



Summary of UNION BUDGET 2022-23



UNION BUDGET
केन्द्रीय बजट

The most concise and
comprehensive summary of
Union Budget 2022-23

Compiled by www.ixamBee.com

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Introduction

What is the Union Budget?

As per **Article 112 of the Indian Constitution**, the Union Budget is defined as a statement of the estimated receipts and expenditure of the government for that particular year. It is also referred to as the Annual Financial Statement as it details the account of the government finances for the financial year that starts from 1st April to 31st March.

- Since 2017, the Union Budget is being presented on the first working day of February (before that it was presented on the last working day of February).
- In 2017, a 92-year-old tradition was broken when the railway budget was merged with the Union Budget and presented together.
- The Economic Survey of India is released ahead of the presentation of the Budget. This document is prepared under the guidance of the Chief Economic Advisor and is presented for discussion in both Houses during the Budget session.

Union Budget 2022-23

- The budget is **prepared by the Department of Economic Affairs** under the Ministry of Finance.
- Budget 2022-23 is also the digital Union Budget presented like the previous Budget of 2021-22.
- The budget was **presented by Minister of Finance** and Corporate Affairs – Ms. Nirmala Sitharaman on February 01, 2022.
- The Finance Minister stated that “*The overall, sharp rebound and recovery of the economy from the adverse effects of the pandemic is reflective of our country’s strong resilience*”
- It contains **budget information for 3 financial years:**
 - i. Budget estimates i.e., estimated receipt and expenditure for FY 2022-23 (for the coming year)
 - ii. Revised estimates of receipt and expenditure for FY 2021-22 (since the FY has not ended yet)
 - iii. Actual receipt and expenditure of FY 2020-21

‘AZADI ka Amrit Mahotsav’

The finance minister stated that India is celebrating Azadi ka Amrit Mahotsav and has entered Amrit Kaal, the years leading up to India@100, the aim is to achieve the vision of PM outlined in the Independence Day address:

- 1) Complementing the macro-economic level growth focus with a microeconomic level all-inclusive welfare focus,
- 2) Promoting digital economy & fintech, technology-enabled development, energy transition, and climate action,
- 3) and relying on a virtuous cycle starting from private investment with public capital investment helping to crowd-in private investment.

Theme of the Budget 2022-23 – Four priorities

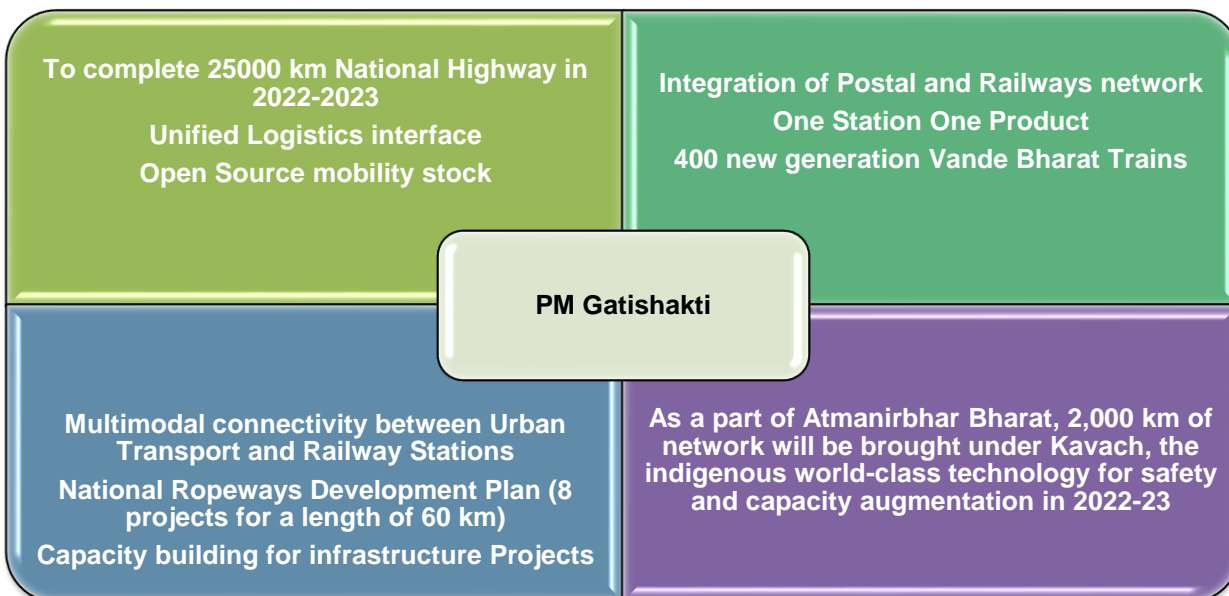
The Budget proposals for 2022-2023 rest on 4 priorities.



4 Priorities of the Budget 2022-23

Priority 1 – PM Gatishakti

National Master Plan for World-Class Infrastructure



Agriculture:

- The procurement of wheat in Rabi 2021-22 and the estimated procurement of paddy in Kharif 2021-22 will cover 1208 lakh metric tonnes of wheat and paddy from 163 lakh farmers, and 2.37 lakh crore direct payment of MSP value to their accounts.
- Chemical-free natural farming will be promoted and **2023 will be an international year of 'Millets'**.
- Use of 'Kisan Drones' will be promoted for crop assessment, digitization of land records, spraying of insecticides, and nutrients.
- A fund with blended capital raised through a co-investment model to be facilitated by NABARD. To promote and finance agri start-ups.
- Comprehensive scheme to increase domestic production of the oilseed in order to reduce imports.
- implementation of the **Ken-Betwa Link Project**, at an estimated cost of Rs 44,605 crore will be taken up aimed at providing **irrigation benefits to 9.08 lakh** hectares of farmers' lands, **drinking water supply for 62 lakh people, 103 MW of Hydro, and 27 MW of solar power (4300 crores for this project in 2021-22 and 1400 crores in 2022-23)**
- **5 such more projects-** five river links, namely Damanganga-Pinjal, Par-Tapi-Narmada, Godavari-Krishna, Krishna-Pennar, and Pennar-Cauvery will be taken up.

