



A
DISCUSSION ON
UNION BUDGET 2023-24

ORGANISED BY
DEPARTMENT OF ECONOMICS
MANGALDAI COLLEGE

DATE: 03-03-2023
VENUE: SCIENCE GALLERY

Presented By
Dr Santosh Borkakati
HoD, Economics

What is Budget?

- ❖ **It is a statement of the estimated receipts and expenditure of the Government in a Financial Year (which begins on 1st April of the current year and ends on 31st March of the following year).**

What are the Constitutional Provisions regarding Budget?

- ❖ **According to Article 112 of the Indian Constitution, the Union Budget of a year is referred to as the Annual Financial Statement (AFS).**

Overall, the Budget contains:

- ❖ **Estimates of revenue and capital receipts,**
- ❖ **Ways and means to raise the revenue,**
- ❖ **Estimates of expenditure,**
- ❖ **Details of the actual receipts and expenditure of the closing financial year and the reasons for any deficit/surplus in that year**
- ❖ **The economic and financial policy of the coming year, i.e., taxation proposals, prospects of revenue, spending programme and introduction of new schemes/projects.**

In Parliament, the Budget goes through six stages:

- ❖ **Presentation of Budget**
- ❖ **General discussion**
- ❖ **Scrutiny by Departmental Committees**
- ❖ **Voting on Demands for Grants**
- ❖ **Passing an Appropriation Bill**
- ❖ **Passing of Finance Bill**

The Budget Division of the Department of Economic Affairs in the Ministry of Finance is the nodal body responsible for preparing the Budget.

The first Budget of Independent India was presented in 1947.

Budget's Vision for Amrit Kaal

- ❖ **First Budget in Amrit Kaal**
- ❖ **The vision for the Amrit Kaal is an empowered and inclusive economy that is technology-driven and knowledge-based with a robust financial sector.**



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

- ❖ **Economic Empowerment of Women: 81 lakh SHGs under DAY-NRLM to be transformed into large producer enterprise**
- ❖ **PM Vishwakarma Kaushal Samman (PM VIKAS): Financial Support, skill training and knowledge to traditional artisans**
- ❖ **Tourism Promotion in Mission Mode**
- ❖ **Green Growth: Efficient use of energy and green jobs**

Saptarishi: Seven guiding priorities of Budget 2023-24

Saptarishi-7 priorities



Priority 1: Inclusive Development



9 crore drinking water connections to rural houses



Cash transfer of ₹2.2 lakh crore to over 11.4 crore Farmers under PM-KISAN



Insurance cover for 44.6 crore persons under PMSBY* and PMJJY^

11.7 crore household toilets constructed under SBM



Inclusive Development Achievements

47.8 crore PM Jan Dhan bank accounts

9.6 crore LPG connections under Ujjawala



220 crore Covid vaccinations of 102 crore persons



PRIORITY 1: INCLUSIVE DEVELOPMENT

Agriculture:

- ❖ **Digital Public Infrastructure** for agriculture will be built as an open source, open standard and interoperable public good resulting in:
 - Inclusive farmer-centric solutions
 - Relevant information services for crop planning/health
 - Better access to farm inputs, credit, and insurance
 - Growth-support of the agri-tech industry and start-ups
- ❖ **Agriculture Accelerator Fund** will be set-up to encourage agri-startups by young entrepreneurs in rural areas
- ❖ **Agriculture credit** target to be increased to Rs 20 lakh crore with focus on animal husbandry, dairy and fisheries.
- ❖ **PM Matsya Sampada Yojana** with targeted investment of Rs 6,000 crore to be launched for fishermen, fish vendors and MSMEs.
- ❖ **Atmanirbhar Clean Plant Programme** for availability of disease-free, quality planting material for high value horticultural crops at an outlay of Rs 2,200 crore.
- ❖ **Milletts:** To make India a global hub for 'Shree Anna' (Milletts)

Education & Health:

- ❖ **Teachers' Training, National Digital Library**
- ❖ **157 New Nursing Colleges, Mission to eliminate Sickle Cell Anaemia by 2047**

