

UNION BUDGET

2023-24





WHAT IS BUDGET?

- Annual financial statement
- Article 112
- Estimated receipts and expenditure of the government



STAGES OF THE BUDGET



PYQ 2020



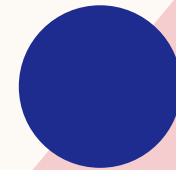
Along with the Budget, the Finance Minister also places other documents before the Parliament which include "The Macro Economic Framework Statement". The aforesaid document is presented because this is mandated by [2020]

- (a) Long standing parliamentary convention
- (b) Article 112 and Article 110(1) of the Constitution of India
- (c) Article 113 of the Constitution of India
- (d) Provisions of the Fiscal Responsibility and Budget Management Act, 2003



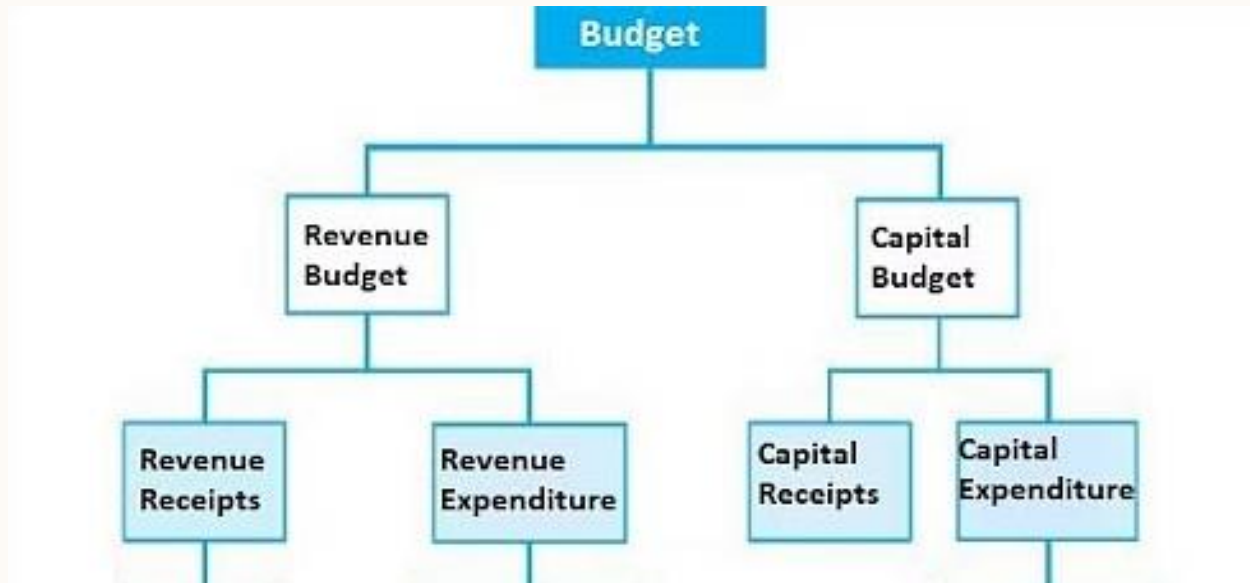
DOCUMENTS WITH BUDGET

- (a) the Medium-term Fiscal Policy Statement
- (b) Fiscal Policy Strategy Statement
- (c) Macro-economic Framework Statement
- (d) Medium-term expenditure framework statement



“A BUDGET IS MORE THAN JUST A SERIES OF NUMBERS. IT IS AN EMBODIMENT OF VALUES”

-Barack Obama



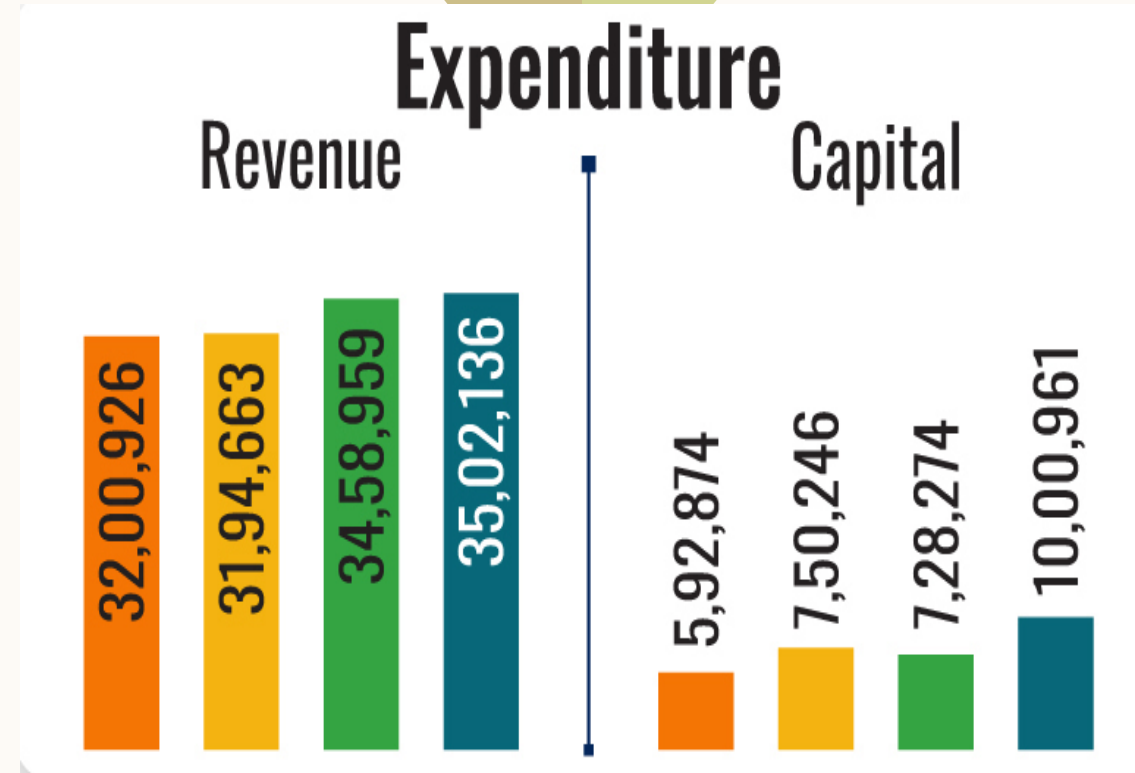


BUDGET ESTIMATES FOR FY 2023-24:

- GDP growth is estimated is estimated at 7 %, which is the highest among all major economies.