MSMEs

- Interlinking Udyam, E-Shram, NCS, and ASEEM Portals.
- **Emergency Credit Line Guarantee Scheme (ECLGS)** with a focus on Hospitality and related services (guarantee cover will be expanded by 50000 crores to the total cover of Rs 5.00 lakh crore)
- **Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE)** scheme will be revamped with an additional credit of 2 lakh crores.
- **MSME Performance (RAMP) program** with an outlay of Rs 6,000 crore over 5 years will be rolled out

Education and Skill Development

- A Digital University will be established on a networked hub-spoke model to give world-class education experience.
- **Desh e-Stack Portal**—a digital ecosystem for skilling and livelihood will be launched. Startups will be promoted to facilitate 'Drone Shakti' through varied applications and for Drone-As-A-Service (DrAAS).
- **'One class-one TV channel' program of PM eVIDYA** will be expanded from 12 to 200 TV channels and this will enable all states to provide supplementary education in regional languages for classes 1-12.
- 750 virtual labs in science and mathematics, and 75 skilling e-labs for the simulated learning environment

Health

- Under Ayushman Bharat Digital Mission, an open platform for the National Digital Health Ecosystem will be rolled out.

National Tele Mental Health Program for quality counselling

network of 23 tele-mental health centers of excellence, with NIMHANS being the nodal center of the International Institute of Information Technology-Bangalore (IIITB) providing technology support.

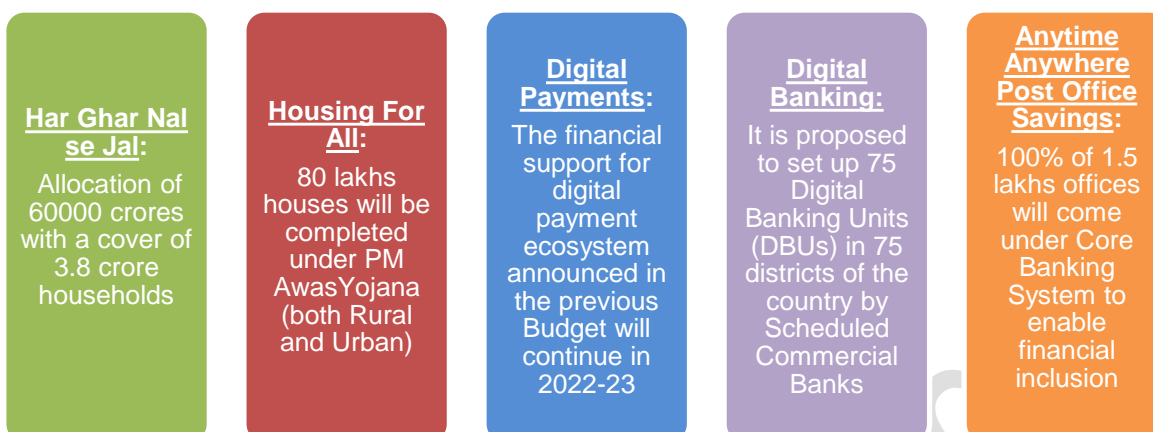
Integrated Architecture: Mission Shakti, Mission Vatsalya, Saksham Anganwadi and Poshan 2.0 to be launched

2 lakhs Anganwadis to be upgraded to Saksham Anganwadis

Outlay in 2022-23 BE (in Crores)
Mission Vatsalya: 1472
Mission Shakti: 3184

Outlay in 2022-23 BE (in crores)
Saksham Anganwadi and Poshan 2.0: 20263
PM Poshan : 10234

Priority 2: Inclusive Development



Additional Information:

- ✓ The current coverage of HarGhar, Nal Se Jal is 8.7 crores; of this 5.5 crore households were provided tap water in the last 2 years itself.
- ✓ 48000 Crores is allocated for the "Housing for All" Scheme.
- ✓ **Prime Minister's Development Initiative for North East Region (PM-DevINE) ----** Funding Infrastructure and Social Development Projects **and** initial allocation for the same is 1500 crores. The objective is to enable livelihood for women and youth and fill the gaps in sectors of the economy.
- ✓ **Vibrant Village Program:** Targeting the development of villages on the northern border-left out of development
- ✓ **Aspirational Block program:** for development of lagging blocks of aspirational districts.

Priority 3: Productivity Enhancement and Investment, Sunrise Opportunities, Energy Transition, and Climate Action.

Productivity Enhancement and Investment:

Ease of doing Business 2.0 and Ease of Living: (Trust-Based Governance)

- Issuance of chip-embedded e-passports
- Modernization of building bye-laws, implementing town planning schemes, transit-oriented development
- Establishing Centre of Excellence in Urban Planning
- Providing a battery swapping Policy as an alternative to setting up charging stations in Urban Areas.
- A scheme for design-led manufacturing will be launched to build a strong ecosystem for 5G as part of the Production Linked Incentive Scheme.
- Opening up defense R&D for startups, academia, and industry (with 25% of budget earmarked)

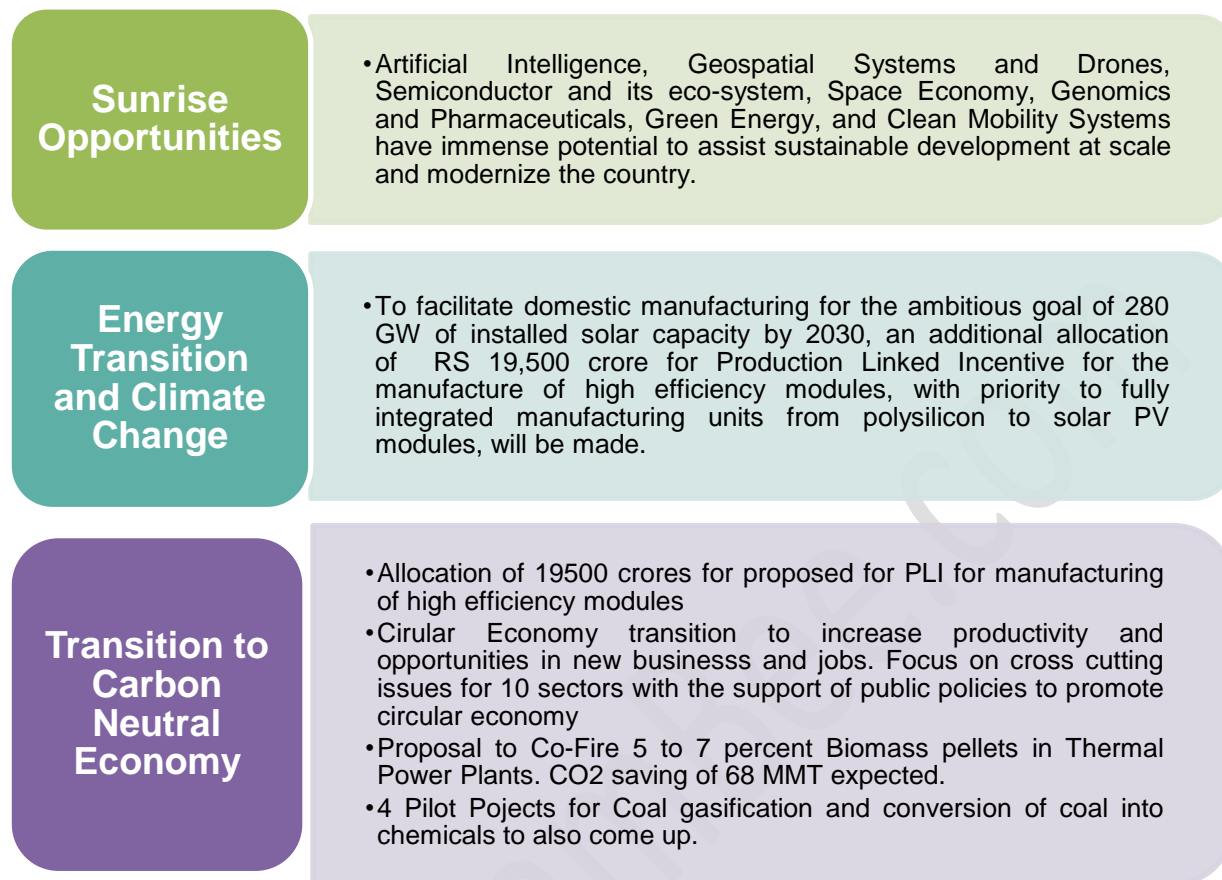
- Expanding Scope of PARIVESH (for green clearances) Portal
- Animation, Visual Effects, Gaming, and Comic Promotion (AVCG) task force
- End-to-end online e-billing system and utilizing surety bonds in government procurement.
- Establishing C-PACE to facilitate voluntary winding up of companies. To reduce time from 2 years to 6 months.
- Unique Land Parcel Identification Number for IT-based management of Land records.
- Integration of Central and State level systems through IT bridges.
- 68% capital procurement budget for Defense Sector from domestic industry in 2022-23 (Up from 58% in 2021-22)

