 crore, further unleashing the potential of E-Courts.

Digital Payments

Smt. Sitharaman stated that in 2022, digital payments show increase of 76 per cent in transactions and 91 per cent in value. Considering that digital payments continue to find wide acceptance, the Finance Minister proposed continuation of fiscal support for this digital public infrastructure in 2023-24.

RM/ABB/KMN

PRESS INFORMATION BUREAU GOVERNMENT OF INDIA

CAPITAL INVESTMENT OUTLAY INCREASED BY 33% TO ₹ 10 LAKH CRORE

EFFECTIVE CAPITAL EXPENDITURE OF CENTRE AT 4.5% OF GDP

50-YEAR INTEREST FREE LOAN TO STATES CONTINUED FOR ANOTHER YEAR

**INFRASTRUCTURE FINANCE SECRETARIAT TO ASSIST STAKEHOLDERS FOR
PRIVATE INVESTMENT**

New Delhi, 1st February 2023

Continuing with the trend of recent years, Union Budget 2023-24 proposes a **steep increase in capital investment outlay** – envisioning capital investment as the driver of growth and jobs. This was stated by Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman while presenting the Budget 2023-24 in Parliament here today.

“This substantial increase in recent years is central to the government’s efforts to enhance growth potential and job creation, crowd-in private investments, and provide a cushion against global headwinds”, Smt. Sitharaman said.

The Finance Minister proposed to **increase capital investment outlay** for the third year in a row, **by 33% to ₹ 10 lakh crore**, which would be **3.3% of GDP** and almost three times the outlay in 2019-20.



EFFECTIVE CAPITAL EXPENDITURE

Smt. Sitharaman added that the direct capital investment by the Centre is complemented by the provision for creating capital assets through Grants-in-Aid to States. She said that this “**Effective Capital Expenditure**” of the Centre would be budgeted at **₹ 13.7 lakh crore i.e. 4.5% of GDP**.

INTEREST-FREE LOAN TO STATES CONTINUED

To spur investment in infrastructure and to incentivize States for complementary policy actions, the Finance Minister proposed to continue the 50-year interest free loan to State Governments for one more year – with the outlay in this regard being enhanced significantly to ₹ 1.3 lakh crore.

INFRASTRUCTURE FINANCE SECRETARIAT

The Finance Minister in her Budget 2023-24 speech noted that after the subdued period of the pandemic, private investments are growing again. To attract private investment in sectors predominantly dependent on public resources, Smt. Sitharaman said that the newly-established **Infrastructure Finance Secretariat will assist all stakeholders** for more private investment in infrastructure sectors like railways, roads, urban infrastructure and power.

RM/PC

PRESS INFORMATION BUREAU

GOVERNMENT OF INDIA

NOMINAL GDP TO GROW AT 15.4 % IN FY 2022-23

REAL GDP TO GROW AT 7% IN FY 2022-23

AGRICULTURE SECTOR TO GROW BY 3.5% IN FY 2022-23

INDUSTRY TO GROW AT MODEST 4.1%

**SERVICES SECTOR TO REBOUND WITH Y-o-Y GROWTH OF 9.1% IN FY 2022-23
OVER 8.4 % IN 2021-22**

EXPORTS TO GROW AT 12.5% IN FY 2023

New Delhi 1st February 2023

“Despite external exogenous shocks, India's economy is relatively insulated from global spillovers compared to other EMEs, partly because of its large domestic market and relatively looser integration in global value chains and trade flows” stated the ‘Statements of Fiscal Policy’ presented by Union Minister of Finance and Corporate Affairs Smt. Nirmala Sitharaman along with Union Budget 2023-24 in Parliament today.

According to the Fiscal Policy statements the Nominal GGP is projected to grow at 15.4 % year-on-year (Y-o-Y) in FY2022-23 as against 19.5% in 2021-22. The real GDP is projected to grow by 7% (Y-o-Y) relative to 8.7% in 2021-22.

Robust Agriculture sector growth

Fiscal policy statements highlighted that Indian agriculture sector is projected to grow by 3.5 per cent in FY 2022-23. Apart from meeting domestic requirements, India has also rapidly emerged as the net exporter of agricultural products in recent years. With the agriculture exports touching \$50.2 Bn in FY 2022-23. The total kharif food grain production in the country is estimated at 149.9 million tonnes higher than the average Kharif food grain production of the previous five years. Although, the area sown under paddy was about 20 lakh hectares less than compared to 2021.

The growth in the agriculture sector is likely to remain buoyant, supported by healthy progress in Rabi sowing, with the area sown being higher than the previous year. This has led to a recovery in the rural economy

Industry – engines of growth

The industry sector to witness modest growth of 4.1 per cent in FY 2022-23 relative to 10.3 per cent in FY 2021-22. The domestic auto sales registered Y-o-Y growth of 5.2 % in December 2022 and robust domestic tractor, two and three-wheelers sales during Q3 of FY 2022-23 which also signified improvement in rural demand.

Services - driver of growth

The services sector to rebound with y-o-y growth of 9.1% in FY 2022-23 over 8.4 % in 2021-22. The Rebound in consumption has been driving by the pent-up demand for contact-intensive services which was followed by world's largest vaccination programme. On the demand side, private consumption has witnessed continued momentum. It is estimated to grow at 7.7 per cent in FY 2022-23 compared to 7.9 per cent in FY 2021-22.