ESTIMATED EXPENDITURE AND INCOME:

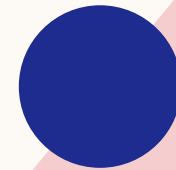
	2022-2023 (BE)	2023-2024(BE)
Total Expenditure	Rs. 39.45 lakh crore	Rs 45 lakh crore
Total Income (Other than borrowings)	Rs.22.84 lakh crore	Rs 27.2 lakh crore





REVENUE EXPENDITURE:

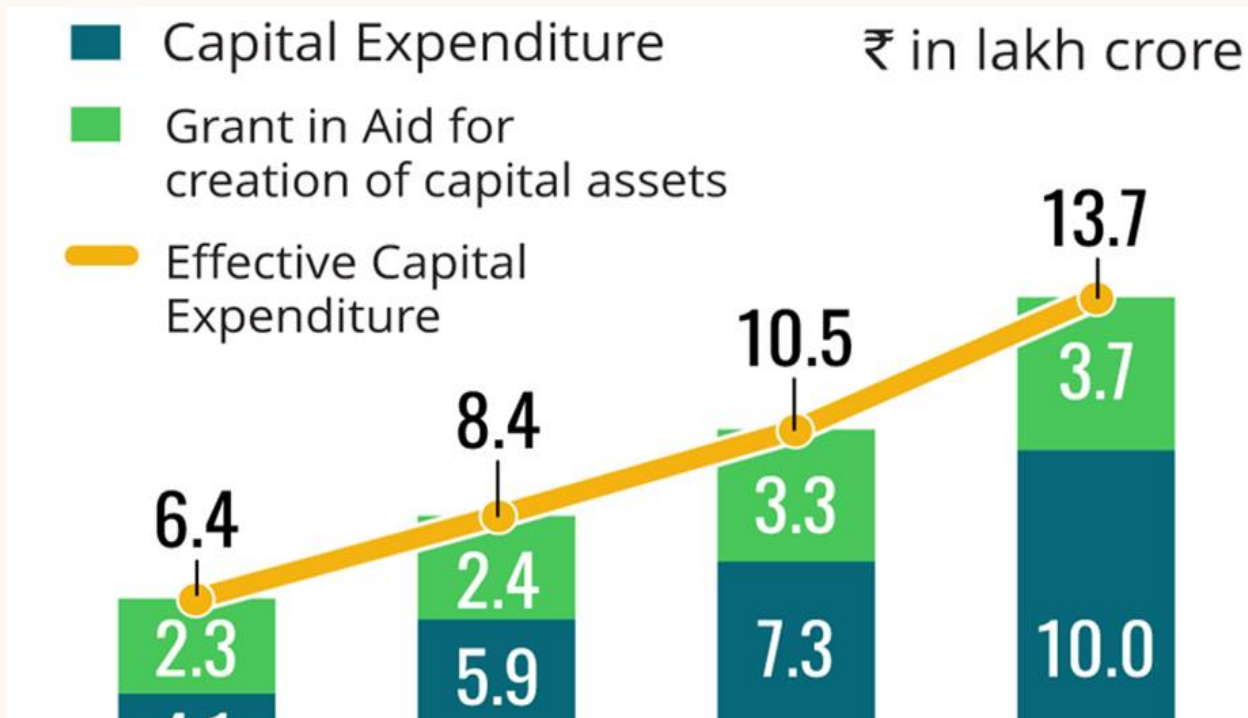
- Revenue expenditure is estimated to grow by 1.2 % at Rs. 35.02 lakh crore in 2023-24.
- Major components of revenue expenditure includes,
 - **Interest Payments:** Interest payments are estimated to be Rs. 10.80 lakh crore which is 30.8 % of the total revenue expenditure.
 - **Subsidies:** subsidies at Rs.3.75 lakh crore (1.2 per cent of GDP) is 10.7 % of Revenue Expenditure in BE 2023- 24.
 - **Pensions:** accounts to about Rs.2.45 lakh crore in RE 2022-23.
 - **Grants:** are estimated to the tune of Rs. 1.65 lakh crore in FY 2023-24.