Additional Information:

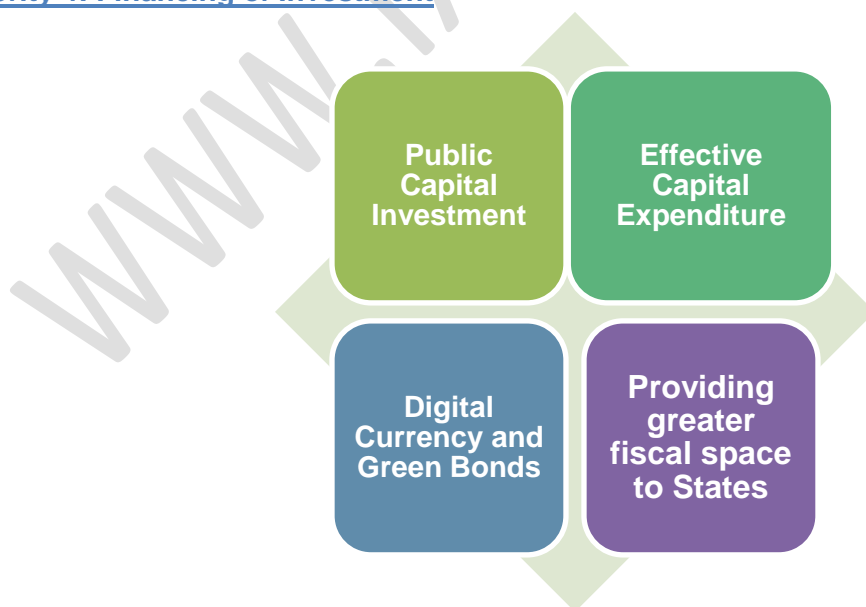
- ✓ **Centers of excellence will be provided endowment funds of Rs 250 crores each.** In addition, AICTE will take the lead to improve syllabi, quality, and access to urban planning courses in other institutions.
- ✓ To promote a shift to the use of public transport in urban areas will be complemented by cleantech and governance solutions, special mobility zones with zero fossil-fuel policy, and EV vehicles.
- ✓ To continue to provide momentum to “Make in India”, a one-year extension to the due date (extended to 31 March 2024) for commencing commercial production by new manufacturing units has been proposed under Section 115BAB. This should provide new manufacturing
- ✓ The contracts for laying optical fiber in all villages, including remote areas, will be awarded under the BharatNet project through PPP in 2022-23. Completion is expected in 2025
- ✓ Five percent of annual collections under the Universal Service Obligation fund to be allocated to promote R&D and commercialization of technologies and ensure affordable broadband and technology proliferation in rural India
- ✓ Indigenous niche players building up technologies around O RAN, private networks, small cells, amongst others, could benefit with the 5 percent USO layout
- ✓ The Special Economic Zones Act will be replaced with new legislation that will enable the states to become partners in ‘Development of Enterprise and Service Hubs’

Name of the Sector	Allocation under PLI Scheme 2022-23 BE (in crores)
Telecom and Networking Products	528.00
Pharmaceuticals	1629.00
Large Scale Electronic and IT Hardware	5300.00

- ✓ Indirect Tax Proposals:
BCD rates on lenses for the manufacturing of cellular phones’ camera modules have been lowered from 15 percent/10 percent to 2.5 percent, w.e.f. 2 February 2022