Exports

Exports are estimated to grow at 12.5 per cent in FY 2022-23 despite sustained supply chain disruptions and an uncertain geopolitical environment. The share of exports in GDP (at 2011-12 prices) also increased to 22.7 per cent in FY 2022-23 compared to 21.5 per cent in FY 2021-22.

Growth outlook

The Statement of Fiscal Policy observed that Growth in FY 2023-24 will be supported by solid domestic demand and a pickup in capital investment. The current growth trajectory will be supported by multiple structural changes like IBC and GST that have enhanced the efficiency and transparency of the economy and ensured financial discipline and better compliance.

India's public digital infrastructure expansion is leading to accelerated financial inclusion for low-income households, micro and small businesses, and the economy's rapid formalization. Together these two factors - balance sheet strength and digital advancement - are growth differentiators not only for FY 2023-24 but also in the years ahead.

The path-breaking policies such as the PM Gati Shakti, National Logistics Policy and the PLI schemes will strengthen the infrastructural and manufacturing base while bringing down costs in the value chain a strong foundation for sustained economic growth and improved resilience.

RM/BB/PM

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

FISCAL DEFICIT TO BE AT 5.9% IN FY 2023-24

REVENUE DEFICIT TO BE AT 2.9 % IN FY 2023-24
FISCAL DEFICIT ON TRACK TO REACH BELOW 4.5% BY FY 2025-26
15.5 % Y-O-Y GROWTH IN GROSS TAX REVENUE IN 2022-23 OVER 2021-22
DIRECT TAXES GREW AT 23.5% IN FIRST 8 MONTHS OF FY2022-23
INDIRECT TAXES GREW AT 8.6% DURING THE SAME PERIOD
STATES TO BE ALLOWED A FISCAL DEFICIT OF 3.5 PER CENT OF GSDP
STATES TO BE PROVIDED A FIFTY-YEAR INTEREST FREE LOAN

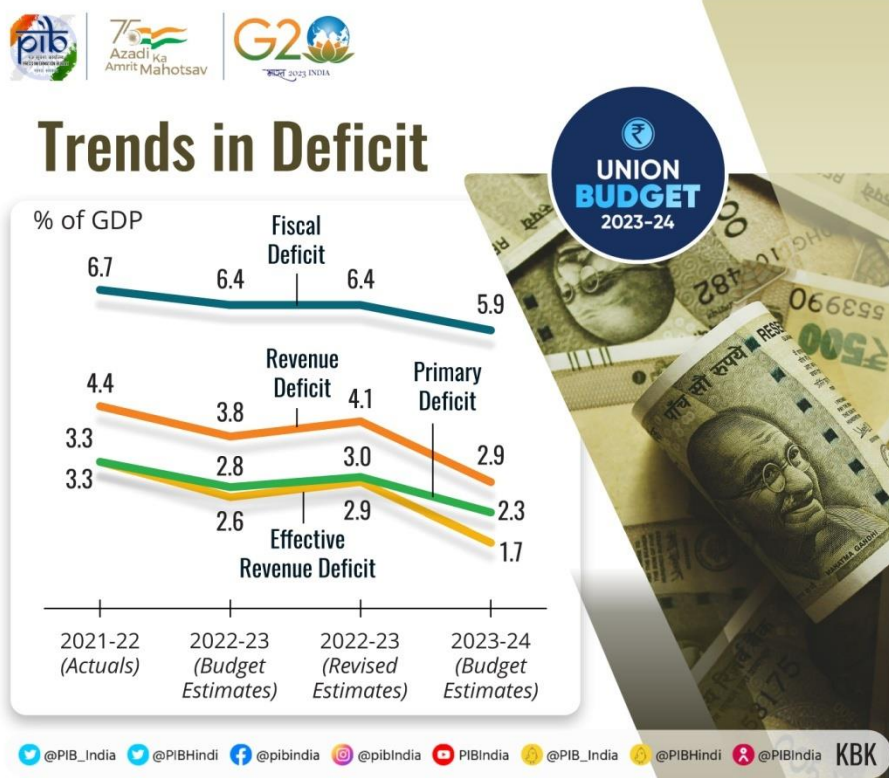
New Delhi 1st February 2023

Continuing the path of fiscal consolidation, the Government intends to bring the fiscal deficit below 4.5 per cent of GDP by 2025-26. This was stated by the Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman while presenting the Union Budget 2023-24 in the Parliament today.

The Finance Minister further stated that the fiscal deficit is estimated to be 5.9 per cent of GDP in BE 2023-24. To finance the fiscal deficit in 2023-24, the net market borrowings from dated securities are estimated at Rs. 11.8 lakh crore. The balance financing is expected to come from small savings and other sources. The gross market borrowings are estimated at Rs. 15.4 lakh crore.

In Budget Estimates 2023-24, the Finance Minister stated that the total receipts other than borrowings and the total expenditure are estimated at Rs. 27.2 lakh crore and Rs. 45 lakh crore respectively. Moreover, the net tax receipts are estimated at Rs. 23.3 lakh crore.

In the Revised Estimate 2023-24, the Finance Minister stated that the total receipts other than borrowings is Rs. 24.3 lakh crore, of which the net tax receipts are Rs. 20.9 lakh crore. The Revised Estimate of the total expenditure is Rs. 41.9 lakh crore, of which the capital expenditure is about Rs. 7.3 lakh crore. The Revised Estimate of the fiscal deficit is 6.4 per cent of GDP in RE 2022-23, adhering to the Budget Estimate.