PRIORITY 2: REACHING THE LAST MILE

- ❖ **Aspirational Blocks Programme** (500 Blocks) aimed at improving the performance in health, nutrition, education, agriculture, water resources, financial inclusion, skill development, and basic infrastructure.
- ❖ **Pradhan Mantri PVTG Development Mission will be launched** to improve socio-economic conditions of the *Particularly Vulnerable Tribal Groups* (PVTGs). Rs 15,000 crore will be made available to implement the Mission in the next 3 years under the Development Action Plan for the Scheduled Tribes.
- ❖ **Outlay for PM Awas Yojana** is being enhanced by 66% to over Rs 79,000 crore
- ❖ **Bharat Shared Repository of Inscriptions (Bharat SHRI)** will be set up in a digital epigraphy museum, with digitization of 1 lakh ancient inscriptions in the first stage

PRIORITY 3: INFRASTRUCTURE AND INVESTMENT

- ❖ **Increased Capital Investment Outlay** by 33.4% to Rs. 10 lakh (3.3% of GDP)
- ❖ **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 (Provisioned Rs.1.3 lakh crore)
- ❖ **Railways Capital Outlays Rs. 2.40 lakh-** the highest ever outlay and about 9 times the outlay made in 2013- 14.
- ❖ **50 Additional Airports, Heliports, Water Aerodromes and Advanced Landing Grounds for improving regional connectivity**
- ❖ **100 critical transport infrastructure projects identified for end-to-end connectivity for ports, coal, steel, fertilizer sectors**
- ❖ **Creating Urban Infrastructure in Tier 2 and Tier 3 cities via establishment of UIDF (Rs. 10,000 crore to be allocated yearly)**

PRIORITY 4: UNLEASHING THE POTENTIAL

- ❖ **Reduced Compliances and Jan Vishwas Bill:** more than 39,000 compliances have been reduced and more than 3,400 legal provisions have been decriminalised under the amendments to the Companies Act 2013.
- ❖ **Jan Vishwas Bill to amend 42 Central Acts**
- ❖ **Make AI in India and Make AI work for India-** three centres of excellence for Artificial Intelligence will be set-up in top educational institution
- ❖ **National Data Governance Policy** will be brought out, which will enable access to anonymized data To facilitate innovation and research by start-ups and academia
- ❖ **An Entity DigiLocker** will be set up for use by MSMEs, large business and charitable trusts for storing and sharing documents online securely
- ❖ **Vivad se Vishwas:** Less stringent contract execution for MSMEs, Easier and standardised settlement scheme, Phase III of e-courts
- ❖ **100 labs for developing applications using 5G services**

PRIORITY 5: GREEN GROWTH

- ❖ **PM PRANAM (PM Promotion of Alternate Nutrients for Agriculture Management Yojana)** to be launched to incentivize States/Uts to promote alternative fertilizers
- ❖ **10,000 Bio-Input Resource Centres** to facilitate farmers to adopt natural farming
- ❖ **Green Credit Programme** to be launched to incentivize sustainable actions
- ❖ **500 new 'Waste to Wealth' plants under GOBARdhan scheme: 200 compressed biogas (CBG) plants and 300 community/cluster-based plants)**

- ❖ **Rs 19,700 crores has been allocated to the National Green Hydrogen Mission**
- ❖ **Rs. 35,000 crore for priority capital investments** towards energy transition and energy security
- ❖ **MISHTI[^]** to be taken up for Mangrove plantation along the coastline
- ❖ **Amrit Dharohar** to be implemented for optimal usage of wetlands
- ❖ **Promotion of Battery Energy Storage System**
- ❖ **Promotion of Coastal Shipping**

PRIORITY 6: 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
- ❖ **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 of ODOPs (One District One Product)