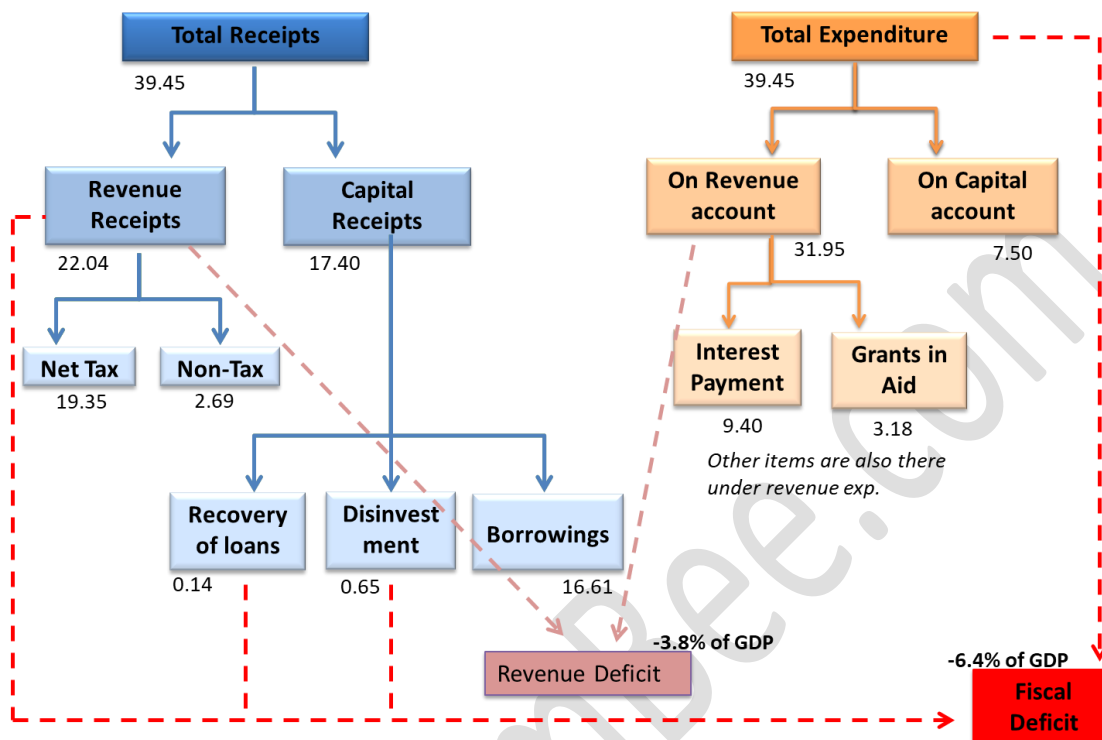
Priority 4: Financing of Investment



Additional Information

<p><u>Capital Investment</u></p> <ul style="list-style-type: none"> • Outlay for Capital Expenditure stepped up by 35.4% (5.54 lakh crores in the current year to 7.5 lakh crores in 2022-23) • This Outlay will be 2.9% of GDP • Along with this expenditure and provision made for the creation of capital assets through grant-in-aid to states, the total effective expenditure of Center is estimated at 10.68 lakh crores (estimated to be 4.1% of GDP) 	<p><u>Providing Greater fiscal Space to the States</u></p> <ul style="list-style-type: none"> • Reduction on the gross fiscal deficit to States (RE: 4.6%-2021-21 BE: 3.7%-2021-22) • The states will be allowed a fiscal deficit of 4 percent of GSDP of which 0.5 percent will be tied to power sector reforms, • Scheme for Financial Assistance to States for Capital Investment' enhanced from Rs 10,000 crore in the Budget Estimates to Rs 15,000 crore • The allocation is Rs 1 lakh crore to assist the states in catalyzing overall investments in the economy
<p><u>Digital Currency</u></p> <ul style="list-style-type: none"> • Digital Rupee, using blockchain and other technologies, to be issued by the Reserve Bank of India starting 2022-23 • RBI Act to be amended to include a definition of "banknotes" which will comprise physical as well as a digital form of currency. This is to facilitate the issuance of digital rupee in the form of CBDC in FY22-23 	<p><u>Green Bonds</u></p> <ul style="list-style-type: none"> • Sovereign Green Bonds will be issued for mobilizing resources for green infrastructure that will help in reducing the carbon intensity of the economy
<p><u>GIFT-IFSC</u></p> <ul style="list-style-type: none"> • World-class Universities and Institutions will be allowed in the GIFT City to offer courses in various fields • An International Arbitration Centre will be set up in the GIFT City for timely settlement of disputes under international jurisprudence • The measures taken by the government to extend the income-tax exemption benefits that were granted last year to the aircraft leasing industry in IFSC-GIFT City, will now be extended to the ship leasing industry and should help foreign leasing companies, which are looking to set up operations in IFSC-GIFT City. • The income-tax exemption has been granted to foreign investors who transact in ODs and OTC derivatives, written by an OBU located in IFSC-GIFT City. It will bring such businesses on-shore to India. 	<ul style="list-style-type: none"> • Blended Finance for Sunrise Sectors • An expert committee to be set-up to scale up investments from VC and PE funds

Budget at a Glance 2022-23



Figures in Rs. Lakh crore

- **Fiscal Deficit** is the difference between the Revenue Receipts plus Non-debt Capital Receipts (like receipts from disinvestment and recovery of loans) and the total expenditure. **Fiscal Deficit is reflective of the total borrowing requirements of Government**
- **Revenue Deficit** refers to the excess of revenue expenditure over revenue receipts. It shows government's shortfall over current receipt and current expenditure.
- **Effective Revenue Deficit** is the difference between Revenue Deficit and Grants for Creation of Capital Assets.
- **Primary Deficit** is measured as Fiscal Deficit less interest payments. It tells us how much Government's borrowing is going towards meeting expenses other than interest payment (*interest payment is the single largest revenue expenditure of Central Government*).