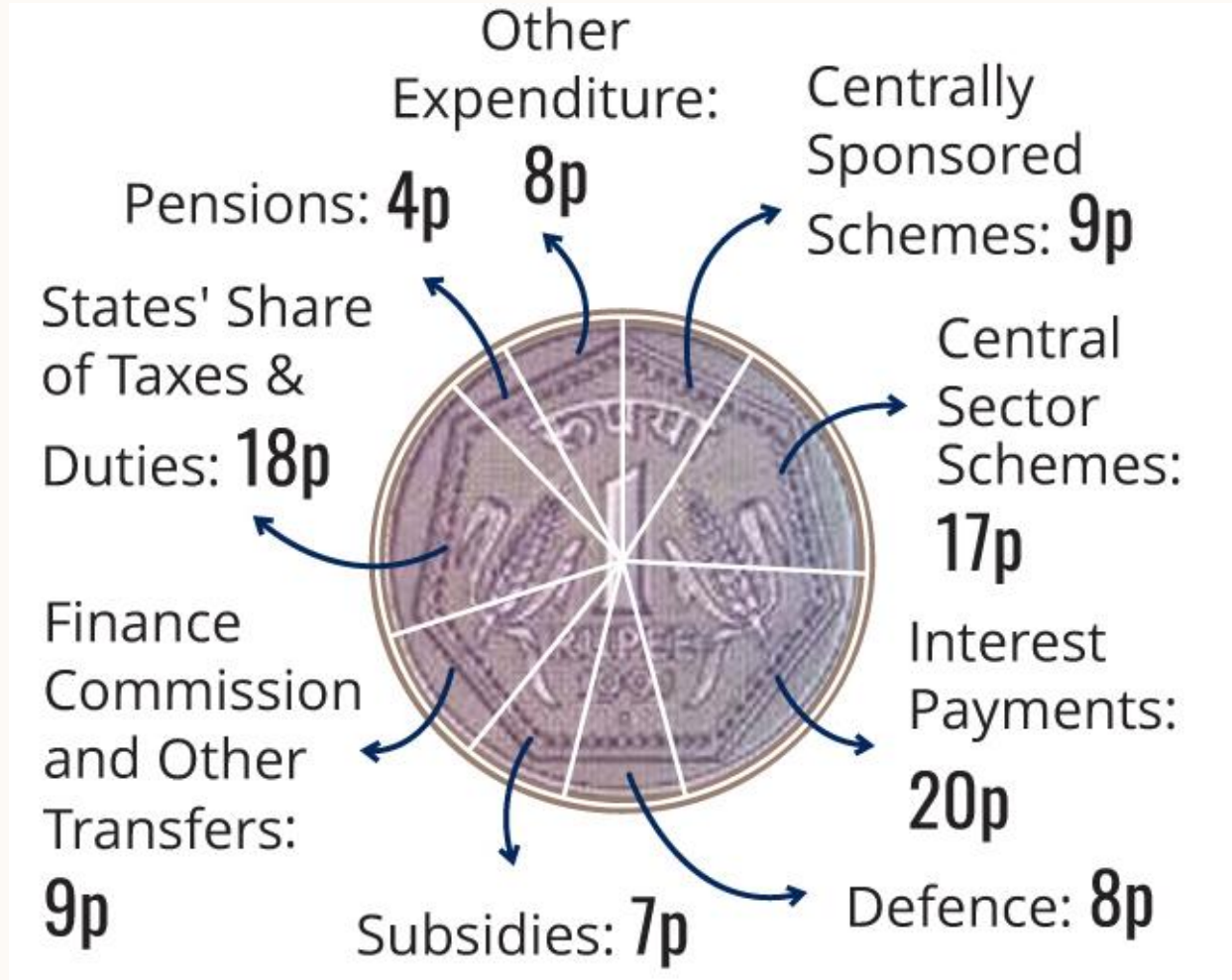
CAPITAL EXPENDITURE:

- 37.4% increase in CapEx in 2023-24 (Rs. 7.50 lakh crore in 2022-23).
- 3.3 % of GDP.
- The 'Effective Capital Expenditure' of the Centre is budgeted at Rs 13.7 lakh crore, which will be 4.5 per cent of GDP.

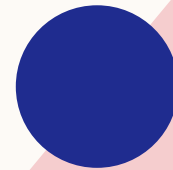
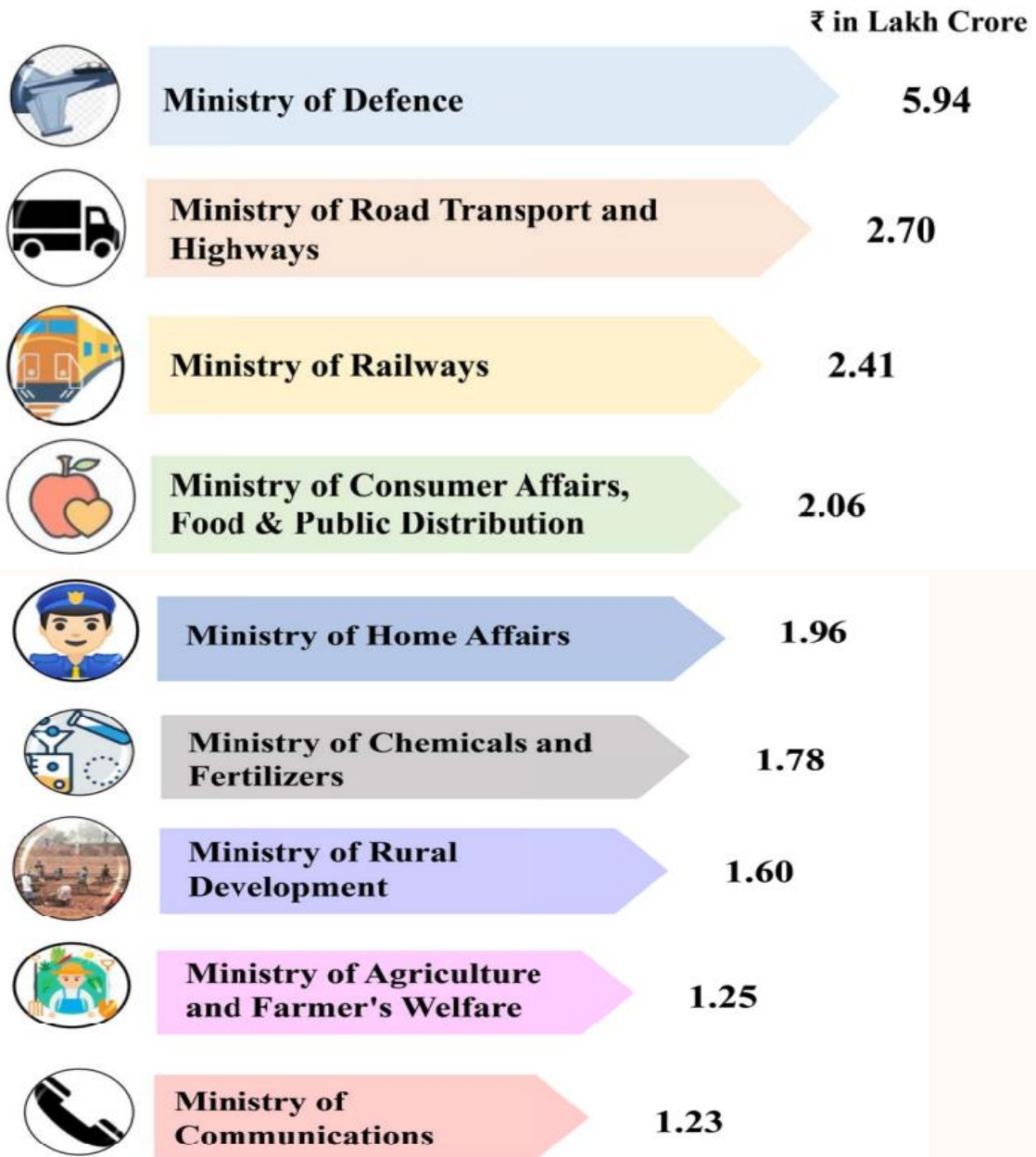




WHERE DOES THE RUPEE GO TO?