PRIORITY 7: Financial Sector

- ❖ **Credit Guarantee Scheme for MSMEs:** Expanded corpus (Rs 9000 crore) to enable additional collateral free guaranteed credit of Rs 2 lakh crore
- ❖ **National Financial Information Registry** to be setup to enable efficient lending, promote financial inclusion and enhance financial stability
- ❖ **Central Data Processing Centre** for faster handling of administrative work under Companies Act
- ❖ **Setting Up of Unity Malls in state capitals** for promotion of ODOPs (One District One Product)
- ❖ **Mahila Samman Bachat Patra:** One time small savings scheme for a 2-year period with a deposit facility of up to Rs 2 lakh for women/girls
- ❖ **Benefit for Senior Citizens:** Enhanced maximum deposit limit for senior citizens savings scheme from Rs 15 lakh to Rs 30 lakh

Union Budget 2023-24 at a Glance (Rs in Crores)

	Actuals 2021-22	Budgeted 2022-23	Revised 2022-23	Budgeted 2023-24	% change (2022-23 RE to 2023-24 BE)
Revenue Expenditure	32,00,926	31,94,663	34,58,959	35,02,136	1.2%
Capital Expenditure	5,92,874	7,50,246	7,28,274	10,00,961	37.4%
of which:					
Capital Outlay	5,34,499	6,10,189	6,20,204	8,37,127	35.0%
Loans and Advances	58,376	1,40,057	1,08,070	1,63,834	51.6%
Total Expenditure	37,93,801	39,44,909	41,87,232	45,03,097	7.5%
Revenue Receipts	21,69,905	22,04,422	23,48,413	26,32,281	12.1%
Capital Receipts	39,375	79,291	83,500	84,000	0.6%
of which:					
Recoveries of Loans	24,737	14,291	23,500	23,000	-2.1%
Other receipts (including disinvestments)	14,638	65,000	60,000	61,000	
Total Receipts (excluding borrowings)	22,09,280	22,83,713	24,31,913	27,16,281	11.7%
Revenue Deficit	10,31,021	9,90,241	11,10,546	8,69,855	-21.7%
% of GDP	4.4%	3.8%	4.1%	2.9%	-29.3%
Fiscal Deficit	15,84,521	16,61,196	17,55,319	17,86,816	1.8%
% of GDP	6.7%	6.4%	6.4%	5.9%	-7.8%
Primary Deficit	7,79,022	7,20,545	8,14,668	7,06,845	-13.2%
% of GDP	3.3%	2.8%	3.0%	2.3%	-23.3%

Sources: Budget at a Glance, Union Budget Documents 2023-24; PRS.

Union Budget 2023-24: Break Up of Receipts (Rs in Crores)

	Actuals 2021-22	Budgeted 2022-23	Revised 2022-23	Budgeted 2023-24	% change 2022-23 RE to 2023-24 BE
Gross Tax Revenue	27,09,135	27,57,820	30,43,067	33,60,858	10.4%
<i>of which:</i>					
Corporation Tax	7,12,037	7,20,000	8,35,000	9,22,675	10.5%
Taxes on Income	6,96,243	7,00,000	8,15,000	9,00,575	10.5%
Goods and Services Tax	6,98,114	7,80,000	8,54,000	9,56,600	12.0%
Customs	1,99,728	2,13,000	2,10,000	2,33,100	11.0%
Union Excise Duties	3,94,644	3,35,000	3,20,000	3,39,000	5.9%
Service Tax	1,012	2,000	1,000	500	-50.0%
A. Centre's Net Tax Revenue	18,04,794	19,34,771	20,86,662	23,30,631	11.7%
Devolution to States	8,98,392	8,16,649	9,48,405	10,21,448	7.7%
B. Non Tax Revenue	3,65,112	2,69,651	2,61,751	3,01,650	15.2%
<i>of which:</i>					
Interest Receipts	21,874	18,000	24,640	24,820	0.7%
Dividend	1,60,647	1,13,948	83,953	91,000	8.4%
Other Non-Tax Revenue	1,79,540	1,34,276	1,48,342	1,81,382	22.3%
C. Capital Receipts (without borrowings)	39,375	79,291	83,500	84,000	0.6%
<i>of which:</i>					
Disinvestment	13,627	65,000	50,000	51,000	2.0%
Receipts (without borrowings) (A+B+C)	22,09,281	22,83,713	24,31,913	27,16,281	11.7%
Borrowings	15,84,521	16,61,196	17,55,319	17,86,816	1.8%
Total Receipts (including borrowings)	37,93,802	39,44,909	41,87,232	45,03,097	7.5%

Sources: Receipts Budget, Union Budget Documents 2023-24; PRS.