Revenue deficit

The Finance Minister stated that the revenue deficit is expected to be at 2.9 % in FY 2023-24 over 4.1% in 2022-23. Back-to-back global headwinds and global economic uncertainties continue to pose constraints which are often beyond the direct control of domestic economic policy levers. Although, new development and welfare-related expenditure commitments, buoyancy in tax receipts and targeted expenditure rationalization during the year, have helped to continue with the thrust on rapid inclusive development.

The fiscal policy statement noted that in FY 2022-23, due to the sudden outbreak of geopolitical conflict that jeopardized food and energy security, there was a higher food and fertiliser subsidy requirement for supporting the vulnerable and ensuring macroeconomic stability.

Smt. Sitharaman reiterated government's commitment to pursue a broad path of fiscal consolidation to attain a level of Fiscal Deficit lower than 4.5 per cent of GDP by FY 2025-26. The Government would continue with its efforts to attain sustained, broad based economic growth, and take such measures as may be necessary to protect the lives/ livelihoods of the people, while adhering to the path of fiscal rectitude.

	Revised estimates(2022-23)	Budget estimates(2023-24)
Fiscal Deficit	6.4%	5.9%

Revenue Deficit	4.1%	2.9%
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Tax revenue

Gross Tax Revenue (GTR) is projected to grow at 10.4 per cent in FY 2023-24 over FY 2022-23. Both, the Direct and Indirect Tax receipts are individually estimated to grow at 10.5 per cent and 10.4 per cent, respectively. It is estimated that the Direct and Indirect taxes to contribute 54.4 per cent and 45.6 per cent, respectively, to GTR noted the fiscal policy statement. The Tax to GDP ratio is estimated at 11.1 per cent.

The overall medium term thrust of the tax policy is towards rationalizing tariff structure and widening the tax base. This is being achieved by removing tax inversions which have crept in the tax structure and pruning the exemptions. In addition, measures are being taken for widening the tax base, easing compliance for the taxpayers, formalization of the supply chain and improving ease of doing business.

The balance between Revenue receipts and Revenue expenditure

The total revenue receipts and revenue expenditure of the Centre are estimated at Rs. 26.32 lakh crore and Rs. 35.02 lakh crore, respectively, in BE 2023-24. Based on this, the ratio of revenue receipts to revenue expenditure is estimated at 75.2 per cent in BE 2023- 24 improving from 67.9 per cent and 67.8 per cent in RE 2022-23 and FY 2021-22, respectively. Tax-GDP ratio has improved from 10.7 per cent in BE 2022-23 to 11.1 per cent in RE 2022-23 and BE 2023-24

Non tax revenue

Non Tax Revenue is estimated to contribute 11.5 per cent of the Revenue Receipt and is projected to be at Rs.3.02 lakh crore which is 15.2 per cent more than the RE 2022-23 of Rs.2.62 lakh crore.

Non-debt capital receipts

Non-Debt Capital Receipts (NDCR) in BE 2023- 24 is estimated at 84,000 crore which includes the receipts under the recovery of loans and advances (23,000 crore), receipts from Monetisation of Roads (~10,000 crore), etc. The actual realisation of the NonDebt Capital Receipts significantly depends on the prevailing market conditions, expected valuation assigned to the Government stake etc.

Capital expenditure to Fiscal Deficit Ratio

The ratio of capital expenditure to Fiscal Deficit (Capex-FD) is estimated at 56.0 per cent in BE 2023-24 as compared to 41.5 per cent in RE 2022-23 and 37.4 per cent in FY 2021-22.



Financial Sector

Fiscal Management

- ✓ Fifty-year interest **free loan to States**
- ✓ Fiscal Deficit of **3.5% of GSDP** allowed for States
- ✓ Fiscal Deficit for 2022-23 is 6.4% (RE), for 2023-24 is 5.9% (BE) and is on target to be below **4.5% by 2025-26**
- ✓ Budget Estimates 2023-24:
 - Total Receipts (Other than borrowings): **Rs 27.2 Lakh Cr**
 - Total Expenditure: **Rs. 45 Lakh Cr**
 - Net Tax Receipts: **Rs 23.3 Lakh Cr**



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Fiscal Deficit of States

The Finance Minister stated that the States will be allowed a fiscal deficit of 3.5 per cent of GSDP of which 0.5 per cent will be tied to power sector reforms. States will also be provided a fifty-year interest free loan. The entire fifty-year loan to states has to be spent on capital expenditure within 2023-24. Most of this will be at the discretion of states, but a part will be

conditional on states increasing their actual capital expenditure. Parts of the outlay will also be linked to, or allocated for, the following purposes:

- Scrapping old government vehicles
- Urban planning reforms and actions
- Financing reforms in urban local bodies to make them creditworthy for municipal bonds
- Housing for police personnel above or as part of police stations
- Constructing Unity Malls
- Children and adolescents' libraries and digital infrastructure
- State share of capital expenditure of central schemes

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RM/BB/PM/SM

**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**MAJOR ANNOUNCEMENTS IN PERSONAL INCOME TAX TO SUBSTANTIALLY
BENEFIT THE MIDDLE CLASS**