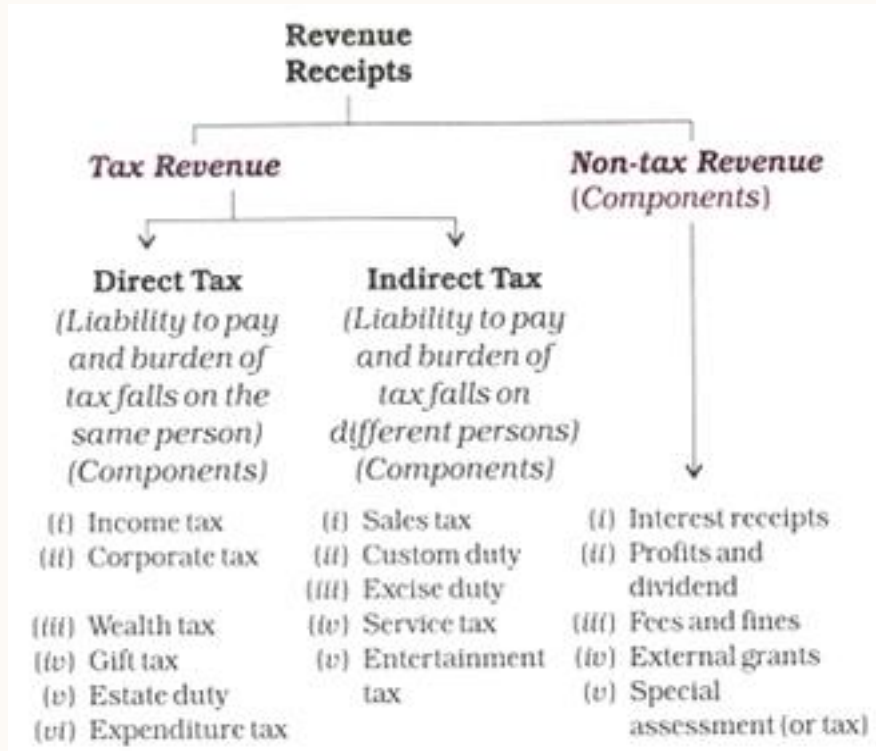
Allocation for Specific Ministries





RECEIPTS/INCOME

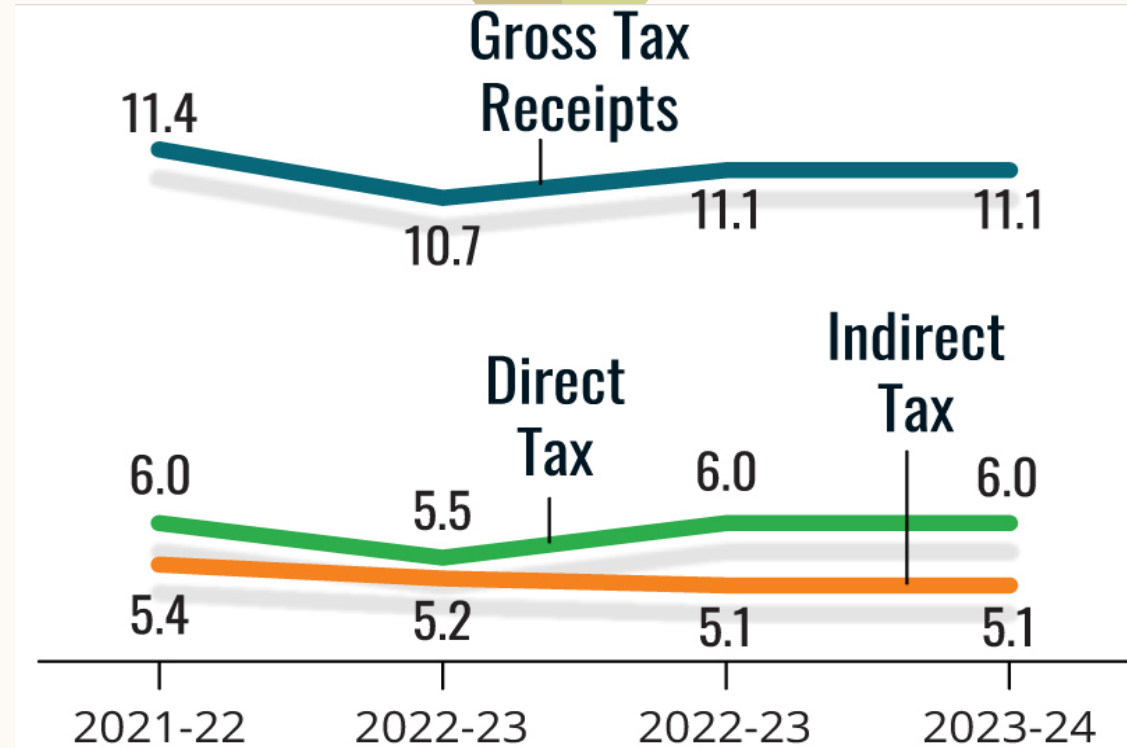
- Total receipts other than borrowings are estimated at **Rs. 27.2 lakh crore.**
- The total **revenue receipts** and are estimated at **Rs. 26.32 lakh crore.**





TAX REVENUE

- Tax revenue collection is estimate at **Rs.23.3 lakh crore**.
- Direct contribute **54.4 per cent**.
- Indirect taxes contribute **45.6 per cent**.
- Gross Tax Revenue (GTR) is projected to grow at **10.4 %** in FY 2023-24.
- Both, the Direct and Indirect Tax receipts are individually estimated to grow at 10.5 per cent and 10.4 per cent.



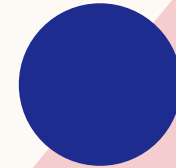


NON TAX REVENUE

- 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**.