Union Budget 2023-24: Break Up of Expenditure (Rs in Crores)

	Actuals 2021-22	Budgeted 2022-23	Revised 2022-23	Budgeted 2023-24	% change (2022-23 RE to 2023-24 BE)
Central Expenditure	29,13,970	30,06,111	32,82,936	35,13,761	7.0%
Establishment Expenditure of Centre	6,93,272	6,92,214	7,34,619	7,44,339	1.3%
Central Sector Schemes	12,09,950	11,81,084	14,11,729	14,67,880	4.0%
Other expenditure	10,10,748	11,32,813	11,36,588	13,01,542	14.5%
Grants for CSS and other transfers	8,79,832	9,38,797	9,04,296	9,89,337	9.4%
Centrally Sponsored Schemes (CSS)	4,54,366	4,42,781	4,51,901	4,76,105	5.4%
Finance Commission Grants	2,07,435	1,92,108	1,73,257	1,65,480	-4.5%
<i>of which:</i>					
Rural Local Bodies	40,312	46,513	41,000	47,018	14.7%
Urban Local Bodies	16,147	22,908	15,026	24,222	61.2%
Grants-in-aid	20,272	23,294	22,135	24,466	10.5%
Post Devolution Revenue Deficit Grants	1,18,452	86,201	86,201	51,673	-40.1%
Other grants	2,18,031	3,03,908	2,79,138	3,47,752	24.6%
Total Expenditure	37,93,801	39,44,909	41,87,232	45,03,097	7.5%

Sources: Budget at a Glance, Union Budget Documents 2023-24; PRS.

Union Budget 2023-24: Allocation to Ministries (Rs in Crores)

	Actuals 2021-22	Budgeted 2022-23	Revised 2022-23	Budgeted 2023-24	% change (2022-23 RE to 2023-24 BE)
Defence	5,00,681	5,25,166	5,84,791	5,93,538	1.5%
Road Transport and Highways	1,23,551	1,99,108	2,17,027	2,70,435	24.6%
Railways	1,35,242	1,40,367	1,62,312	2,41,268	48.6%
Food and Public Distribution	3,06,571	2,17,684	2,96,523	2,05,765	-30.6%
Home Affairs	1,68,791	1,85,777	1,93,912	1,96,035	1.1%
Chemicals and Fertilisers	1,54,789	1,07,715	2,27,681	1,78,482	-21.6%
Rural Development	1,61,643	1,38,204	1,82,382	1,59,964	-12.3%
Agriculture and Farmers' Welfare	1,22,836	1,32,514	1,18,913	1,25,036	5.1%
Communications	51,545	1,05,407	1,05,478	1,23,393	17.0%
Education	80,352	1,04,278	99,881	1,12,899	13.0%
Jal Shakti	83,467	86,189	74,029	97,278	31.4%
Health and Family Welfare	84,470	86,201	79,145	89,155	12.6%
Housing and Urban Affairs	1,06,840	76,549	74,546	76,432	2.5%
Other Ministries	17,13,022	18,39,751	17,70,613	20,33,419	14.8%
Total Expenditure	37,93,801	39,44,909	41,87,232	45,03,097	7.5%

Sources: Expenditure Budget, Union Budget 2023-24; PRS.