**PERSONS WITH INCOME UP TO RS. 7 LAKH WILL NOT PAY INCOME TAX IN
NEW TAX REGIME**

TAX EXEMPTION LIMIT INCREASED TO RS. 3 LAKH

CHANGE IN TAX STRUCTURE: NUMBER OF SLABS REDUCED TO FIVE

SALARIED CLASS AND PENSIONERS TO GAIN ON EXTENSION OF STANDARD DEDUCTION BENEFIT TO THE NEW TAX REGIME

MAXIMUM TAX RATE REDUCED TO 39 PER CENT FROM 42.74 PER CENT

NEW TAX REGIME TO BE THE DEFAULT TAX REGIME

CITIZENS TO HAVE THE OPTION TO AVAIL THE BENEFIT OF OLD TAX REGIME

New Delhi, 1st February 2023

With the objective of benefitting the hard working middle class of the country, Union Minister for Finance and Corporate Affairs, Smt. Nirmala Sitaraman made five major announcements with respect to personal income tax while presenting the Union Budget 2023-24 in Parliament today. These announcements pertaining to rebate, change in tax structure, extension of benefit of standard deduction to the new tax regime, reduction of highest surcharge rate and extension of limit of tax exemption on leave encashment on retirement of non-government salaried employees will provide substantial benefits to the working middle class.

Substantial Relief in Personal Income Tax

BENEFITING OUR HARD- WORKING MIDDLE CLASS

- No Income tax for persons with income up to **7 lakh** in the new tax regime
- Standard deduction of 50,000 to salaried people and deduction up to 15,000 for pensioners under new tax regime also
- Reduction of the highest surcharge rate from **37% to 25%** under new tax regime
- Tax exemption limit on leave encashment on retirement of non-govt salaried employees increased to 25 lakh

UNION BUDGET 2023-24

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In her first announcement regarding rebate, she proposed to increase the rebate limit to Rs.7 lakh in the new tax regime, which would mean that the persons in the new tax regime, with income up to Rs. 7 lakh will not have to pay any tax. Currently, those with income up to Rs. 5 lakh do not pay any income tax in both old and new tax regimes.

Providing relief to middle-class individuals, she proposed a change in the tax structure in the new personal income tax regime by reducing the number of slabs to five and increasing the tax exemption limit to Rs. 3 lakh. The new tax rates are:

Total income (Rs.)	Rate (per cent)
Upto 0-3 lakh	Nil
From 3-6 lakh	5
From 6-9 lakh	10
From 9-12 lakh	15
From 12-15 lakh	20
Above 15 lakh	30

This will provide major relief to all tax payers in the new regime. An individual with an annual income of Rs. 9 lakh will be required to pay only Rs. 45,000/-. This is only 5 per cent of his or her income. It is a reduction of 25 per cent on what he or she is required to pay now, i.e. Rs. 60,000/-. Similarly, an individual with an income of Rs. 15 lakh would be required to pay only Rs. 1.5 lakh or 10 per cent of his or her income, a reduction of 20 per cent from the existing liability of Rs. 1,87,500/.

The third proposal of the budget provides major relief to the salaried class and the pensioners including family pensioners as the Finance Minister proposed to extend the benefit of standard deduction to the new tax regime. Each salaried person with an income of Rs. 15.5 lakh or more will thus stand to benefit by Rs. 52,500/-. At present, standard deduction of Rs. 50,000/- to salaried individuals and deduction from family pension up to Rs. 15,000/- is currently allowed only under the old regime.

As part of her fourth announcement with respect to personal income tax, Smt. Nirmala Sitaraman proposed to reduce the highest surcharge rate from 37 per cent to 25 per cent in the new tax regime for income above Rs. 2 crore. This would result in reduction of the maximum tax rate to 39 per cent from the present 42.74 per cent, which is among the highest in the world. However, no change in surcharge is proposed for those who opt to be under the old regime in this income group.

As part of the fifth announcement, the budget proposed extension of limit of tax exemption on leave encashment to Rs. 25 lakh on retirement of non-government salaried employees in line with the government salaried class. At present, the maximum amount which can be exempted is Rs. 3 lakh.

The budget proposed to make the new income tax regime as the default tax regime. However, citizens will continue to have the option to avail the benefit of the old tax regime.

RM/PPG/RC

PRESS INFORMATION BUREAU

GOVERNMENT OF INDIA

**DIRECT TAX PROPOSALS AIMED AT REDUCING COMPLIANCE BURDEN,
PROMOTING ENTREPRENEURIAL SPIRIT & PROVIDING TAX RELIEF TO
CITIZENS**

**NEXT-GENERATION COMMON IT RETURN FORM FOR TAX PAYER
CONVENIENCE TO BE ROLLED OUT**

**LIMITS OF PRESUMPTIVE TAXATION ENHANCED TO Rs 3 CRORE FOR MICRO
ENTERPRISES AND Rs 75 LAKH FOR PROFESSIONALS WITH CASH PAYMENTS
LESS THAN 5%**

**15 % CONCESSIONAL TAX TO PROMOTE NEW MANUFACTURING
COOPERATIVE SOCIETY**

**THRESHOLD LIMIT FOR CO-OPERATIVES TO WITHDRAW CASH WITHOUT
TDS INCREASED TO Rs 3 CRORE**

**DATE OF INCORPORATION FOR INCOME TAX BENEFITS TO START-UPS
EXTENDED TO 31st MARCH 2024**

**AROUND 100 JOINT COMMISSIONERS TO BE DEPLOYED FOR DISPOSAL OF
SMALL APPEALS**

**DEDUCTION FROM CAPITAL GAINS ON INVESTMENT IN RESIDENTIAL HOUSE
CAPPED TO Rs 10 CRORE**

**TAX EXEMPTION ON INCOME OF AUTHORITIES REGULATING AND
DEVELOPING AN ACTIVITY**

AGNIVEERS TO GET TAX EXEMPTION ON PAYMENT RECEIVED FROM THE AGNIVEER CORPUS FUND

New Delhi, 1st February, 2023

The Union Minister for Finance and Corporate Affairs, Smt Nirmala Sitharaman announced several Direct Tax proposals with an aim to maintain continuity and stability of taxation, further simplify and rationalize various provisions to reduce the compliance burden, promote the entrepreneurial spirit and provide tax relief to citizens. While presenting the Union Budget 2023-24 in Parliament today she stated that *“It has been the constant endeavour of the Income Tax Department to improve Tax Payers Services by making compliance easy and smooth”*.