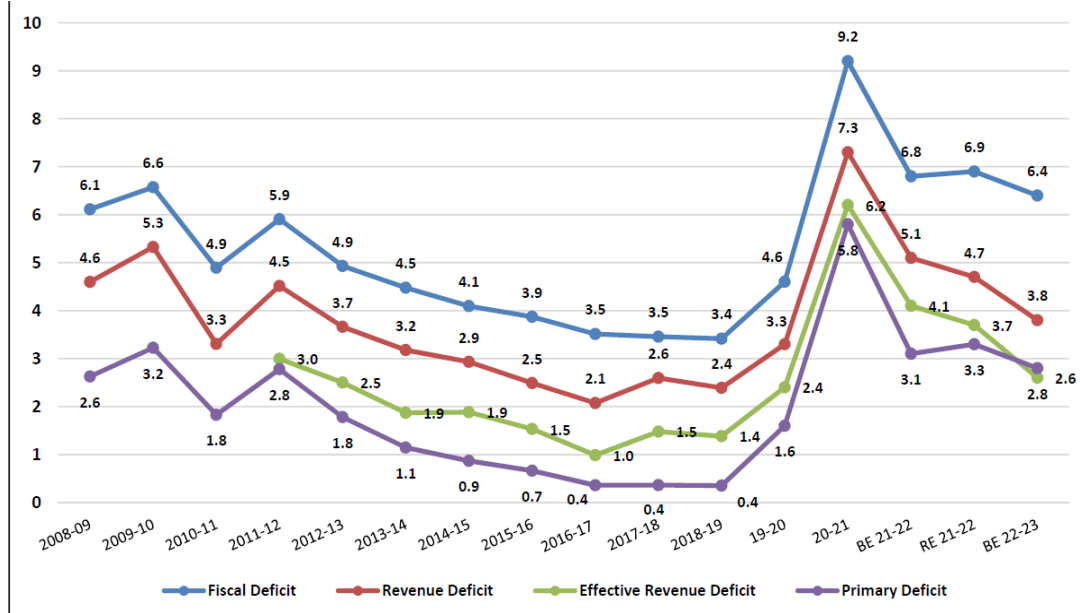
Highlights of Fiscal Position

- ✓ **The total expenditure:** The government is estimated to spend Rs 39,44,909 crore during 2022-23. This is an increase of 4.6% over the revised estimate of 2021-22. Out of the total expenditure, revenue expenditure is estimated to be Rs 31,94,663 crore (0.9% increase) and capital expenditure is estimated to be Rs 7,50,246 crore (24.5% increase). The increase in capital expenditure is mainly due to a substantial increase in loans and advances to state governments. Loans and advances by the central government are estimated to be Rs 1,40,057 crore in 2022-23, an increase of 153% over the revised estimates for 2021-22.
- ✓ **Total Receipts:** Government receipts (excluding borrowings) are estimated to be Rs 22,83,713 crore, an increase of 4.8% over the revised estimates of 2021-22. The gap between these receipts and the expenditure will be plugged by borrowings, budgeted to be Rs 16,61,196 crore, an increase of 4.4% over the revised estimate of 2021-22.

	Actuals 2020-21	Budgeted 2021-22	Revised 2021-22	Budgeted 2022-23	% change (RE 2021-22 to BE 2022-23)
Revenue Expenditure	30,83,519	29,29,000	31,67,289	31,94,663	0.9%
Capital Expenditure	4,26,317	5,54,236	6,02,711	7,50,246	24.5%
of which:					
Capital Outlay	3,15,826	5,13,862	5,47,457	6,10,189	11.5%
Loans and Advances	1,10,491	40,374	55,255	1,40,057	153.5%
Total Expenditure	35,09,836	34,83,236	37,70,000	39,44,909	4.6%
Revenue Receipts	16,33,920	17,88,424	20,78,936	22,04,422	6.0%
Capital Receipts	57,625	1,88,000	99,975	79,291	-20.7%
of which:					
Recoveries of Loans	19,729	13,000	21,975	14,291	-35.0%
Other receipts (including disinvestments)	37,897	1,75,000	78,000	65,000	
Total Receipts (excluding borrowings)	16,91,545	19,76,424	21,78,911	22,83,713	4.8%
Revenue Deficit	14,49,599	11,40,576	10,88,352	9,90,241	-9.0%
% of GDP	7.3%	5.1%	4.7%	3.8%	
Fiscal Deficit	18,18,291	15,06,812	15,91,089	16,61,196	4.4%
% of GDP	9.2%	6.8%	6.9%	6.4%	
Primary Deficit	11,38,422	6,97,111	7,77,298	7,20,545	-7.3%
% of GDP	5.8%	3.1%	3.3%	2.8%	

- ✓ **Disinvestment:** In 2021-22, the government is estimated to meet 45% of its disinvestment target (Rs 78,000 crore against a target of Rs 1,75,000 crore). The disinvestment target for 2022-23 is Rs 65,000 crore.
- ✓ **Transfer to States:** The central government will transfer Rs 16,11,781 crore to states and union territories in 2022-23. This is a marginal increase of 0.5% over the revised estimates of 2021-22.

- ✓ **Deficit:** The fiscal deficit for the year is expected to be 6.9 percent of the GDP, close to the budgeted estimate of 6.8 percent announced last year. The deficit is expected to fall to 6.4 percent in FY23, which is consistent with the broad path of fiscal consolidation announced last year to reach a fiscal deficit level below 4.5 percent by FY26. Revenue deficit is targeted at 3.8% of GDP



Source: indiabudget.gov.in

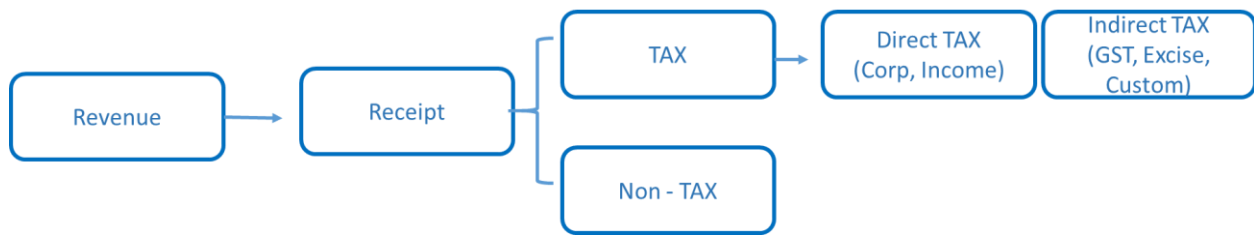
as a % of GDP

Sources of financing deficit

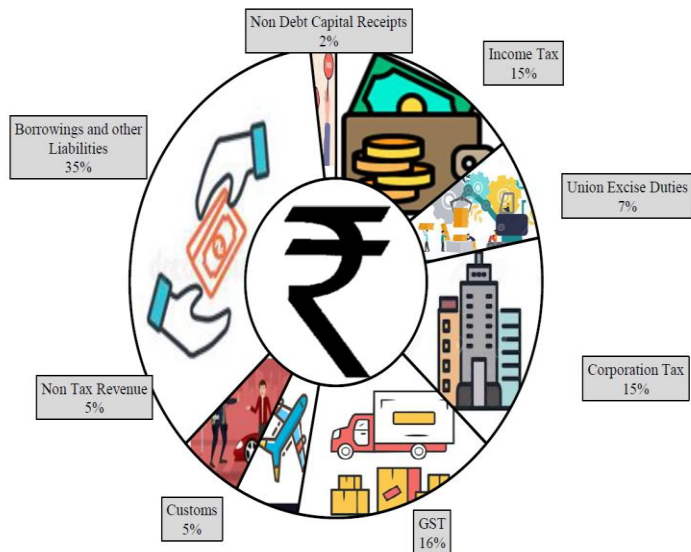
The government has budgeted for total debt receipts of Rs. 16,60,444 crore for 2022-23. The major source for financing the deficit is the market borrowings accounting for 70% of the total debt receipts at Rs.11,58,719 crore.

