

UNION Budget

2022-23



Overview of Union Budget 2022-23

The Union Budget of 2022-23 was presented by **Finance Minister Smt Nirmala Sitharaman on February 1, 2022.**

Infrastructure emerged as the topmost priority for the Narendra Modi government as the finance minister said that the Budget for 2022-2023 will lay the **foundation for economic growth** through public investment as Asia's third-largest economy emerges from a pandemic-induced slump.

The Finance Minister outlined the effects of the pandemic, saying the speed of vaccination had greatly helped in combating the pandemic.

"We are in the midst of the Omicron wave, the speed of our vaccination campaign has helped greatly. I am confident that 'Sabka Prayaas', we'll continue with strong growth."



Key Highlights of the Budget

India's economic growth is estimated at **9.2%** to be the highest among all large economies

60 lakh new jobs to be created under the productivity linked incentive scheme in 14 sectors

The outlay for capital expenditure stepped up sharply by **35.4%** to **INR 7.50 lakh crore** in 2022-23 from INR 5.54 lakh crore in the current year.

The outlay in 2022-23 to be **2.9% of GDP**

Effective Capital Expenditure of Central Government estimated at **INR 10.68 lakh crore in 2022-23**, which is about **4.1% of GDP**.

PLI Schemes have the potential to create an additional production of **INR 30 lakh crore**



India@100

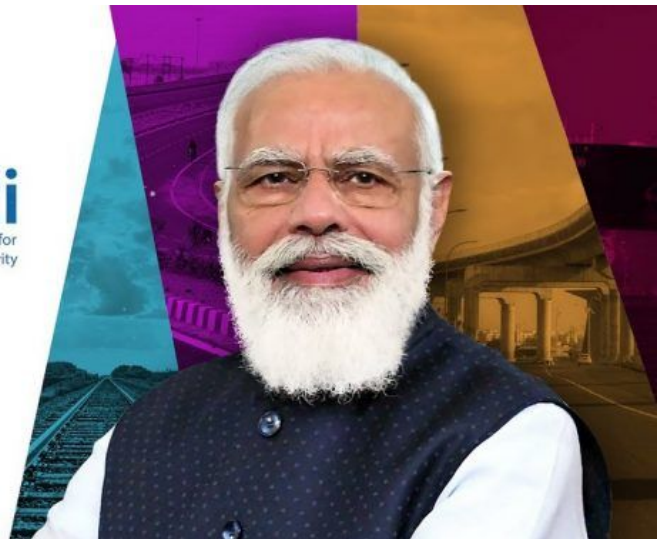
Entering Amrit Kaal, the 25 year-long lead up to India@100, the budget provides the impetus for growth along with four priorities

PM Gatishakti

**Productivity Enhancement and
Investment, Sunrise Opportunities,
Energy Transition and Climate Action**

**Inclusive Development for Aspirational
India**

Financing of Investments



The four pillars continue to build on the vision drawn in the Budget of 2021-22.



