

Key Highlights of the Union Budget 2022-23



Union Budget 2022-23:

The Union Minister for Finance & Corporate Affairs, Smt Nirmala Sitharaman, on 1st February 2022 tabled the Union Budget 2022-23 in Parliament in a paperless format just like the last year.

The key highlights of the budget are as follows:

- India's economic growth estimated at 9.5% to be the highest among all large economies.
- 60 lakh new jobs to be created under the productivity linked incentive scheme in 14 sectors.
- PLI Schemes have the potential to create an additional production of Rs 30 lakh crore.
- Entering Amrit Kaal, the 25 year long lead up to India @100, the Budget to focuses on four pillars. They are -
 1. **PM GatiShakti**
 2. **Inclusive Development**
 3. **Productivity Enhancement & Investment, Sunrise opportunities, Energy Transition, and Climate Action.**
 4. **Financing of investments**

PM GatiShakti National Master Plan:



- PM Gati Shakti is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure.
- The scope of PM GatiShakti National Master Plan will encompass these seven engines for economic transformation, seamless multimodal connectivity and logistics efficiency.
- It will also include the infrastructure developed by the state governments as per the GatiShakti Master Plan.
- The focus will be on planning, financing including through innovative ways, use of technology, and speedier implementation.
- The projects pertaining to these 7 engines in the National Infrastructure Pipeline will be aligned with PM GatiShakti framework.

Road Transport:

- PM GatiShakti Master Plan for Expressways will be formulated in 2022-23 to facilitate faster movement of people and goods.
- The National Highways network will be expanded by 25,000 km in 2022-23.
- An amount of Rs 20000 crore will be mobilized for National Highways Network expansion through innovative ways of financing to complement the public resources.

Seamless Multimodal Movement of Goods and People:

- The data exchange among all mode operators will be brought on Unified Logistics Interface Platform (ULIP), designed for Application Programming Interface (API).
- Open-source mobility stack, for organizing seamless travel of passengers will also be facilitated.

Multimodal Logistics Parks:

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

Railways:

- Development of new products and efficient logistics services for small farmers and Small and Medium Enterprises (MSMEs) by the Railways.
- One Station One Product concept to help local businesses & supply chains.

- As a part of Atmanirbhar Bharat, 2000 Km of 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 3 years.
- 100 PM GatiShakti Cargo terminals for multimodal logistics to be developed during the next 3 years.

Parvatmala:

- National Ropeways Development Program, Parvatmala to be taken up on PPP mode.
- Contracts to be awarded in 2022-23 for 8 ropeway projects of 60 Km length.
- Capacity Building for Infrastructure Projects:
- With technical support from the Capacity Building Commission, central ministries, state governments, and their infra-agencies will have their skills upgraded.

Education sector:



The key highlights of the Education sector are as follows:

- Expansion of 'One class-One TV channel' programme of PMeVIDYA to 200 TV channels.
- Setting up of Virtual labs and skilling e-labs to promote critical thinking skills and simulated learning environment.
- High-quality e-content will be developed for delivery through Digital Teachers.
- Establishment of Digital University for world-class quality universal education with personalised learning experience.

Skill Development

- Digital Ecosystem for Skilling and Livelihood (DESH-Stack e-portal) will be launched to empower citizens to skill, reskill or upskill through on-line training.
- The National Skill Qualification Framework (NSQF) will be aligned with dynamic industry needs
- Promotions of Startups to facilitate 'Drone Shakti' and for Drone-As-A-Service (DrAAS).

Universalization of Quality Education:

- 75 skilling e-labs for simulated learning environment will be set-up to promote crucial critical thinking skills, to give space for creativity, 750 virtual labs in science and mathematics.
- High-quality e-content in all spoken languages will be developed for delivery via internet, mobile phones, TV and radio through Digital Teachers.

- A competitive mechanism for development of quality e-content by the teachers will be set-up to empower and equip them with digital tools of teaching and facilitate better learning outcomes.

Agriculture Sector:



The key highlights of the Agriculture Sector are as follows:

- 2.37 lakh crore direct payment to 1.63 crore farmers for procurement of wheat and paddy.
- Chemical free Natural farming will be promoted throughout the county.
- Initial focus is on farmer's lands in 5 Km wide corridors along river Ganga.
- NABARD to facilitate fund with blended capital to finance startups for agriculture & rural enterprise.
- 'Kisan Drones' for crop assessment, digitization of land records, spraying of insecticides and nutrients.

Ken Betwa project:

- An amount of 1400 crore outlay has been allocated for implementation of the Ken – Betwa link project.
- 08 lakh hectares of farmers' lands to receive irrigation benefits by Ken-Betwa link project.

Health Sector:



The key highlights of the Health Sector are as follows:

- An open platform for National Digital Health Ecosystem will be rolled out.

- 'National Tele Mental Health Programme' for quality mental health counselling and care services will be launched.
- A network of 23 tele-mental health centres of excellence will be set up, with NIMHANS being the nodal centre and International Institute of Information Technology-Bangalore (IIITB) providing technology support.

Saksham Anganwadi:

- Integrated benefits to women and children through Mission Shakti, Mission Vatsalya, Saksham Anganwadi and Poshan 2.0.
- Two lakh anganwadis to be upgraded to Saksham Anganwadis.