Union Budget 2023-24: Allocation to Flagship Schemes (Rs in Crores)

	Actuals 2021-22	Budgeted 2022-23	Revised 2022-23	Budgeted 2023-24	% change (2022-23 RE to 2023-24 BE)
Pradhan Mantri Awas Yojana	90,020	48,000	77,130	79,590	3.2%
Jal Jeevan Mission/National Rural Drinking Water Mission	63,126	60,000	55,000	70,000	27.3%
PM-KISAN	66,825	68,000	60,000	60,000	0.0%
MGNREGS	98,468	73,000	89,400	60,000	-32.9%
National Education Mission	25,305	39,553	32,612	38,953	19.4%
National Health Mission	32,958	37,160	33,708	36,785	9.1%
Modified Interest Subvention Scheme*	-	19,500	22,000	23,000	4.5%
Saksham Anganwadi and POSHAN 2.0	18,382	20,263	20,263	20,554	1.4%
Pradhan Mantri Gram Sadak Yojana	13,992	19,000	19,000	19,000	0.0%
AMRUT and Smart Cities Mission	13,868	14,100	15,300	16,000	4.6%
National Livelihood Mission-Ajeevika	10,177	14,236	13,886	14,129	1.7%
Guarantee Emergency Credit Line to MSME borrowers	7,445	15,000	10,500	14,100	34.3%
Pradhan Mantri Fasal Bima Yojana	13,549	15,500	12,376	13,625	10.1%
Swachh Bharat Mission	5,050	9,492	7,000	12,192	74.2%
Reform Linked Distribution Scheme	814	7,566	6,000	12,072	101.2%

Note: The Modified Interest Subvention Scheme replaced the scheme for interest subsidy for short term credit to farmers (the actual expenditure towards this scheme is Rs 21,477 crore in 2021-22).

Sources: Expenditure Profile, Union Budget 2023-24; PRS.

Union Budget 2023-24: Subsidies (Rs in Crores)

	Actuals 2021-22	Budgeted 2022-23	Revised 2022-23	Budgeted 2023-24	% change (2022-23 RE to 2023-24 BE)
Food subsidy	2,88,969	2,06,831	2,87,194	1,97,350	-31.3%
Fertiliser subsidy	1,53,758	1,05,222	2,25,220	1,75,100	-22.3%
Petroleum subsidy	3,423	5,813	9,171	2,257	-75.4%
Other subsidies	57,758	37,773	40,495	28,377	-29.9%
Total	5,03,907	3,55,639	5,62,080	4,03,084	-28.3%