	2020-2021 वास्तविक Actuals	2021-2022 बजट अनुमान Budget Estimates	2021-2022 संशोधित अनुमान Revised Estimates	2022-2023 बजट अनुमान Budget Estimates
1. Debt Receipts (Net)	1825479	1435428	1416902	1660444
2. Market Borrowings (G-sec +T Bills)	1239737	967708	875771	1158719
3. Securities against Small Savings	483733	391927	591524	425449
4. State Provident Funds	18514	20000	20000	20000
5. Other Receipts (Internal Debts and Public Account)	13315	54280	(-)90140*	37025
6. External Debt	70181	1514	19746	19251
7. Draw Down of Cash Balance	(-)7188	71383	174187	752
8. Grand Total (1+7)	1818291	1506812	1591089	1661196

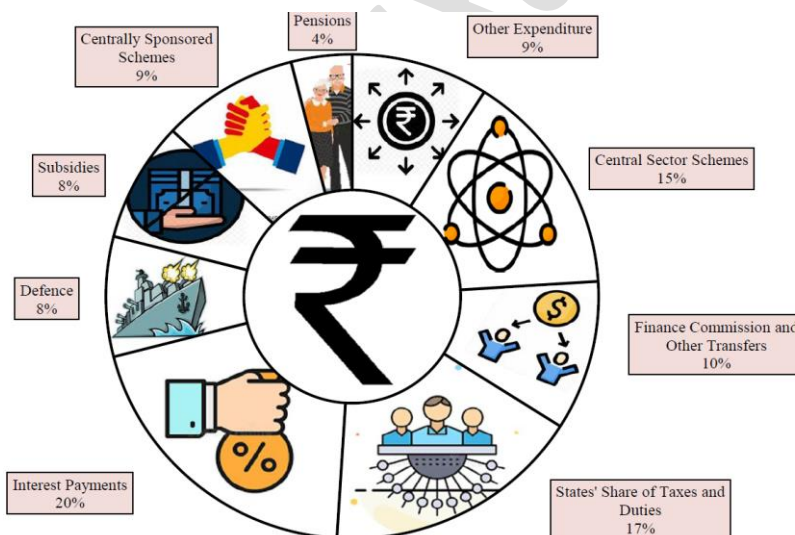
Rupee Comes From:



Tax Revenue from:
 Income Tax (15%)
 Corporation Tax (15%)
 GST (16%)
 Union Excise duties (7%)
 Customs (5%)

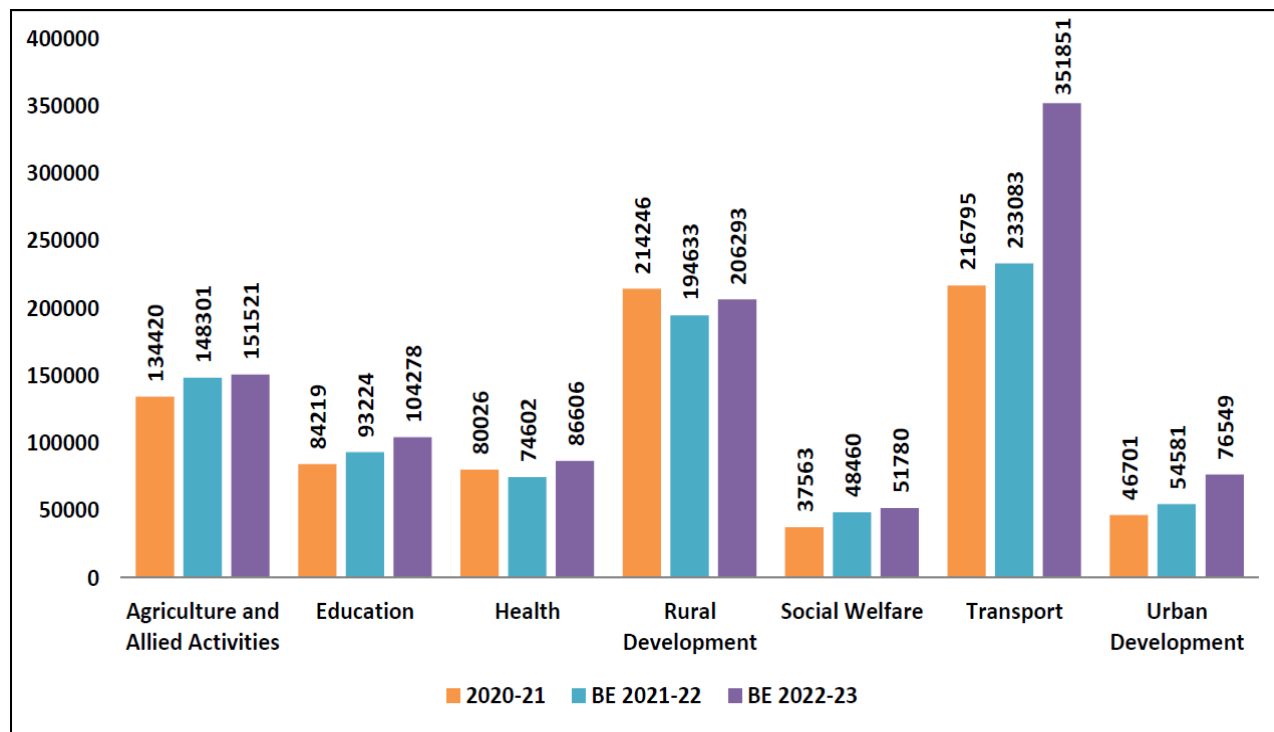


Rupee goes to:



Source: indiabudget.gov.in

Major Expenditures highlighted in the Budget 2022-23



Source: indiabudget.gov.in

Ministry-Wise Expenditure in Budget 2022-23

Name of the Ministry	Amount (Rs Crores)
Ministry of Communications	1,05,407.00
Ministry of Chemicals and Fertilizers	1,07,715.00
Ministry of Agriculture and Farmers' Welfare	1,32,514.00
Ministry of Rural Development	1,38,204.00
Ministry of Home Affairs	1,85,776.00
Ministry of Road Transport and Highways	1,99,108.00
Ministry of Consumer Affair and Public Distribution	2,176,84.00
Ministry of Defense	5,25,166.00
Ministry of Railways	1,40,367.00
Ministry of education	1,04,278.00
Ministry of Health and Family Welfare	86,201.00
Ministry of Jai Shakti	86,189.00
Ministry of Housing and Urban Affairs	7,65,49.00
Other Ministries	18,39,751.00
Total Expenditure	39,44,909.00

Source: Expenditure Budget 2022-23, Union Budget

- **Communication:** The allocation of the Ministry of Communications is estimated to increase by 50890 crores. This is mainly on account of the infusion of Capital in BSNL for Rs 44720 crores.
- **Road Transport and Highway:** The allocation of the Ministry of Road Transport and Highway is expected to increase by Rs 67959 crores (52%) because of the increase in investment in the National Highway Authority of India (Rs 1,34,015 crores in 2022-23)
- **Transfer to States for COVID-19 vaccines was Rs 39000 crores, higher than the estimates of Rs 35000 crores. Allocation for 2022-23 is Rs 5000 crores.**
- Allocation to the Ministry of Consumer Affairs, Food and Public Distribution and Chemicals and fertilizers has decreased because of reduction in food subsidy and fertilizer subsidy.

