

# RAHEJA AND CO

Chartered Accountants



## Union Budget 2023-2024

1<sup>st</sup> February 2023

*Budget for the 'Amritkaal'*

### Key proposal of the Union Budget 2023-24

#### **Budget Announcements:**

**Compliance and ease of doing business:** More than 3,400 provisions have been decriminalised for ease of doing business and 39,000 compliance have been reduced for ease of doing business

**Credit guarantee for MSME:** Credit guarantee for MSME, revamped scheme will take effect from April 1, 2023 with infusion of ₹9,000 crore corpus. Co his will enable additional collateral-free credit of Rs 2 lakh crore to MSMEs.

**AI Push:** Three centres of excellence for Artificial Intelligence (AI) to be set up in top educational institutes

**Relief to MSMEs:** In cases of failure to execute contracts, 95% of the forfeited amount related to the bid or performance guarantee will be returned

**Dependence on PAN:** PAN will be used as a common identifier for all digital systems of specified Govt. agencies

**Free food grain:** Continuing the commitment to food security, government is planning to implement from Jan. 1, 2023, a scheme to supply free food grain to all Antyodaya and priority households for one year under PM Garib Kalyan Ann Yojana

**Agri Fund:** Agriculture accelerator Fund to be set up to bring modern technology and increase productivity, support agri-tech startups in rural areas. This is meant to bring modern technologies to Indian farms.

**Atmanirbhar Clean Plant Programme:** The government will launch the Atmanirbhar Clean Plant Programme to improve availability of disease-free quality planting material for high-value horticultural crops at an outlay of Rs 2,200 crore

**Collaborative research and innovation:** Facilities in select ICMR labs will be made available for research

**Nursing Colleges:** 157 new nursing colleges to be established in co-location with 157 existing medical colleges

**Assistance for traditional artisans and craftspeople:** PM Vishwa Karma Kaushal Samman - package of assistance for traditional artisans and craftspeople has been conceptualized, will enable them to improve quality, scale and reach of their products, integrating with MSME value chain

**National Digital Library:** National Digital Library to be set up for children and adolescents for geography, literature, languages

**Tribal Education:** 38,800 teachers and support staff will be recruited for tribal students

**Financial Literacy:** Govt. to collaborate with NGOs working in literacy to inculcate Financial Literacy

**Push for fisheries:** The government will launch a sub-scheme under PM Matsya Sampada Yojana with an outlay of Rs 6,000 crore to further enable those involved in fisheries

**Prisoner Reforms:** Financial support for poor prisoners who are unable to afford penalty and bail amount

**Pharmaceutical:** A new program to promote research & innovation in the pharma sector will be launched to encourage investments

**PM Primitive Vulnerable Tribal Groups Mission:** To improve social-economic condition of the Particularly Tribal Groups, PMPBTG Development mission will be launched, to saturate PBTG habitations with basic facilities. Rs 15,000 cr to be made available to implement scheme in next 3 years

**Regional Connectivity:** 50 airports, heliports, and waterdromes to be revived for regional connectivity improvement

**Labs for application development:** 100 labs for developing applications using 5G services will be set up in engineering institutions

**Diamonds:** For Lab Grown Diamonds, support will be provided to IIT to reduce dependency on import

**DigiLocker (One stop KYC maintenance system):** An entity for DigiLocker is to be set up for use by

SMEs, large businesses and charitable trusts for storing and sharing documents online

**Result-based financing:** The financing of select schemes will be changed from input-based to result-based

**Natural Farming:** Over the next 3 years, the Govt. will facilitate 1 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

**Energy Transition:** Rs 35,000 crores priority capital for energy transition, battery storage to get viability gap funding

**Vehicle Scrapping:** Vehicle Scrapping Policy in focus for supporting Central and State Government to scrap old vehicles and replace ambulance

**Skill India Centres:** 30 'Skill India Centres' will be established

**Youth Upliftment:** Pradhan Mantri Kaushal Vikas Yojana 4.0 will be launched to upskill lakhs of youth within the next 3 years

**National Hydrogen Mission:** Allocation of Rs 19,700 crore to the National Hydrogen Mission. The objective is to reach hydrogen production capacity of 5 metric million tonnes by 2030

**Pan-India National Apprenticeship Promotion Scheme:** A scheme to be rolled out to provide stipend support for 47 lakhs youth in 3 years

**Unity Mall:** States to be encouraged to establish Unity Mall for promotion and sale of one district one product, and other handicraft products

**Push for tourism:** 50 tourist destinations will be selected through challenge mode to be developed as a whole package for domestic and international tourism

**Upliftment of Gift City:** To enhance business activities in GIFT-City, power will be delegated under SEZ Act

**Companies Act:** Central processing centre will be set up for faster response to companies under the Companies Act, 2013



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