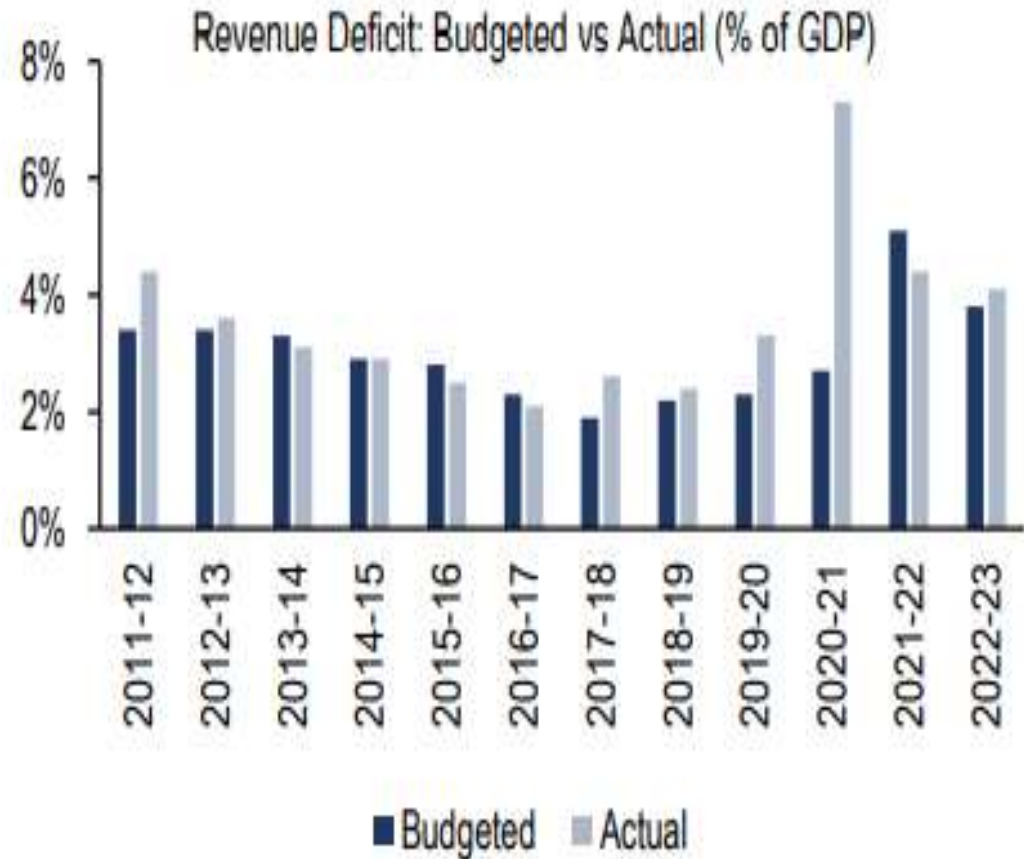
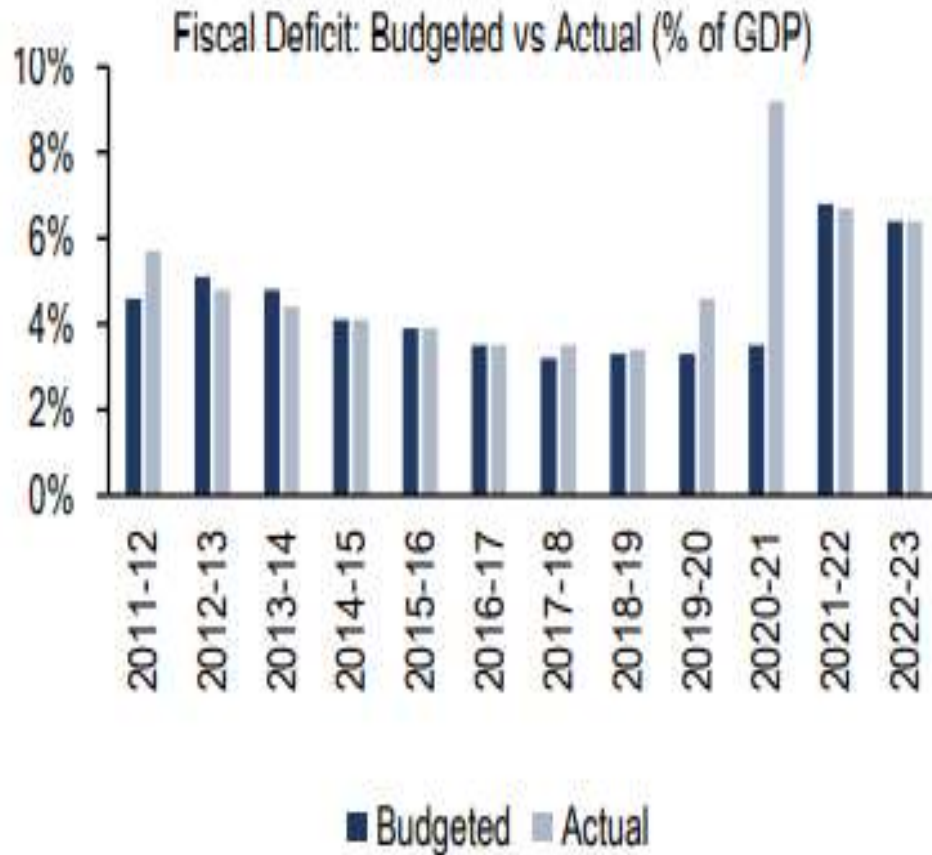
Sources: Expenditure Profile, Union Budget 2023-24; PRS.

Union Budget 2023-24: Fiscal Management

	Actuals 2021-22	Revised 2022-23	Budgeted 2023-24
Fiscal Deficit	6.7%	6.4%	5.9%
Revenue Deficit	4.4%	4.1%	2.9%
Primary Deficit	3.3%	3.0%	2.3%

Sources: Medium Term Fiscal Policy Statement, Union Budget 2023-24; PRS.

Union Budget 2023-24: Fiscal Management



Note: Data for 2022-23 is revised estimate.