Roll Out Of Common IT Return Form

The Finance Minister announced rolling out of a next-generation Common IT Return Form for tax payer convenience and strengthening of grievance redressal mechanism to further improve Tax Payers Services. She said that the constant endeavour of the Income Tax Department to make tax compliance easy and smooth. *“Our tax payers’ portal received a maximum of 72 lakh returns in a day; processed more than 6.5 crore returns this year; average processing period reduced from 93 days in financial year 13-14 to 16 days now; and 45 per cent of the returns were processed within 24 hours”*, she said.

MSMEs and Professionals

Smt Sitharaman said that micro enterprises with turnover up to Rs 2 crore and certain professionals with turnover of up to Rs 50 lakh can avail the benefit of presumptive taxation. She proposed to provide enhanced limits of Rs 3 crore and Rs 75 lakh respectively, to the tax payers whose cash receipts are no more than 5%. She also proposed to allow deduction for expenditure incurred on payments made to MSMEs so as to support them in timely receipt of payments. She proposed to include payments made to such enterprises within the ambit of section 43B of the Micro, Small and Medium Enterprises Development Act. It will be allowed on accrual basis only if the payment is within the time mandated under the Act.



Direct Tax Proposals

✓ MSMEs & Professionals:

- To enhance limits of presumptive taxation to **Rs 3 Cr** for Micro Enterprises and **Rs 75 lakh** for professionals with cash payments less than 5%

✓ Cooperation:

- **15% concessional tax** to promote new manufacturing cooperative society
- Threshold limit for co-operatives to withdraw cash without TDS increased to **Rs 3 Cr**

✓ Start-Ups:

- Date of Incorporation for Income Tax benefits to Start-Ups extended to **31st March 2024**
- ✓ To cap deduction from capital gains on investment in residential house to **Rs. 10 Cr**
- ✓ **Agniveers to get tax exemption** on payment received from Agniveer Corpus Fund



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Co-operative Sector

The Finance Minister announced that the new co-operatives that commence manufacturing activities till 31.3.2024 shall get the benefit of a lower tax rate of 15%, as is presently available to new manufacturing companies. She further proposed to provide an opportunity to sugar co-operatives to claim payments made to sugarcane farmers for the period prior to assessment year 2016-17 as expenditure. *“This is expected to provide them with a relief of almost Rs 10,000 crore”,* she said.

Smt Sitharaman also announced providing a higher limit of Rs 2 lakh per member for cash deposits to and loans in cash by Primary Agricultural Co-operative Societies (PACS) and Primary Co-operative Agriculture and Rural Development Banks (PCARDBs). *“Similarly, a higher limit of Rs 3 crore for TDS on cash withdrawal is being provided to co-operative societies”*, she said. These proposals aim at realizing Prime Minister’s goal of *“Sahkar se Samriddhi”*, and his resolve to “connect the spirit of cooperation with the spirit of Amrit Kaal”.

Start-Ups

The Finance Minister proposed to extend the date of incorporation for income tax benefits to start-ups from 31.03.23 to 31.3.24. She further proposed to provide the benefit of carry forward of losses on change of shareholding of start-ups from seven years of incorporation to ten years. *“Entrepreneurship is vital for a country’s economic development. We have taken a number of measures for start-ups and they have borne results”*, she said and added that India is now the third largest ecosystem for start-ups globally, and ranks second in innovation quality among middle-income countries.

Appeals

Smt Nirmala Sitharaman proposed to deploy about 100 Joint Commissioners for disposal of small appeals so as to reduce the pendency of appeals at Commissioner level. *“We shall also be more selective in taking up cases for scrutiny of returns already received this year”*, she said.

Better Targeting Of Tax Concessions

For better targeting of tax concessions and exemptions, Smt Sitharaman proposed to cap deduction from capital gains on investment in residential house under sections 54 and 54F to Rs 10 crore. *“Another proposal with similar intent is to limit income tax exemption from proceeds of insurance policies with very high value”*, she said.

Improving Compliance And Tax Administration

The Finance Minister proposed to reduce the minimum time period required to be provided by the transfer pricing officer to assessee for production of documents and information from 30 days to 10 days. She also proposed to amend the time period for filing of appeal against the order of the Adjudicating authority under Benami Act within a period of 45 days from the date when such order is received by the Initiating Officer or the aggrieved person. *“The definition of ‘High Court’ is also proposed to be modified to allow determination of jurisdiction for filing appeal in the case of non-residents”*, she said.

Rationalization

The Finance Minister announced a number of proposals relating to rationalization and simplification. She stated that Income of authorities, boards and commissions set up by statutes

of the Union or State for the purpose of housing, development of cities, towns and villages, and regulating, or regulating and developing an activity or matter, was proposed to be exempted from income tax.