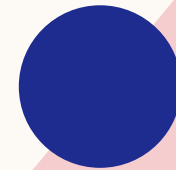
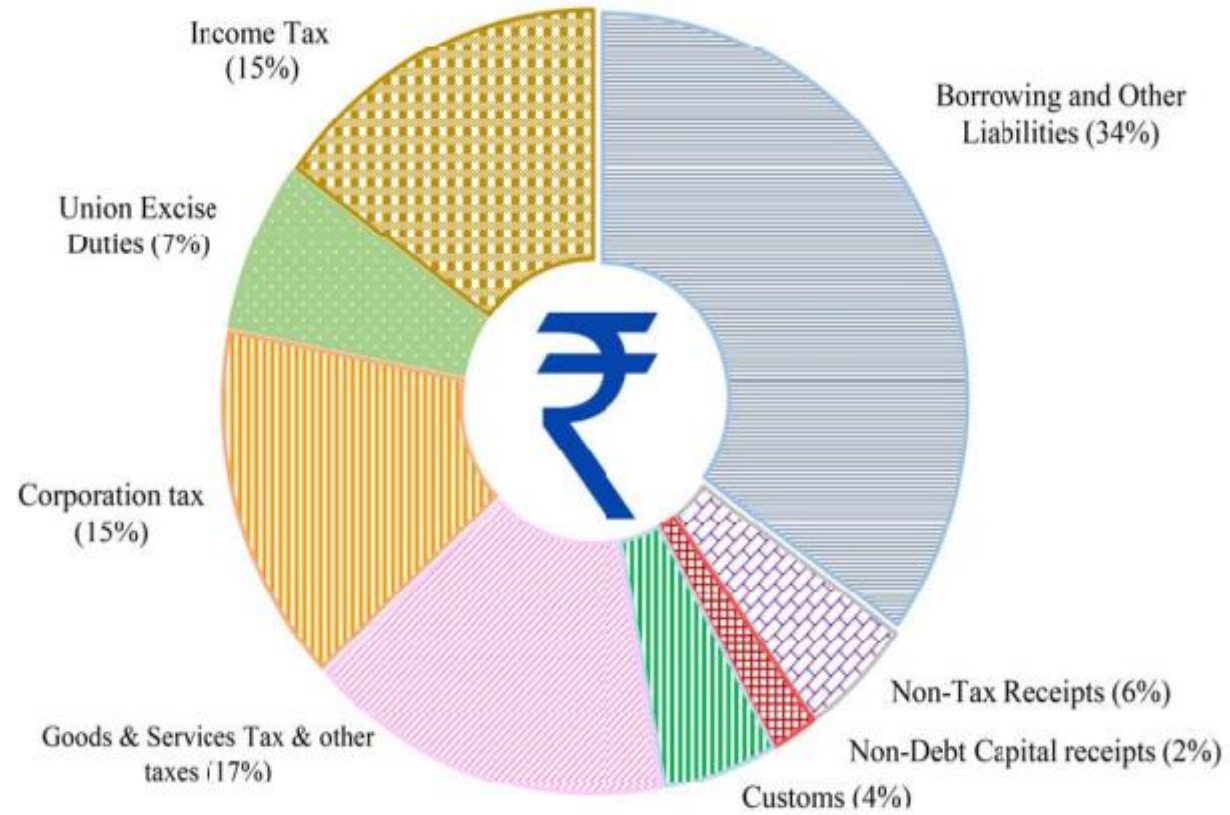
NON-DEBT CAPITAL RECEIPTS

- Non-Debt Capital Receipts 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 Monetization of Roads (` 10,000 crore), etc.





Rupee Comes From



DEFICITS:

	2022-23 (RE)	2023-24 (BE)
Fiscal Deficit	6.4%	5.9 %
Revenue Deficit	4.1%	2.9 %
Effective Revenue Deficit	2.9 %	1.7 %
Primary Deficit	3.0 %	2.3 %

* Effective Revenue Deficit = Revenue Deficit - Grants in aid for capital assets.



UNION BUDGET 2023-24

- ❑ blueprint drawn for India@100.
- ❑ youth, women, farmers, OBCs, Scheduled Castes and Scheduled Tribes, Divyangjan



SAPTARISHI

- ❑ Amrit kaal budget
- ❑ 7 priority areas



PRELIMS PINNACLE

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PRIORITY 1

Inclusive development

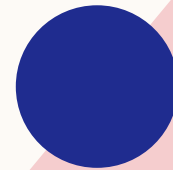


AGRICULTURE

AGRICULTURE ACCELERATOR FUND

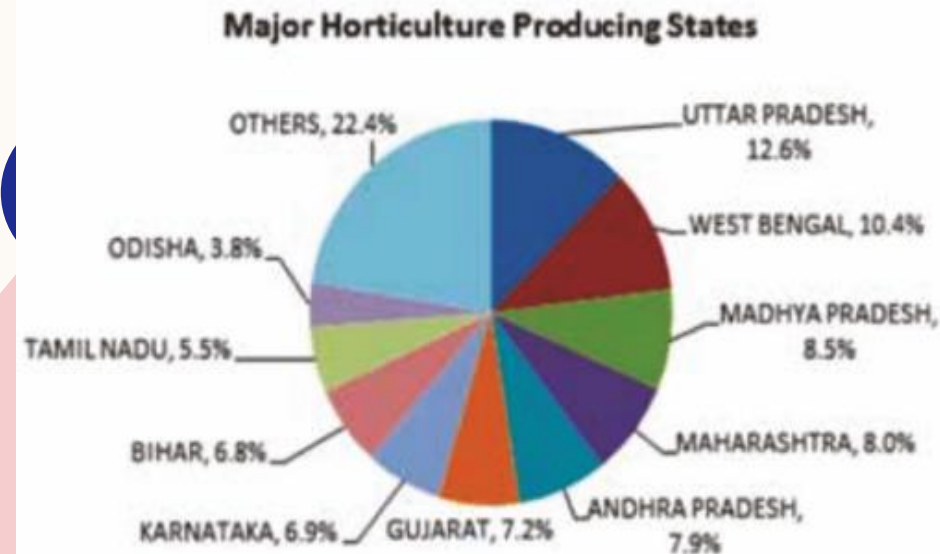


- ❑ Agri tech start-ups by young entrepreneurs
in rural India
- ❑ private equity investors-Rs 6600 crore in 4
years



ATMANIRBHAR HORTICULTURE CLEAN PLANT PROGRAMME:

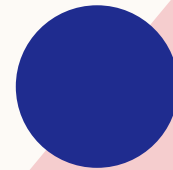
- To boost availability of disease-free, quality planting material for high value horticultural crops.
- Total outlay = Rs 2,200 crore.
- The horticulture sector in India contributes about 33% of the Gross Value Addition (GVA).
- India is currently producing about 320.48 million tons of horticulture produce which has surpassed the food grain production, that too from much less area (25.66 million Ha. for horticulture against 127.6 M. ha.)
- India is the second largest producer of fruits and vegetables in the world .F
- First rank in the production of Banana, Mango, Lime & Lemon, Papaya and Okra.