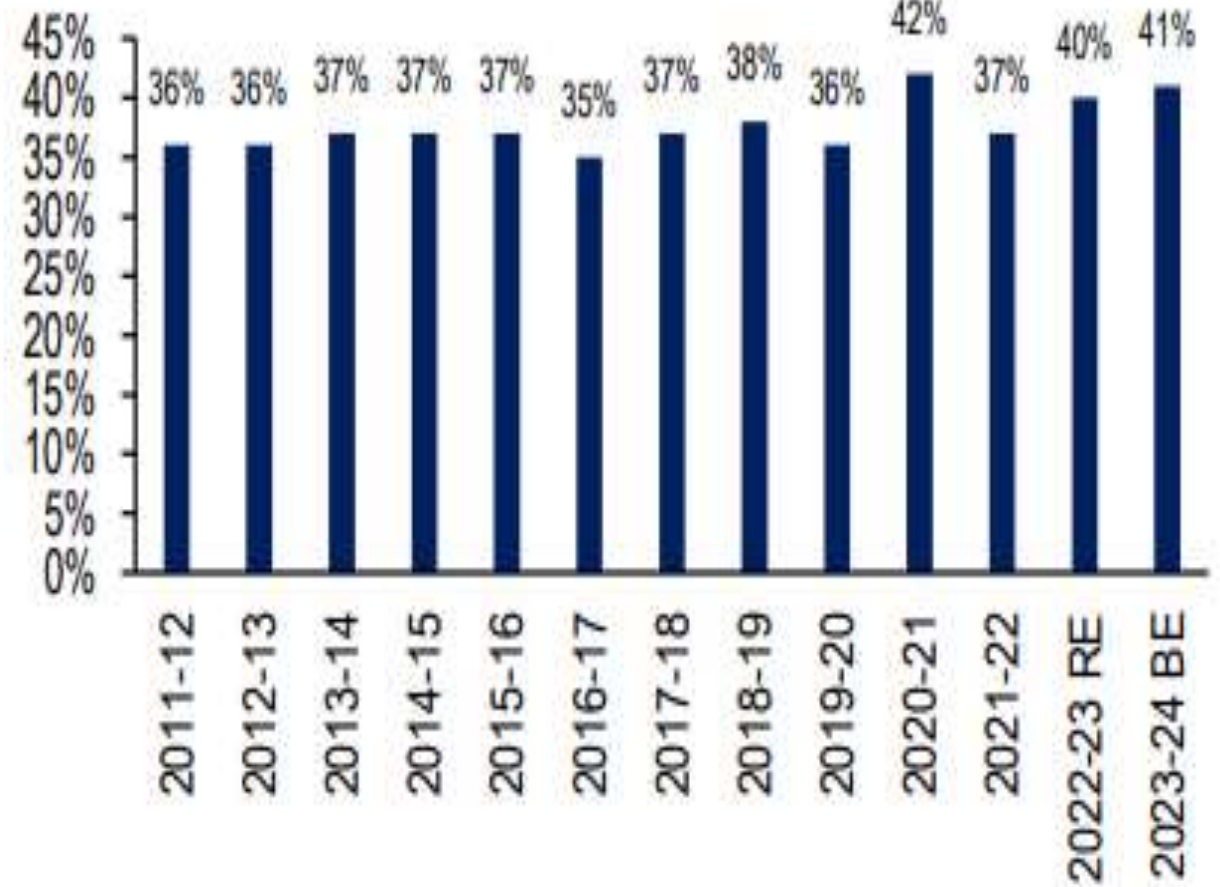
Sources: Budget at a Glance, Union Budget (multiple years); PRS.