Other major measures proposed by the Union Minister in this direction were: Removing the minimum threshold of Rs 10,000/- for TDS & clarifying taxability relating to online gaming; Not treating conversion of gold into electronic gold receipt and vice versa as capital gain; Reducing the TDS rate from 30% to 20% on taxable portion of EPF withdrawal in non-PAN cases; and Taxation on income from Market Linked Debentures.

Others

Smt Sitharaman also announced other major proposals in the Finance Bill which related to: Extension of period of tax benefits to funds relocating to IFSC, GIFT City till 31.03.2025; Decriminalization under section 276A of the Income Tax Act; Allowing carry forward of losses on strategic disinvestment including that of IDBI Bank; and Providing EEE status to Agniveer Fund. *“The payment received from the Agniveer Corpus Fund by the Agniveers enrolled in Agnipath Scheme, 2022 is proposed to be exempt from taxes”*, she said.

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**PRESS INFORMATION BUREAU
GOVERNMENT OF INDIA**

**BASIC CUSTOMS DUTY RATES ON GOODS, OTHER THAN TEXTILES AND
AGRICULTURE, REDUCED FROM 21 TO 13**

**CUSTOM DUTY EXEMPTED ON IMPORT OF CAPITAL GOODS AND MACHINERY
FOR MANUFACTURE OF LITHIUM-ION CELLS FOR BATTERIES USED IN
ELECTRIC VEHICLES**

EXEMPTION IN CUSTOM DUTY ON VARIOUS PARTS OF IT & ELECTRONICS

**INVERSION OF DUTY STRUCTURE RECTIFIED FOR ELECTRIC KITCHEN
CHIMNEYS**

DENATURATED ETHYL ALCOHOL EXEMPTED FROM BASIC CUSTOMS DUTY

BIG PUSH TO DOMESTIC MANUFACTURE OF AQUATIC FEED

**NO CUSTOMS DUTY ON SEEDS USED IN THE MANUFACTURING OF LAB
GROWN DIAMONDS**

**NATIONAL CALAMITY CONTINGENT DUTY (NCCD) ON SPECIFIED
CIGARETTES RAISED BY ABOUT 16%**

New Delhi, 1st February 2023

With an aim to promote exports, boost domestic manufacturing, enhance domestic value addition and encourage green energy and mobility, the Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman presented the Union Budget 2023-24 in Parliament today. She emphasised, “*A simplified tax structure with fewer tax rates helps in reducing compliance burden and improving tax administration.*”

The Finance Minister proposed to reduce the number of Basic Custom Duty (BCD) rates on goods, other than textiles and agriculture, from 21 to 13. This has necessitated minor changes in the basic custom duties, cesses and surcharges on some items including toys, bicycles, automobiles and naphtha.



Indirect Tax Proposals



✓ Green Mobility:

- To exempt excise duty on GST-paid compressed bio gas

✓ Electronics:

- To provide relief in customs duty on import of certain parts of mobile phones
- To reduce basic customs duty on parts of open cells of TV panels to 2.5%

✓ Electricals:

- To increase basic customs duty on electric kitchen chimney from 7.5% to 15%
- To reduce basic customs duty on chimney heat coils from 20% to 15%

✓ Chemicals and Petrochemicals:

- To exempt basic customs duty on chemicals and petrochemicals
- To reduce basic customs duty on acid grade fluorspar and crude glycerine to 2.5%

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Green Mobility

In order to avoid cascading of taxes on blended compressed natural gas, the Finance Minister proposed to exempt excise duty on GST-paid compressed bio gas contained in it. To further provide impetus to green mobility, she announced to extend the customs duty exemption to

import of capital goods and machinery required for manufacture of lithium-ion cells for batteries used in electric vehicles.

IT & Electronics

Smt. Sitharaman proposed to provide relief in customs duty on import of certain parts and inputs like camera lens and continue the concessional duty on lithium-ion cells for batteries for another year in order to further deepen domestic value addition in manufacture of mobile phones. The Minister stated that the mobile phone production in India had increased from 5.8 crore units valued at about Rs. 18,900 crore in 2014-15 to 31 crore units valued at over Rs. 2,75,000 crore in the last financial year as a result of various initiatives of the Government, including the Phased Manufacturing programme.

She also proposed to reduce the BCD on parts of open cells of TV panels to 2.5% to promote value addition in manufacture of televisions.

Electrical

The Finance Minister proposed an increase in the BCD on electric kitchen chimney from 7.5% to 15% and a reduction on heat coils from 20% to 15%. This change would rectify inversion of duty structure and encourage manufacturing of electric kitchen chimneys.

Chemicals and Petrochemicals

To support the Ethanol Blending Programme and facilitate India's endeavour for energy transition, the Minister proposed to exempt BCD on denatured ethyl alcohol. She also announced to reduce BCD on acid grade fluorspar from 5 % to 2.5% to make the domestic fluorochemicals industry competitive. The BCD on crude glycerin for use in manufacture of epichlorohydrin was also proposed to be reduced from 7.5% to 2.5%.

Marine Products

The Finance Minister proposed to reduce the BCD on key inputs for domestic manufacture of shrimp feed to enhance the export competitiveness of marine products. She stated that the marine products recorded the highest export growth in the last financial year, benefitting farmers in the coastal states of the country.

Lab Grown Diamonds

The Budget proposed to nullify the BCD on seeds used in the manufacturing of Lab Grown Diamonds from the current 5%. The Finance Minister stated that India contributed about three-fourths of the global turnover by value in cutting and polishing of natural diamonds industry. With the depletion in deposits of natural diamonds, the industry is moving towards Lab Grown Diamonds.