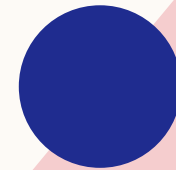
GLOBAL HUB FOR MILLETS-SHRI ANNA

- ❑ 2023 the International Year of Millets-UN
- ❑ Largest producer and second-largest exporter
- ❑ Indian Average yield (kg/ha) > global average yield



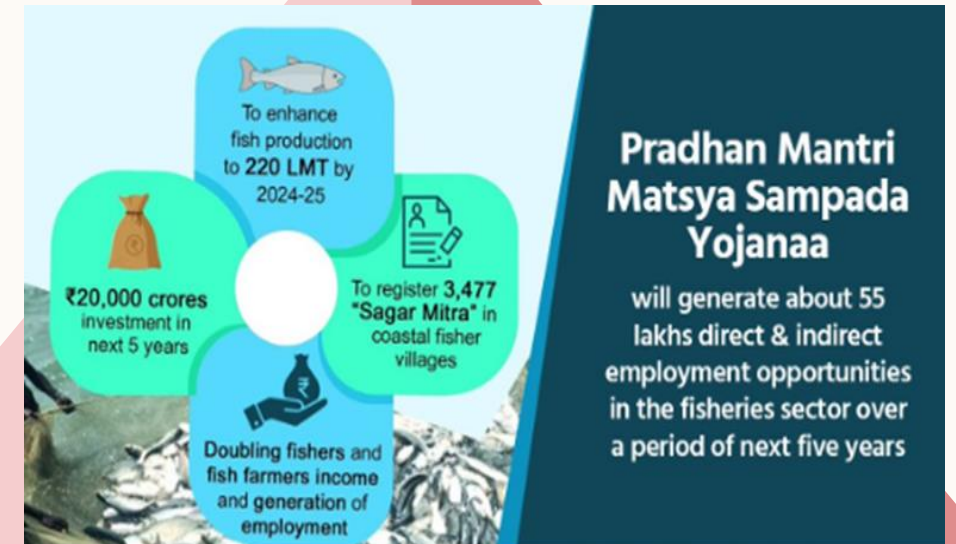
IIMR

- ❑ Indian Institute of Millet
Research, Hyderabad
- ❑ premier agricultural research institute
- ❑ under Indian Council of Agricultural
Research (ICAR)
- ❑ 1958
- ❑ Will now be upgraded to Centre of
Excellence



AGRICULTURE CREDIT

- 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 with investment of Rs 6,000 crore.
- Pradhan Mantri Matsya Sampada Yojana (PMMSY) was launched on 10th September 2020.
- The main motto of PMMSY is **‘Reform, Perform and Transform’** in the fisheries sector.
- Target of the new sub scheme = fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.



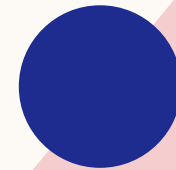


HEALTH

SICKLE CELL ANAEMIA ELIMINATION MISSION



- ❑ a form of the inherited blood disorder
- ❑ to eliminate sickle cell anaemia by 2047
- ❑ universal screening of 7 crore people in the age group of 0-40 years in affected tribal areas
- ❑ tribal population -1 in 86 births have SCD
- ❑ Early detection is key





EDUCATION

NATIONAL DIGITAL LIBRARY



- For Children and Adolescents.
- States will be encouraged to provide infrastructure at panchayat and ward levels for accessing the National Digital Library resources.
- .States will also be encouraged to set up physical libraries at panchayat and ward levels.
- The National Book Trust, Children's Book Trust and other sources will be encouraged to provide books to these physical libraries.
- **National Book Trust (NBT)** is a publishing house, founded in 1957 as an autonomous body under the Ministry of Education of the Government of India.
- The activities of the Trust include publishing, promotion of Indian books abroad, assistance to authors and publishers, and promotion of children's literature.
- **Children's Book Trust** is an Indian children and young adult book publisher. It was founded by cartoonist **K. Shankar Pillai**, in 1957.



PRIORITY 2

Reaching last mile

PM PVTG DEVELOPMENT MISSION

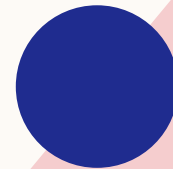


- In India, tribal population makes up for 8.6% of the total population.
- In 1973, the Dhebar Commission created Primitive Tribal Groups (PTGs) as a separate category, who are less developed among the tribal groups.
- In 2006, the Government of India renamed the PTGs as PVTGs.
- There are 75 PVTGs out of 705 Scheduled Tribes.
- Among the 75 listed PVTG's the highest number are found in **Odisha (13)**. No PVTGs are found in the states of Punjab and Haryana.
- The PVTG of **Sahariyas** (Madhya Pradesh and Chhattisgarh) has the highest population of 4, 50,217.
- PVTGs of Sentinelese have a very small population of 39.
- Pradhan Mantri PVTG Development Mission will provide families and habitations with basic facilities such as,
 - I. safe housing,
 - II. clean drinking water and sanitation,
 - III. improved access to education,
 - IV. health and nutrition,
 - V. road and telecom connectivity, and
 - VI. Sustainable livelihood opportunities.
- Allocation=Rs. 15,000 crore for next 3 years.



EKALAVYA MODEL SCHOOLS

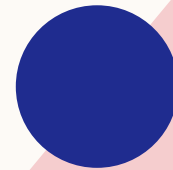
- ❑ 38,800 teachers and support staff
- ❑ 740 Eklavya Model Residential Schools
- ❑ 3.5 lakh tribal students
- ❑ 1997-98



BHARAT SHRI



- 'Bharat Shared Repository of Inscriptions'
- will be set up in a digital epigraphy museum
- digitization of one lakh ancient inscriptions
- Mysuru





PRIORITY 3

Infrastructure and Investment

SUPPORT TO STATE GOVERNMENTS FOR CAPITAL INVESTMENT:

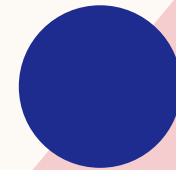


- Government has decided to continue the 50-year interest free loan to state governments for one more year.
- Parts of the outlay will also be linked to, or allocated for, the following purposes:
 1. Scrapping old government vehicles
 2. Urban planning reforms and actions
 3. Financing reforms in urban local bodies to make them creditworthy for municipal bonds
 4. Housing for police personnel above or as part of police stations
 5. Constructing Unity Malls Children and adolescents' libraries and digital infrastructure.