Expenditure on Subsidies 2022-23 (in crores)

	Revised 2021-22	Budgeted 2022-23	% Change
Food Subsidy	2,86,469	2,06,831	-27.8%
Fertilizer Subsidy	1,40,122	1,05,222	-24.9%
Petroleum Subsidy	6,517	5813	-10.8%
Other Subsidies	54,763	37,773	-31.0%
Total Subsidies	4,87,872	3,55,639	-27.1%

Major Schemes in Budget 2022-23

	Revised 2021-22	Budgeted 2022-23	% Change
MGNREGS	98,000	73,000	-25.5%
PM-KISAN	65,000	67,500	0.7%
Jai Jeevan Mission/National Rural Drinking Mission	45,011	60,000	33.33%
Pradhan Mantri Awas Yojana	47,390	48,000	1.3%
National Education Mission	30,796	39,553	28.4%
National Health Mission	34,947	37,800	8.2%
Saksham Anganwadi and POSHAN 2.0	20,000	20,263	1.3%
Modified Interest Subvention Scheme		19,500	
Pradhan Mantri Gram Sadak Yojana	14,000	19,000	35.7%
Pradhan Mantri Fasal Bima Yojana	15,989	15,500	-3.1%
National Livelihood Mission Aajeevika	12,505	14,236	13.8%
Amrut and Smart Cities Mission	13,900	14,100	1.4%
Pradhan Mantri Krishi Sinchai Yojana	12,706	12,954	2.0%
Rashtriya Krishi Vikas Yojana		10,433	
PM-POSHAN		10,234	

- **Mahatma Gandhi National Employment Rural Guarantee Scheme (MGNREG):** has the highest allocation of Rs 73000 crores in 2022-23. This is a decrease of 25.5% over the revised estimate of 2021-22. In 2021-22, allocation to the scheme has increased by 34.2% to mitigate the impact of COVID 19 second wave. (From Rs 73000 crores at the budgeted stage of Rs 98000 crores at the revised stage).

- The **PM-KISAN** Scheme has the second highest allocation in 2022-23 at Rs 68000 crores.
- Key Schemes with a little higher allocation are
 - a) Pradhan Mantri Gram Sadak Yojana (35.7%)
 - b) Jai Jeevan Mission (33.33%).
- PM-POSHAN Scheme replaced the Mid-Day Meal Scheme

A brief of key schemes and their allocations in the budget 2022-23 include:

Scheme Name	Brief	2022-23 BE	2021-22 RE	% change
Agriculture, Irrigation and Allied activities				
Pradhan Mantri Kisan Samman Nidhi (PM KISAN)	Rs.6000 income support to farmers	68,000	67,500	1%
PM Fasal Bima Yojana	Crop Insurance Scheme	15,500	15,989	-3%
Modified Interest Subvention Scheme		19,500		
Blue Revolution	Schemes for productivity in aqua-culture, especially fish production	1891	1210	56%
Market Intervention Scheme and Price Support Scheme (MIS-PSS)	NAFED, Central Warehousing Corporation, National Consumer Cooperative Federation of India, Small Farmers Agro Business Consortium as Central agencies to undertake procurement of Oilseed and Pulses under price support scheme to provide remunerative prices to farmers	1,500	3596	-58%
Prime Minister Krishi Sichai Yojna	per drop more crop - provide end to end solutions in irrigation supply chain	12,954	12,706	2%
Procurement of Cotton by Cotton Corporation under Price Support scheme		9243	8440	10%
Pradhan Mantri Kisan Sampada Yojna	flagship program in food processing Industry	900	791	14%
Rural Development				
Mahatma Gandhi National Rural Employment Guarantee (MGNREGA)	min. 100 days of employment	73,000	98,000	-26%
Aatmanirbhar Bharat Rojgar Yojana	subsidies to employers for hiring new employees (employment in EPFO registered establishments with less than a salary of Rs 15,000 p.m)	6,400	5,000	28%
Pradhan Mantri Gram Sadak Yojna (PMGSY)	connecting all habitations with all-weather road	19,000	14,000	36%
Swachh Bharat Mission (Urban+rural)	sanitation facilities to make India ODF	9,492	8,000	19%
Prime Minister Awas Yojna (PMAY)	Housing for All by 2022	48,000	47,390	1%
National Livelihood Mission (Ajeevika)	renamed Deendayal Antodaya Yojna	14,236	12,505	14%
Jal Jeevan Mission (JJM)/ National Rural Drinking Water Mission	flagship programme which aims at providing Functional Household Tap Connection (FHTC) to every rural household by 2024 + JJM - urban	60,000	45,011	33%
Rashtriya Krishi Vikas Yojna	A state plan scheme to incentivize the states that increase their investment in Agriculture and allied sectors	10,433		
Kisan Urja Suraksha evam Utthaan Mahabhiyan (KUSUM)	for installation of solar pumps and grid connected solar	1716		
Health, Education, Social Welfare				