Precious Metals

The Minister proposed to increase the duties on articles made from dore and bars of gold and platinum to enhance the duty differential. The customs duties on dore and bars of gold and platinum were increased earlier this fiscal. She also proposed to increase the import duty on silver dore, bars and articles to align them with that on gold and platinum.

Metals

To facilitate the availability of raw materials for the steel sector, the Finance Minister proposed to continue the exemption from BCD on raw materials for manufacture of CRGO Steel, ferrous scrap and nickel cathode. She also proposed to continue the concessional BCD of 2.5% on copper scrap to ensure the availability of raw materials for secondary copper producers who are mainly in the MSME sector.

Compounded Rubber

Smt. Sitharaman proposed to increase BCD rate on compounded rubber from 10% to '25 per cent or Rs. 30/kg whichever is lower', at par with that on natural rubber other than latex, to curb circumvention of duty.

Cigarettes

The Finance Minister proposed to revise upwards the National Calamity Contingent Duty (NCCD) on specified cigarettes by about 16%. It was last revised 3 years ago.



Indirect Tax Proposals



✓ Marine products:

- To reduce duty on key inputs for domestic manufacture of shrimp feed

✓ Lab Grown Diamonds:

- To reduce basic customs duty on seeds used in their manufacturing

✓ Precious Metals:

- To increase customs duties on articles made from gold and platinum
- To increase import duty on silver dore, bars and articles

✓ Compounded Rubber:

- To increase basic customs duty rate on compounded rubber from 10% to 25%

✓ Cigarettes:

- National Calamity Contingent Duty (NCCD) on specified cigarettes to be revised upwards by about 16%

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Legislative Changes in GST Laws

Amendments to Sections 132 and 138 of CGST Act are proposed to

- Raise the minimum threshold of tax amount for launching prosecution under GST from Rs. 1 crore to Rs. 2 crore, except for the offence of issuance of invoices without supply of goods or services or both;
- reduce the compounding amount from the present range of 50% to 150% of tax amount to the range of 25% to 100%;
- decriminalize certain offences specified under clause (g), (j) and (k) of sub-section (1) of section 132 of CGST Act, 2017, viz.-
 - obstruction or preventing any officer in discharge of his duties;
 - deliberate tempering of material evidence;
 - failure to supply the information.

Smt. Sitharaman also proposed to amend Sections 37, 39, 44 and 52 of CGST Act, 2017 to restrict filing of returns/ statements to a maximum period of **three years** from the due date of filing of the relevant return / statement.

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**Press Information Bureau
Government of India**

**ABOUT 16 % INCREASE IN NATIONAL CALAMITY CONTINGENT DUTY ON
SPECIFIED CIGARETTES: PROPOSES BUDGET 2023-24**

New Delhi, 1st February, 2023

While presenting the Union Budget 2023-24 in Parliament today, Union Minister for Finance & Corporate Affairs Smt Nirmala Sitharaman proposed to revise National Calamity Contingent Duty (NCCD) on specified cigarettes upwards by about 16 percent.



Indirect Tax Proposals



✓ Marine products:

- To reduce duty on key inputs for domestic manufacture of shrimp feed

✓ Lab Grown Diamonds:

- To reduce basic customs duty on seeds used in their manufacturing

✓ Precious Metals:

- To increase customs duties on articles made from gold and platinum
- To increase import duty on silver dore, bars and articles

✓ Compounded Rubber:

- To increase basic customs duty rate on compounded rubber from 10% to 25%

✓ Cigarettes:

- National Calamity Contingent Duty (NCCD) on specified cigarettes to be revised upwards by about 16%

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The NCCD on specified cigarettes was last revised three years ago.

NCCD Duty rate on Cigarettes |(with effect from 02.02.2023):

Description of goods	Rate of Excise Duty
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	From (Rs per 1000 sticks)	To (Rs. Per 1000 sticks)
Other than filter cigarettes of length not exceeding 65 mm	200	230
Other than filter cigarettes of length exceeding 65 mm but not exceeding 70 mm	250	290
Filter cigarettes of length not exceeding 65 mm	440	510
Filter cigarettes of length exceeding 65 mm but not exceeding 70 mm	440	510
Filter cigarettes of length exceeding 70 mm but not exceeding 75 mm	545	630
Other cigarettes	735	850
Cigarettes of tobacco substitutes	600	690

RM/MV/M/PS

PRESS INFORMATION BUREAU

GOVERNMENT OF INDIA

37.4% INCREASE IN CAPITAL EXPENDITURE TO 10 LAKH CRORE IN BE 2023-24

**REVENUE EXPENDITURE TO GROW BY 1.2 % AT Rs. 35.02 LAKH CRORE IN 2023-24
Rs. 45.03 LAKH CRORE TO BE THE TOTAL EXPENDITURE IN 2023-24; INCREASE OF
7.5% OVER 2022-23**