PM Gatishakti

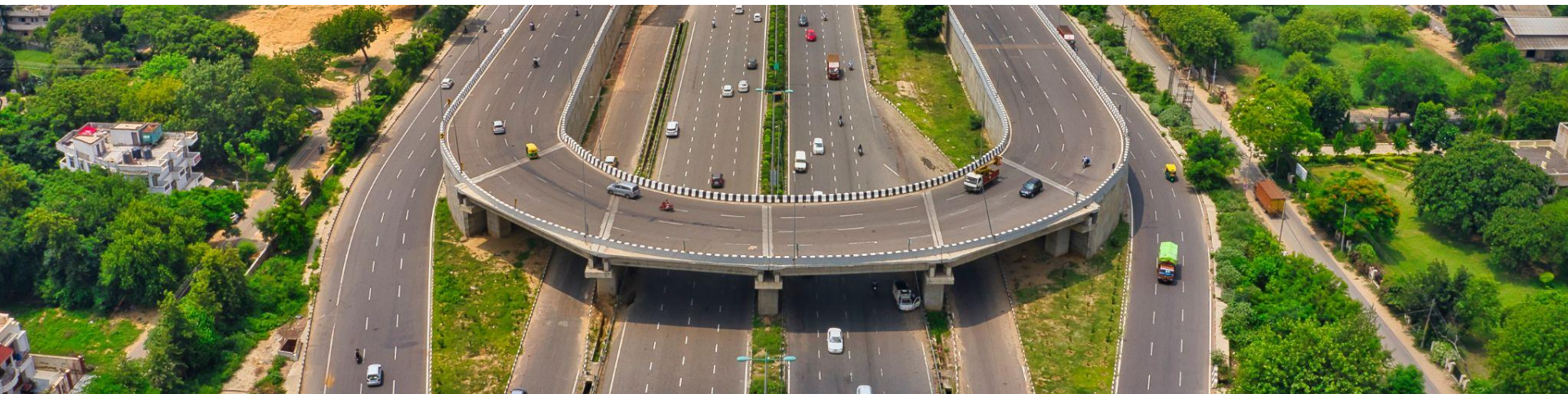
PM Gatishakti

The seven engines that drive PM Gatishakti are **Roads, Railways, Airports, Ports, Mass Transport, Waterways and Logistics Infrastructure.**

PM Gatishakti National Master Plan:

This will encompass the seven engines for economic transformation, seamless multimodal connectivity and logistics efficiency.

The projects pertaining to these 7 engines in the National Infrastructure Pipeline will be aligned with the PM GatiShakti framework.



Road Transport

National Highways Network to be expanded by **25000 Km in 2022-23.**

INR 20000 Crore to be mobilized for National Highways Network expansion.

Multimodal Logistics Parks

Contracts to be awarded through PPP mode in 2022-23 for implementation of Multimodal Logistics Parks at four locations.



Railways

- **One Station One Product** concept to help local businesses & supply chains.
- **2000 Km of the railway network to be brought under Kavach**, the indigenous world-class technology and capacity augmentation in 2022-23.
- **400 new generation Vande Bharat Trains** to be manufactured during the next three years.
- **100 PM GatiShakti Cargo terminals for multimodal logistics** to be developed during the next three years.

*"400 new generation Vande Bharat trains with better efficiency to be brought in during the next 3 years;
100 PM Gati Shakti Cargo terminals to be developed during next 3 years and implementation of innovative ways for building metro systems."*





**Productivity Enhancement and
Investment, Sunrise Opportunities, Energy
Transition and Climate Action**

Agriculture

INR 2.37 lakh crore direct payment to 1.63 crore farmers for procurement of wheat and paddy.

Chemical-free Natural farming to be promoted throughout the country. The initial focus is on farmer's lands in 5 Km wide corridors along river Ganga.

NABARD to facilitate funds with blended capital to finance startups for agriculture & rural enterprise.

Kisan Drones for crop assessment, digitization of land records, spraying of insecticides and nutrients.

INR 1400 crore outlay for implementation of the Ken – Betwa link project.

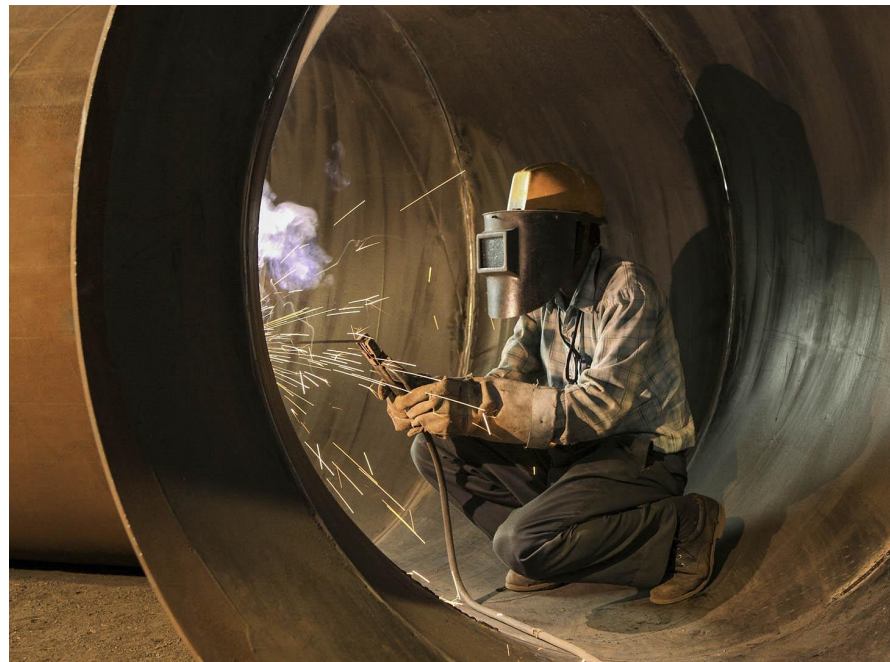
9.08 lakh hectares of farmers' lands to receive irrigation benefits by the Ken-Betwa link project.