Scheme Name	Brief	2022-23 BE	2021-22 RE	% change
Pradhan Mantri Jan Aarogya Yojna (RSBY)	Provides cash less and paper less benefit cover of Rs.5 lakh per annum per family on floater basis in the impanelled hospitals across India	7,857	7,500	5%
National Health Mission	transfer to States to address healthcare needs of population in rural & urban regions	37,800	34,947	8%
Pardhan Mantri Swasthya Suraksha Yojana	correcting regional imbalances in the availability of affordable/reliable tertiary healthcare services; setting up of 6 AIIMS like institutions	10,000	7,400	35%
National Education Mission (Samagra Shiksha Abhiyan)	National Education Mission – Sakshar Bharat National Education Mission – Sarva Shiksha Abhiyan National Education Mission – Rashtriya Madhyamik Shiksha Abhiyan (RMSA) National Education Mission – Teachers Training	39,553	30,796	28%
National Social Assistance Program	Centrally Sponsored Scheme (CSS) core of core scheme that provides financial assistance to elderly, widows and persons with disabilities etc	9,652	8,730	11%
Direct Benefit Transfer – LPG		4000	3400	18%
Infrastructure				
AMRUT & Smart cities Mission	Urban Rejuvenation Mission - development of 100 Smart Cities	14,100	13,900	1%
FAME – India	Scheme for Faster Adoption and Manufacturing of (Hybrid and) Electric Vehicle in India	2908	800	264%
Metro Projects	The provisions are for equity, loans and Pass-Through Assistance to various Metro Projects	19,130	18,978	1%
National Ganga Plan and Ghat Works	Provision is for implementing schemes/projects for the river Ganga and its tributaries	2800		
Reform linked distribution scheme	to improve the operational efficiencies and financial sustainability of all DISCOMs/ Power Departments by providing conditional financial assistance to DISCOMs for strengthening of supply infrastructure	7566	1000	657%
Road Works		64,568	65,687	-2%
National Highways Authority of India (NHA)		1,34,015	65,060	106%
Solar Power grid		3304		
Women and child development				
Saksham Anganwadi and Poshan 2.0 (Umbrella ICDS-Anganwadi Services, Poshan Abhiyan, Scheme for Adolescent Girls, National Creche Scheme)	Poshan 2.0 scheme in an umbrella scheme covering the Integrated Child Development Services (ICDS), Anganwadi Services, Poshan Abhiyaan, Scheme For Adolescent Girls and the National Creche Scheme.	20,263	20,000	1%
Pradhan Mantri Poshan Shakti Nirman (PM POSHAN)		10,234		
Mission Shakti (Mission for Protection and Empowerment of Women)	for safety of women; launched in 2010 to strengthen the overall processes that promote development of women	3,184	2,121	50%
Finance related				
Recapitalisation of RRBs	equity for Regional rural banks	1,361	4084	-67%
EXIM bank	Share capital	750	1500	-50%
Emergency Credit Line urantee Scheme (ECLGS) facility to eligible MSME borrowers	100% guarantee coverage to Banks and NBFCs to enable them to extend emergency credit facilities to Business Enterprises / MSMEs /Professionals in view of COVID-19 to meet their additional term loan/additional working capital requirements; overall ceiling for the scheme at Rs.3 lakh crore	15,000	10000	50%
Manufacturing and MSME				
Production Linked Incentive (PLI)	PLI schemes provide eligible manufacturing	1,629	182	

Scheme Name	Brief	2022-23 BE	2021-22 RE	% change
Schemes	companies incentives ranging from four to six percent on incremental sales over the base year of 2019-20 for a four to six-year period			
PLI for Large Scale Electronics and IT Hardware		5,300		
PLI Scheme to Promote Telecom and Networking Products Manufacturing in India		528		
PLI Scheme for Food Processing Industry		1,022	10	
Raising and Accelerating MSME Performance – RAMP	a post COVID resilience and recovery programme that aims to improve the condition and productivity of MSMEs; The programme is to be implemented for 5 years at cost of Rs.6000 crore	723		
Others				
Swadesh Darshan	Integrated Development of Tourist Circuits around specific themes	1,181	262	351%
Eklavya Model Residential School (EMRS)	Scheme for model residential school for Indian tribals across India	2,000		
Khelo India	youth games held annually at national level for under-17 years school students and under-21 college students	974	869	12%

Tax Proposals

Changes in Direct Taxes:

- A new provision permitting taxpayers to file an **Updated Return** on payment of additional tax. This updated return can be filed within two years from the end of the relevant assessment year.
- To reduce Alternate Minimum Tax to 15% for cooperative societies.
- to reduce the surcharge on co-operative societies from present 12 percent to 7 percent for those having total income of more than Rs.1 crore and up to Rs.10 crores
- To increase the tax deduction limit from 10 percent to 14 percent on employer's contribution to the NPS account of State Government employees as well
- Eligible start-ups established before 31.3.2022 had been provided a tax incentive for three consecutive years out of ten years from incorporation. In view of the Covid pandemic period of incorporation of the eligible start-up will be extended by one more year, that is, up to 31.03.2023 for providing such tax incentive.
- Any income from the transfer of any virtual digital asset shall be taxed at the rate of 30 percent. The gift of a virtual digital asset is also proposed to be taxed in the hands of the recipient. TDS on payment made in relation to transfer of virtual digital asset at the rate of 1 percent of such consideration above a monetary threshold
- Surcharge on Long Term Capital gain on transfer of any asset has been capped at 15%
- No changes in Income Tax Slab Rates.

Other Key Proposals

- ✓ Payment of annuity and lump sum amount from insurance scheme to be allowed to

differently-abled dependent during the lifetime of parents/guardians, i.e., on parents/guardian attaining the age of 60 years

- ✓ In cases where a question of law is identical to the one pending in the High Court or Supreme Court, the filing of appeal by the department shall be deferred till such question of law is decided by the court. To greatly help in reducing repeated litigation between taxpayers and the department
- ✓ Surcharge on AOPs (a consortium formed to execute a contract) capped at 15 percent. Done to reduce the disparity in surcharge between individual companies and AOPs.
- ✓ Customs duties on over 500 items have been changed. Many customs exemptions are also being phased out

Income Tax collections: The collections from income tax are expected to increase by 14% in 2022-23 to Rs 7,00,000 crore. According to the revised estimate for 2021-22, income tax collection will be of Rs 6,15,000 which is 9.6% higher than Rs 5,61,000 at the budget estimate stage.

Corporation Tax Collection: The collections from taxes on companies are expected to increase by 13% in 2022-23 to Rs 7,20,000 crore. The revised estimates of 2021-22 indicate an increase in corporate tax collections to Rs 6,35,000 crore from Rs 5,47,000 crore at the budget estimate stage.

Indirect Tax Proposals:

- ✓ IT-driven Customs Administration in SEZ (Special Economic Zones)
- ✓ Phasing out Concessional rates in Capital goods and Project Imports gradually and applying a moderate tariff of 0.75%
- ✓ Unblended fuel to attract additional differential excise duty
- ✓ Custom duty Rates calibrated to provide graded rate structure to facilitate domestic electronics manufacturing
- ✓ Rationalization of exemptions on Implements and Tools for Agriculture sector manufactured
- ✓ Extension of Custom duty exemption to Steel Scrap
- ✓ Review of Customs Exemption and Tariff Simplification

The total Indirect Tax Collections are estimated to be Rs 13,30,000 crores in 2022-23. Of this, the government has estimated to raise 7,80,000 crores from GST. Out of the total tax collections under GST, 85% is expected to come from Central GST (Rs 6,60,000 crores) and 15 % (Rs 1,20,000 crores) from GST compensation fees.

References:

- www.indiabudget.gov.in
- pib.gov.in