URBAN INFRASTRUCTURE DEVELOPMENT FUND



- ❑ established through use of **priority sector lending shortfall**
- ❑ managed by the National Housing Bank
- ❑ Tier 2 and 3 cities
 - ❑ Tier 2 -population between 50000-1 lakh
 - ❑ Tier 3-population from 20000-50000



PRIORITY SECTOR LENDING

- The RBI mandates banks to lend a certain portion of their funds to specified sectors.
- All scheduled commercial banks and foreign banks (with more than 20 branches in India) are mandated to set aside 40% of their Adjusted Net Bank Credit (ANDC) for lending to these sectors.
- Regional rural banks, co-operative banks and small finance banks have to allocate 75% of ANDC to PSL.



WATER FOR DROUGHT PRONE REGION



- For drought prone central region of Karnataka, central assistance of Rs.5,300 crore will be given to Upper Bhadra Project.

ABOUT UPPER BHADRA PROJECT

- Conceived in 2000, the project received administrative approval in 2003 (total project cost is Rs. 21,473 crore).
- It is a major lift irrigation scheme under implementation in the central region of Karnataka State.
- This project is designed to irrigate 2.25 lakh hectares in Chitradurga, Davangere, Tumakuru, and parts of Chikkamagaluru.
- It has got national project status.

How it works

- In the first phase, 17.4 tmcft of water from Tunga river will be lifted and let into Bhadra reservoir
- In the second phase, 29.9 tmcft of water will be lifted from Bhadra reservoir and let into the 7-km Ajjampura tunnel
- 2 tmcft. will be pumped into Vani Vilas Sagar reservoir, built across Vedavati river in Chitradurga
- The water is then carried into Chitradurga, Tumakuru, and Jagaluru branch canals for supply into fields for drip irrigation

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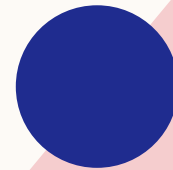


PRIORITY 4

Unleashing the potential

NATIONAL DATA GOVERNANCE POLICY

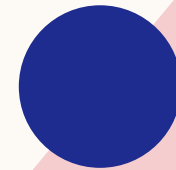
- ❑ anonymized datasets will be offered as part of the India datasets programmes
- ❑ India Data Management Office





ENTITY DIGI LOCKER

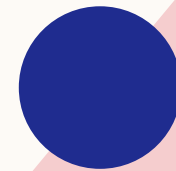
- An Entity DigiLocker will be set up for use by MSMEs, large business and charitable trusts for storing and sharing documents online securely.
- These documents can be shared with authorities, regulators, banks and other business entities.





CENTRES OF EXCELLENCE FOR AI

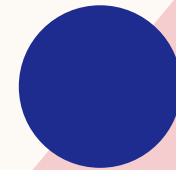
- ❑ “Make AI in India and Make AI work for India”
- ❑ 3 centres of excellence for Artificial Intelligence will be set-up in top educational institutions.



PM VISHWAKARMA KAUSHAL SAMMAN (PM VIKAS):

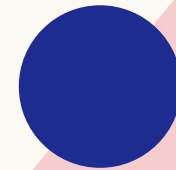


- For the first time, a package of assistance for artisans has been conceptualized.
- The new scheme will enable them to improve the quality, scale and reach of their products, integrating them with the MSME value chain.
- The components of the scheme will include ,
 1. financial support,
 2. advanced skill training,
 3. Knowledge of modern digital techniques and efficient green technologies,
 4. brand promotion,
 5. Linkage with local and global markets,
 6. digital payments, and
 7. Social security.



LAB GROWN DIAMONDS

- ❑ Customs duty on the seeds used in lab-grown diamond manufacturing will be reduced
- ❑ specific technology which mimics the geological processes that grow natural diamonds
- ❑ Not a diamond stimulant





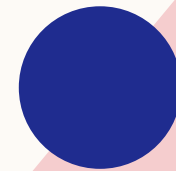
PRIORITY 5

Green growth

LIFE MISSION

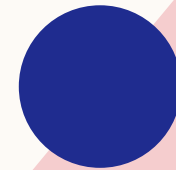


- ❑ “LiFE”, or Lifestyle for Environment
- ❑ net-zero carbon emission by 2070 to usher in green industrial and economic transition.



GOBAR DHAN SCHEME

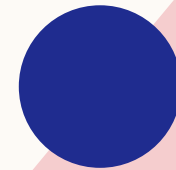
- 500 new ‘waste to wealth’ plants under GOBARdhan (Galvanizing Organic Bio-Agro Resources Dhan) scheme.
- **In 2018**, the government launched the Gobardhan scheme as a national priority project under the Swachh Bharat Mission Grameen-Phase II program.
- The Gobardhan scheme focuses on managing and converting cattle dung and solid waste on farms into **compost, biogas, and bio-CNG**. In addition to keeping the village clean, it provides additional income for farmers and cattle herders.





PM PRANAM

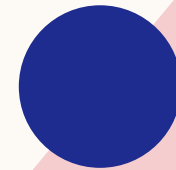
- ❑ “PM Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth
- ❑ to incentivize States and Union Territories to promote alternative fertilizers and balanced use of chemical fertilizers.





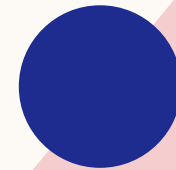
GREEN CREDIT PROGRAM

- Green Credit Programme, will be notified under **the Environment (Protection) Act.1986.**
- For encouraging **behavioral change** by incentivizing environmentally sustainable and responsive actions by companies, individuals and local bodies.