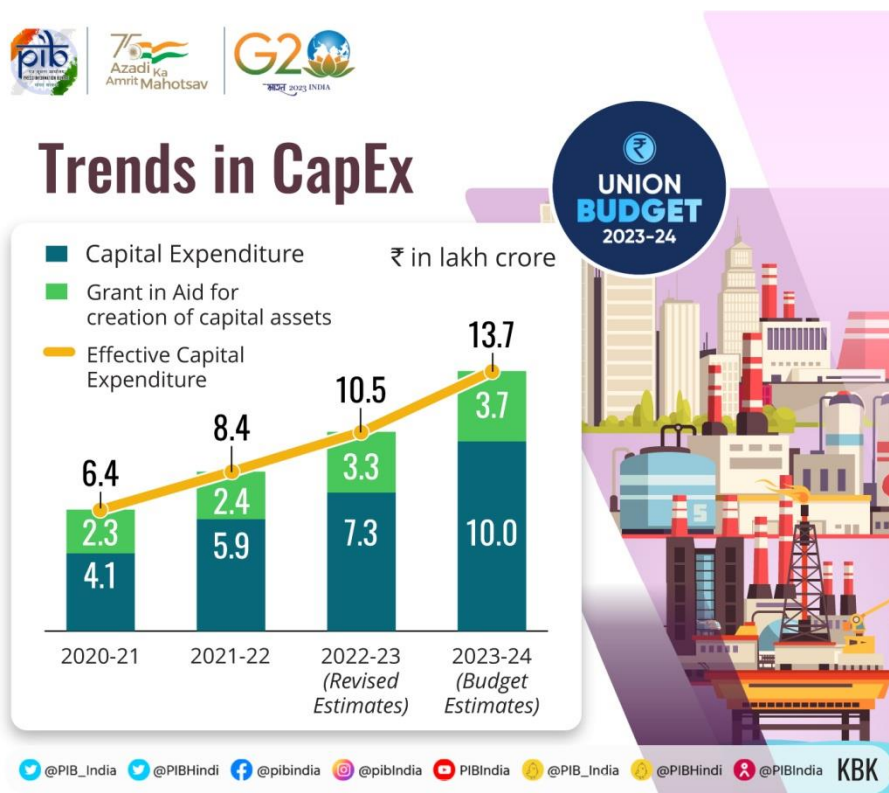
**30% INCREASE IN FINACIAL ASSISTANCE TO STATES AT RS. 1.30 LAKH CRORE FOR
CAPEX**

New Delhi, 1ST February 2023

“Investments in infrastructure and Productive capacity have a large multiplier impact on growth and employment” said the Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman in Parliament today while presenting the Union Budget 2023-24.

Capital Investment as a driver of growth and jobs

To ramp the virtuous cycle of Investment and job creation the budget took lead again by steeply increasing the capital expenditure outlay by 37.4 % in BE 2023-24 to whopping Rs.10 lakh crore over Rs. 7.28 lakh crore in RE 2022-23.



The Statements of fiscal policy highlighted that the capex is almost 3 times of the capital expenditure in FY 2019-20. The key infrastructure and strategic Ministries such as Road Transport and Highways, Railways, Defence, etc. will lead in driving the capital expenditure in FY 2023-24. According to fiscal policy it magnifies government's thrust on infrastructure

development through enhanced capital expenditure. It also seeks to ensure equity and equality of such investments across the country. This is in line with the Government's focus and commitment to Four I's - Infrastructure, Investment, Innovation and Inclusion in the next 25 years.

To strengthen the hands of the States in the spirit of cooperative fiscal federalism, the scheme for providing financial assistance to the States for capital expenditure introduced in FY 2022-23 has been extended in FY 2023-24, with the enhanced outlay of Rs.1.30 lakh crore. This represents an increase of 30 per cent over BE 2022-23 allocation and accounts to nearly 0.4 per cent of GDP of FY 2023-24.

Revenue expenditure

The budget notes that revenue expenditure is estimated to grow by 1.2 % at Rs. 35.02 lakh crore in 2023-24 over Rs. 34.59 lakh crore. Major components of revenue expenditure include interest payments, major subsidies, pay and allowances of government employees, pensions, defence revenue expenditure, and transfers to States in the form of Finance Commission grants, Centrally Sponsored Schemes, etc. Grants to Central autonomous bodies are a substantial part of the Central Sector schemes.

- **Interest Payments**

Interest payments are estimated to be Rs. 10.80 lakh crore which is 30.8 % of the total revenue expenditure.

- **Subsidies**

According to the fiscal statement subsidies form a significant portion of the Revenue expenditures which includes food, fertilizer, and petroleum subsidies. Major subsidies at Rs.3.75 lakh crore (1.2 per cent of GDP) is 10.7 % of Revenue Expenditure in BE 2023-24.

- **Finance Commission Grants**

As per the budget the total FC grants under various categories, such as Revenue Deficit Grants to the States, Grant for Urban and Rural Local Bodies and others are estimated to the tune of Rs. 1.65 lakh crore in FY 2023-24.

- **Pensions**

The expenditure to witness rise to about Rs.2.45 lakh crore in RE 2022-23 from Rs 2.07 lakh crore in BE 2022-23. The main reason behind this increase in RE 2022-23 is clearing the dues of OROP with respect to Defence Personnel. Pension payments are expected to be at Rs.2.34 lakh crore in BE 2023-24, representing 0.8 per cent of the estimated GDP. This includes a provision of about Rs.1.38 lakh crore for defence pensions.



Total expenditure

The fiscal policy statement highlighted the total expenditure is to be Rs. 45.03 lakh crore in 2023-24; increase of 7.5% over 2022-23.

Devolution to states

The devolution to states under 15th finance commission to be about Rs. 9.48 lakh crore on account of increased tax receipts during the year and adjusting the amount of approximately Rs. 32,600 crore on account of prior period adjustments payable by the Union Government to the States. As per 15th FC recommendations, tax devolution to the States works out to be Rs. 10.21 lakh crore in BE 2023-24.

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