"Procurement of wheat in Rabi season 2021-22 and the estimated procurement of paddy in Kharif season 2021-22 will give cover 1208 lakh metric tonnes of wheat & paddy from 163 lakh farmers& Rs 2.37 lakh crores will be the direct payment of MSP value to their accounts".

MSME

- **Udyam, e-shram, NCS and ASEEM** portals to be interlinked.
- **130 lakh MSMEs** provided additional credit under Emergency Credit Linked Guarantee Scheme (ECLGS)
- ECLGS to be extended up to March 2023.
- Guarantee cover under ECLGS to be expanded **INR 50000 Crore** to the total cover of **INR 5 Lakh Crore**.
- **INR 2 lakh Crore** additional credit for Micro and Small Enterprises to be facilitated under the Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE).
- **Raising and Accelerating MSME performance (RAMP) programme** with an outlay of INR 6000 Crore to be rolled out.



Skill Development

Digital Ecosystem for Skilling and Livelihood (DESH-Stack e-portal) will be launched to empower citizens to skill, reskill or upskill through online training.

Startups will be promoted to facilitate 'Drone Shakti' and for Drone-As-A-Service (DrAAS).



Health

- **An open platform** for **National Digital Health Ecosystem** to be rolled out
- **National Tele Mental Health Programme** for quality mental health counselling and care services to be launched.
- A network of **23 tele-mental health centres** of excellence will be set up, with NIMHANS being the nodal centre and the International Institute of Information Technology-Bangalore (IIITB) providing technical support.

"An open platform for the National Digital Health Ecosystem will be rolled out. It will consist of digital registries of health providers and health facilities, unique health identity and universal access to health facilities."



Banking & e-passport

100% of 1.5 lakh post offices to come on the **core banking system**.

Scheduled Commercial Banks to set up **75 Digital Banking Units (DBUs) in 75 districts**.

e-Passports with embedded chips and futuristic technology to be rolled out.



Telecom Sector

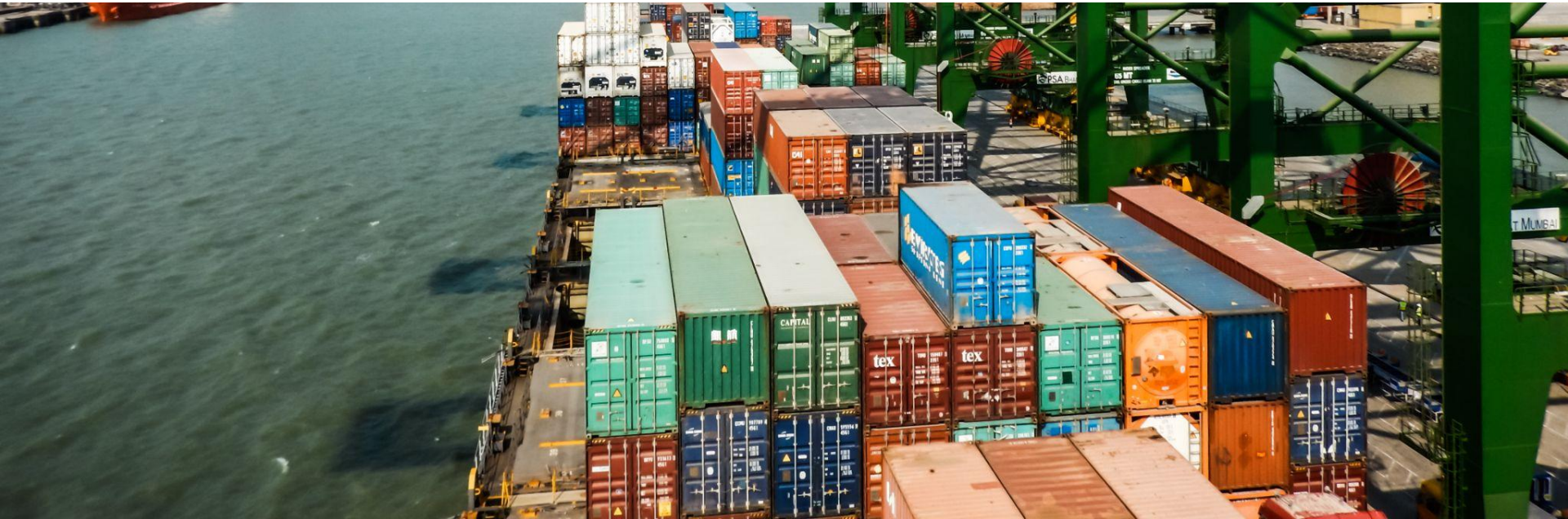
Scheme for **design-led manufacturing** to be launched to build a strong ecosystem for 5G as part of the Production Linked Incentive Scheme.