AMRIT DHAROHAR

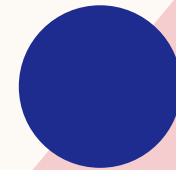
- To encourage optimal use of wetlands
- next three years





MISHTI

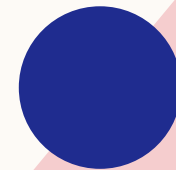
- ❑ ‘Mangrove Initiative for Shoreline Habitats & Tangible Incomes’
- ❑ 3 per cent of South Asia’s mangrove population
- ❑ convergence between MGNREGS, CAMPA Fund and other sources.



BHARTIYA PRAKRITIK KHETI BIO-INPUT RESOURCE CENTRES



- Over the next 3 years, 10,000 Bio-Input Resource Centres will be set-up.
- The Centre will facilitate one crore farmers to adopt natural farming.





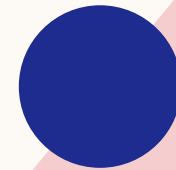
PRIORITY 6

Youth power

UNITY MALLS



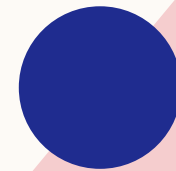
- ❑ state capital or most prominent tourism centre or the financial capital for promotion
- ❑ ODOPs (one district, one product), GI products,handicraft products



NATIONAL APPRENTICESHIP PROGRAM



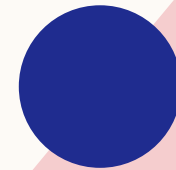
- To provide stipend support to **47 lakh youth in three years**, Direct Benefit Transfer under a pan-India National Apprenticeship Promotion Scheme will be rolled out.



PMKVY 4.0



- ❑ Pradhan Mantri Kaushal Vikas Yojana
- ❑ to skill lakhs of youth within the next three years
- ❑ coding, AI, robotics, mechatronics, IOT, 3D printing, drones, and soft skills.
- ❑ 30 Skill India International Centres will be set up across different States.



PMKVY-OVER THE YEARS



PMKVY 1.0

- free short duration skill training
- Recognition of Prior Learning
- 19.85 lakh candidates were trained



PMKVY 2.0

- scaling up both in terms of Sector and Geography and by greater alignment with other missions



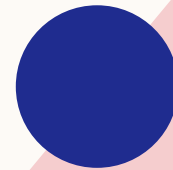
PMKVY 3.0

- Launched in 717 districts, 28 States/eight UTs,
- training of 8 lakh candidates over a scheme period of 2020-2021
- Decentralised approach

IGOT KARMAYOGI



- An integrated online training platform, to provide continuous learning opportunities for lakhs of **government employees** to upgrade their skills and facilitate **people-centric approach**.



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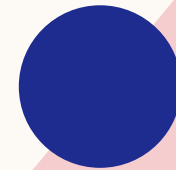


PRIORITY 7

Financial sector

NATIONAL FINANCIAL INFORMATION REGISTRY

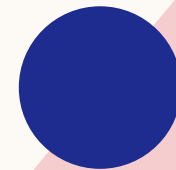
- This will facilitate efficient flow of credit, promote financial inclusion, and foster financial stability.



MAHILA SAMMAN BACHAT PATRA



- ❑ a one-time new small savings scheme
- ❑ for a two-year period up to March 2025.
- ❑ deposit facility upto 2 lakh in the name of women or girls
- ❑ for a tenor of 2 years
- ❑ Fixed interest rate of 7.5 per cent
- ❑ No tax benefit





TAX REFORMS

DIRECT TAX REFORMS



➤ Changes in Income Tax slabs:

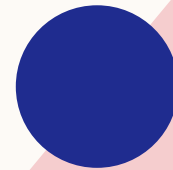
NEW TAX REGIME (REVISED*)		NEW TAX REGIME (PREVIOUS)	
INCOME	TAX RATE (%)	INCOME	TAX RATE (%)
0-3 Lakh	NIL	0-2.5 Lakh	NIL
3-6 Lakh	5%	2.5-5 Lakh	5%
6-9 Lakh	10%	5-7.5 Lakh	10%
9-12 Lakh	15%	7.5-10 Lakh	15%
12-15 Lakh	20%	10-12.5 Lakh	20%
Above 15 Lakh	30%	12.5-15 Lakh	25%
		Above 15 Lakh	30%

*Effective from 1st Apr 2023

DIRECT TAX REFORMS



- Tax exemption limit has increased to ₹3 lakh.
- **Tax rebate limit raised from ₹5 lakh to ₹7 lakh:**
- *What is Rebate in Income Tax?*
- Under Section **87A of the Income Tax Act**, if you're total tax liability is less than certain amount, the whole amount will be refunded.
- The tax refund money is given back at the end of the financial year.
- To claim the income tax refund one must file the income tax return within a specified period.
- A tax rebate of Rs. 25,000 is available under the new tax regime. (Earlier, Rs.12, 500).
- This tax rebate is applicable for all individuals whose taxable income does not exceed Rs 7 lakh.
- Thus, individuals opting for the new income tax regime and having an income up to Rs.7 lakh will not pay any taxes.

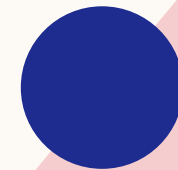


DIRECT TAX REFORMS



- Surcharge rates applicable in new tax regime for FY 2023-24:
 - Highest surcharge rate has been reduced from 37 per cent to 25 per cent for income above Rs. 2 crore.

Income	Old Rates	New Rates
above Rs 50 lakh below 1 crore	10%	10%
Above 1 crore below 2 crore	15 %	15%
Above 2 crore below 5 crore	25 %	25%
Above 5 crore	37%	25%



INDIRECT TAX PROPOSALS



Changes to custom duty on

Benefits

Import of capital goods for Li-ion battery manufacturing



For Greener mobility

Import of mobile camera lens



Deepening Value Addition

Denatured ethyl alcohol



For chemical industry

Key inputs for producing shrimp feed



More marine exports

Seeds for manufacturing lab grown diamonds



Export Promotion

Continuing concessional basic custom duty on copper scrap

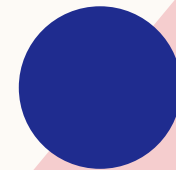


Augmenting raw material availability for MSMEs

Compounded rubber, to bring it at par with natural rubber



To curb duty circumvention



THANK YOU



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