Rural & Urban Infrastructure:



The key highlights of the Rural & Urban Infrastructure are as follows:

Har Ghar, Nal Se Jal:

- An amount of Rs. 60,000 crore to be allocated to cover 3.8 crore households in 2022-23 under Har Ghar, Nal se Jal.

Housing for All:

- An amount of Rs. 48,000 crore to be allocated for completion of 80 lakh houses in 2022-23 under PM Awas Yojana.

Prime Minister's Development Initiative for North-East Region (PM-DevINE):

- New scheme PM-DevINE launched to fund infrastructure and social development projects in the North-East.
- An initial allocation of Rs. 1,500 crore made to enable livelihood activities for youth and women under the scheme.

Urban Planning:

- Modernization of building byelaws, Town Planning Schemes (TPS), and Transit Oriented Development (TOD) will be implemented.
- Battery swapping policy to be brought out for setting up charging stations at scale in urban areas.

Land Records Management:

- Unique Land Parcel Identification Number for IT-based management of land records.

Industry Sector:



The key highlights of the Industry Sector are as follows:

Accelerated Corporate Exit:

- Centre for Processing Accelerated Corporate Exit (C-PACE) to be established for speedy winding-up of companies.

AVGC Promotion Task Force:

- An animation, visual effects, gaming, and comic (AVGC) promotion task force to be set-up to realize the potential of this sector.

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.

MSME sector:



The key highlights of the MSME Sector are as follows

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

Monetary Sector:



The key highlights of the Monetary Sector are as follows:

Banking:

- 100 percent 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.

Digital Rupee:

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

Mobilising Resources:

- Data Centres and Energy Storage Systems to be given infrastructure status.
- Venture Capital and Private Equity invested more than Rs. 5.5 lakh crore last year facilitating one of the largest start-up and growth ecosystems. Measures to be taken to help scale up this investment.
- Blended funds to be promoted for sunrise sectors.
- Sovereign Green Bonds to be issued for mobilizing resources for green infrastructure.

Fiscal Policy:



The key highlights of the Fiscal Policy are as follows:

Fiscal Management:

- Budget Estimates 2021-22: Rs. 34.83 lakh crore.
- Revised Estimates 2021-22 is Rs. 37.70 lakh crore.
- Total expenditure in 2022-23 estimated at Rs. 39.45 lakh crore.
- Total receipts other than borrowings in 2022-23 estimated at Rs. 22.84 lakh crore.
- Fiscal deficit in current year: 6.9% of GDP (against 6.8% in Budget Estimates).
- Fiscal deficit in 2022-23 estimated at 6.4% of GDP.

Providing Greater Fiscal Space to States:

- Enhanced outlay for 'Scheme for Financial Assistance to States for Capital Investment'.
- From Rs. 10,000 crore in Budget Estimates to Rs. 15,000 crore in Revised Estimates for current year.
- Allocation of 1 lakh crore in 2022-23 to assist the states in catalysing overall investments in the economy: fifty-year interest free loans, over and above normal borrowings.
- In 2022-23, States will be allowed a fiscal deficit of 4% of GSDP, of which 0.5% will be tied to power sector reforms.

Energy Transition & Climate Action:



The key highlights of the Energy Transition & Climate Action are as follows:

- Additional allocation of Rs. 19,500 crore for Production Linked Incentive for manufacture of high efficiency solar modules to meet the goal of 280 GW of installed solar power by 2030.
- 5 to 7 percent 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.

Pilot Projects:

- Four pilot projects to be set up for coal gasification and conversion of coal into chemicals for the industry.
- Financial support to farmers belonging to Scheduled Castes and Scheduled Tribes, who want to take up agro-forestry.

Info about Union Budget:



Union Budget:

- The “Annual Financial Statement” is commonly known as Budget.
- However, the term Union Budget has not been mentioned in the constitution.

- This annual financial statement is prepared in accordance with Article 112 of the Constitution of India.
- The Union Budget comprises Capital Budget, Revenue Budget, Expenditure Budget, and this also has the next fiscal year's estimates.
- In 2016, the Rail Budget was also merged with union budget.
- The Capital Budget part of the Union Budget has accounts for capital payment and receipts which are government-related.
- Until 1999, the Union Budget was announced at 5:00 pm on last working day February but since the Budget 1999, the timing was changed to 11 am.
- In 2016, Narendra Modi shifted the date of Budget presentation to February, 1.
- The printing of budget documents starts with the customary Halwa ceremony in which the Halwa is served by the Finance Minister.
- The tradition of carrying budget in a leather briefcase was also changed in July 2019 when the finance minister carried the budget in a Bahi-Khata.

Note: The Union Budget is being presented in a paperless format since 2021.

What is Halwa Ceremony?

- Halwa ceremony has been a tradition which has continued for long. As part of the ritual, a sweet dish or Indian dessert 'halwa' is prepared in a big 'kadhai' (vessel) and served to the officials of the Finance Ministry and support staff, who are directly involved in the Budget making and printing process.
- In a bid to prevent the leak of information, the officials are required to stay in the ministry and remain cut off from their families till the presentation of the Budget by the finance minister in the Lok Sabha.
- The ceremony also recognizes and lauds the efforts of every staff who have been a part of the budget-making process.

Source: Union Budget