Telecommunication and **5G technology** will enable growth and offer job opportunities. Required spectrum auctions will be conducted in 2022 to facilitate the rollout of 5G mobile services within 2022-23 by private telecom providers



Export Promotion

Special Economic Zones Act to be replaced with new legislation to enable States to become partners in the Development of Enterprise and Service Hubs.



AtmaNirbharta in Defence

- 68% of the capital procurement budget earmarked for the domestic industry in 2022-23, up from 58% in 2021-22

- Defence R&D to be opened up for industry, startups and academia with 25% of defence R&D budget earmarked

- Independent nodal umbrella body to be set up for meeting testing and certification requirements.



Sunrise Opportunities

Government contribution to be provided for R&D in Sunrise Opportunities like Artificial Intelligence, Geospatial Systems and Drones, Semiconductor and its eco-system, Space Economy, Genomics and Pharmaceuticals, Green Energy, and Clean Mobility Systems.

“Production Linked Incentive (PLI) Scheme for achieving Aatmanirbhar Bharat has received an excellent response, with potential to create 60 lakh new jobs and additional production of 30 lakh crore during next Keycap digit five years.”



Energy Transition and Climate Action

- Additional allocation of **INR 19,500 crore for Production Linked Incentive for the manufacture of high-efficiency solar modules** to meet the goal of 280 GW of installed solar power by 2030
- Five to seven per cent biomass pellets to be co-fired in thermal power plants:
- CO2 savings of 38 MMT annually,**
 - Extra income to farmers and job opportunities to locals,
 - Help avoid stubble burning in agriculture fields.
- Four pilot projects are to be set up for coal gasification and conversion of coal into chemicals** for the industry
- Sovereign Green Bonds** to be issued for mobilizing resources for green infrastructure.
- Data Centres and Energy Storage Systems** to be given infrastructure status





Inclusive Development for Aspirational India

Public Capital Investment

Public investment to continue to pump-prime private investment and demand in 2022-23.

Outlay for capital expenditure stepped up sharply by 35.4% to INR 7.50 lakh crore in 2022-23 from INR 5.54 lakh crore in the current year.

Outlay in 2022-23 to be **2.9% of GDP**.

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Digital Rupee

Introduction of **Digital Rupee** by the Reserve Bank of India starting 2022-23.

The move is seen as a big push for the government's **"Digital India"** programme.

A new crypto tax will be introduced under which virtual digital assets will be **taxed at 30%**



Startups

- Existing tax benefits for startups, which were offered redemption of taxes for three consecutive years, has been extended by one more year till March 31, 2023
- Funds raised under the co-investment model will be facilitated through NABARD to finance start-ups for agriculture and rural enterprise relevant to the farm produce value chain.
- Start-ups will support Farmer Producer Organizations and provide tech to farmers.



A large container yard at sunset. In the foreground, a red semi-trailer truck is parked, with a red container on its back. The container has the number 656544 and 45G1 on it. In the background, a crane is lifting a yellow container. The sky is orange and red, and the ground is covered with stacks of containers in various colors (green, blue, red, yellow).

Financing of Investments

Allocation to Existing Schemes (2022-23)

National Health Mission:

INR 37,800 crores

Jal Jeevan Mission:

INR 60,000 crores

National Education Mission:

INR 39,553 crores

Pradhan Mantri Gram Sadak Yojana:

INR 19,000 crores

PM Kisan: INR 68,000 crores

Aatmanirbhar Bharat Rojgar Yojana:

INR 6400 crore

Pardhan Mantri Swasthya Suraksha Yojana:

INR 10,000 crore



Thank You