Union Budget 2023-24: Fiscal Management

Outstanding liabilities (% of GDP)

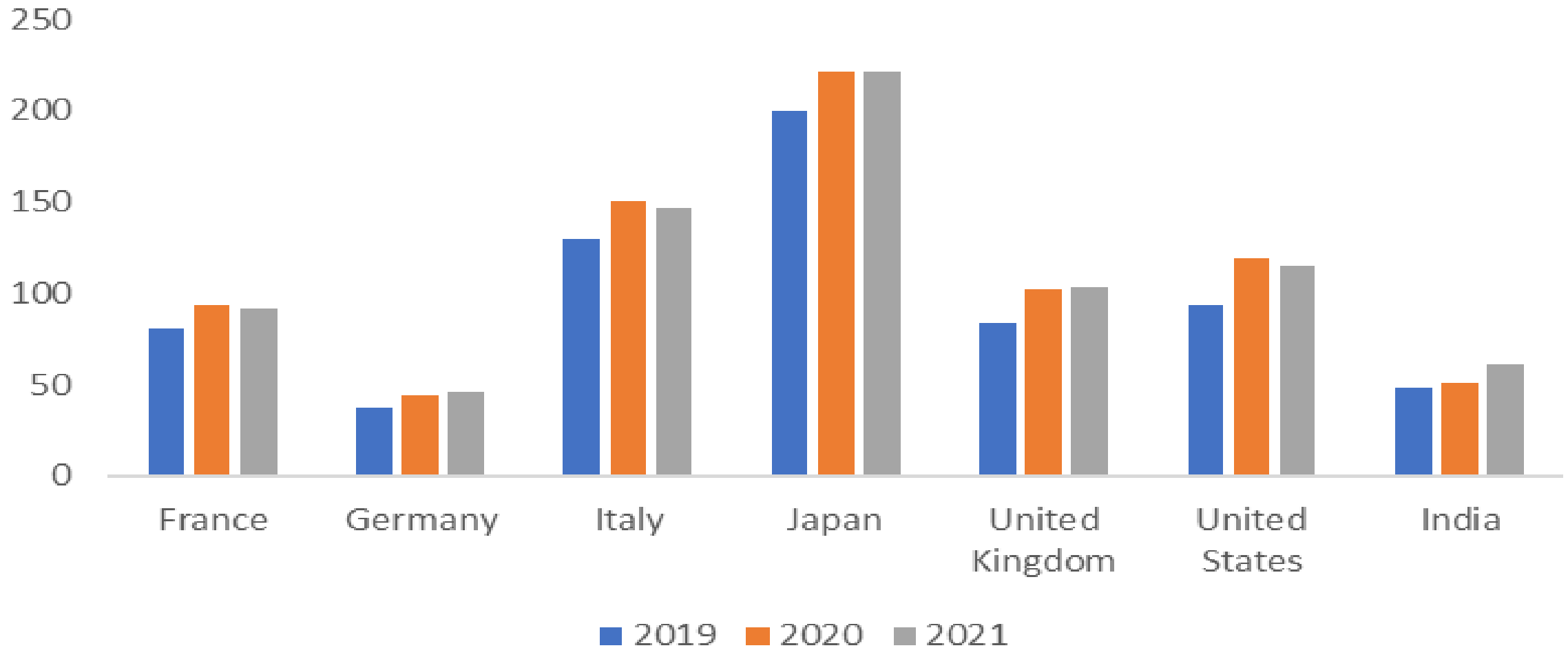


Interest payments as % of Revenue Receipts



Union Budget 2023-24: Fiscal Management

Central Government Debt as % of GDP



Union Budget 2023-24: NER & Assam

- ❖ **Increased the Budget of Ministry of DoNER** from Rs 2760 Crores in 2022-23 to Rs 5892 Crores in 2023-24
- ❖ **Increased the allocation of Prime Minister's Development Initiative for North East Region (PM-DevINE)** from Rs 400 Crore to Rs 2200 Crore.
- ❖ **Proposal for revival of 22 airports** and for commencement of 100 RCS routes, Viability Gap Funding for North East Connectivity.
- ❖ **Rs 78,000 crore allocation from tax devolution**, which is over and above the central schemes, is way more than what the 15th Finance Commission had fixed. Out of this, 40% will be for Assam alone,
- ❖ **Rs 31,950 crore for Assam**, which means the Assam government will be instantly benefited by at least Rs 6,500 crore
- ❖ **Northeastern region's call for a new industrial policy** has gone unanswered in the 2023-24 Union Budget.



**THANX TO ALL
FOR BEING PATIENT**