



सत्यमेव जयते

GOVERNMENT OF INDIA

BUDGET 2023-2024

SPEECH
OF
NIRMALA SITHARAMAN
MINISTER OF FINANCE

February 1, 2023

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Budget 2023-2024

Speech of
Nirmala Sitharaman
Minister of Finance

February 1, 2023

Hon'ble Speaker,

I present the Budget for 2023-24. This is the first Budget in *Amrit Kaal*.

Introduction

1. This Budget hopes to build on the foundation laid in the previous Budget, and the blueprint drawn for India@100. We envision a prosperous and inclusive India, in which the fruits of development reach all regions and citizens, especially our youth, women, farmers, OBCs, Scheduled Castes and Scheduled Tribes.

2. In the 75th year of our Independence, the world has recognised the Indian economy as a 'bright star'. Our current year's economic growth is estimated to be at 7 per cent. It is notable that this is the highest among all the major economies. This is in spite of the massive slowdown globally caused by Covid-19 and a war. The Indian economy is therefore on the right track, and despite a time of challenges, heading towards a bright future.

3. Today as Indians stand with their head held high, and the world appreciates India's achievements and successes, we are sure that elders who had fought for India's independence, will with joy, bless us our endeavors going forward.

Resilience amidst multiple crises

4. Our focus on wide-ranging reforms and sound policies, implemented through *Sabka Prayas* resulting in *Jan Bhagidari* and targeted support to those in need, helped us perform well in trying times. India's rising global

profile is because of several accomplishments: unique world class digital public infrastructure, e.g., Aadhaar, Co-Win and UPI; Covid vaccination drive in unparalleled scale and speed; proactive role in frontier areas such as achieving the climate related goals, mission LiFE, and National Hydrogen Mission.

5. During the Covid-19 pandemic, we ensured that no one goes to bed hungry, with a scheme to supply free food grains to over 80 crore persons for 28 months. Continuing our commitment to ensure food and nutritional security, we are implementing, from 1st January 2023, a scheme to supply free food grain to all Antyodaya and priority households for the next one year, under PM Garib Kalyan Anna Yojana (PMGKAY). The entire expenditure of about ₹ 2 lakh crore will be borne by the Central Government.

G20 Presidency: Steering the global agenda through challenges

6. In these times of global challenges, the G20 Presidency gives us a unique opportunity to strengthen India's role in the world economic order. With the theme of '*Vasudhaiva Kutumbakam*', we are steering an ambitious, people-centric agenda to address global challenges, and to facilitate sustainable economic development.

Achievements since 2014: Leaving no one behind

7. The government's efforts since 2014 have ensured for all citizens a better quality of living and a life of dignity. The per capita income has more than doubled to ₹ 1.97 lakh.

8. In these nine years, the Indian economy has increased in size from being 10th to 5th largest in the world. We have significantly improved our position as a well-governed and innovative country with a conducive environment for business as reflected in several global indices. We have made significant progress in many Sustainable Development Goals.

9. The economy has become a lot more formalised as reflected in the EPFO membership more than doubling to 27 crore, and 7,400 crore digital payments of ₹ 126 lakh crore through UPI in 2022.

10. The efficient implementation of many schemes, with universalisation of targeted benefits, has resulted in inclusive development. Some of the schemes are:

- i. 11.7 crore household toilets under Swachh Bharat Mission,
- ii. 9.6 crore LPG connections under Ujjawala,
- iii. 220 crore Covid vaccination of 102 crore persons,
- iv. 47.8 crore PM Jan Dhan bank accounts,
- v. Insurance cover for 44.6 crore persons under PM Suraksha Bima and PM Jeevan Jyoti Yojana, and
- vi. Cash transfer of ₹ 2.2 lakh crore to over 11.4 crore farmers under PM Kisan Samman Nidhi.

Vision for *Amrit Kaal* – an empowered and inclusive economy

11. Our vision for the *Amrit Kaal* includes technology-driven and knowledge-based economy with strong public finances, and a robust financial sector. To achieve this, *Jan Bhagidari* through *Sabka Saath Sabka Prayas* is essential.

12. The economic agenda for achieving this vision focuses on three things: first, facilitating ample opportunities for citizens, especially the youth, to fulfil their aspirations; second, providing strong impetus to growth and job creation; and third, strengthening macro-economic stability.

13. To service these focus areas in our journey to India@100, we believe that the following four opportunities can be transformative during Amrit Kaal.

- 1) **Economic Empowerment of Women:** Deendayal Antyodaya Yojana National Rural Livelihood Mission has achieved remarkable success by mobilizing rural women into 81 lakh Self Help Groups. We will enable these groups to reach the next stage of economic empowerment through formation of large producer enterprises or collectives with each having several thousand members and managed professionally. They will be helped with supply of raw materials and for better design, quality, branding and marketing of their products. Through supporting policies, they will be enabled to scale up their operations to serve the large consumer markets, as has been the case with several start-ups growing into 'Unicorns'.
- 2) **PM Vishwakarma KAushal Samman (PM VIKAS):** For centuries, traditional artisans and craftspeople, who work with their hands using tools, have brought renown for India. They are generally referred to as Vishwakarma. The art and handicraft created by them represents the true spirit of Atmanirbhar Bharat. For the first time, a package of assistance for them 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 not only financial support but also access to advanced skill training, knowledge of modern digital techniques and efficient green technologies, brand promotion, linkage with local and global markets, digital payments, and social security. This will greatly benefit the Scheduled Castes, Scheduled Tribes, OBCs, women and people belonging to the weaker sections.
- 3) **Tourism:** The country offers immense attraction for domestic as well as foreign tourists. There is a large potential to be tapped in tourism. The sector holds huge opportunities for jobs and entrepreneurship for youth in particular. Promotion of tourism will be taken up on mission mode, with active participation of states, convergence of government programmes and public-private partnerships.

- 4) **Green Growth:** We are implementing many programmes for green fuel, green energy, green farming, green mobility, green buildings, and green equipment, and policies for efficient use of energy across various economic sectors. These green growth efforts help in reducing carbon intensity of the economy and provides for large-scale green job opportunities.

Priorities of this Budget

14. The Budget adopts the following seven priorities. They complement each other and act as the '*Saptarishi*' guiding us through the *Amrit Kaal*.

- 1) Inclusive Development
- 2) Reaching the Last Mile
- 3) Infrastructure and Investment
- 4) Unleashing the Potential
- 5) Green Growth
- 6) Youth Power
- 7) Financial Sector

Priority 1: Inclusive Development

15. The Government's philosophy of *Sabka Saath Sabka Vikas* has facilitated inclusive development covering in specific, farmers, women, youth, OBCs, Scheduled Castes, Scheduled Tribes, divyangjan and economically weaker sections, and overall priority for the underprivileged (*vanchiton ko varyata*). There has also been a sustained focus on Jammu & Kashmir, Ladakh and the North-East. This Budget builds on those efforts.

Agriculture and Cooperation

Digital Public Infrastructure for Agriculture

16. Digital public infrastructure for agriculture will be built as an open source, open standard and inter operable public good. This will enable

inclusive, farmer-centric solutions through relevant information services for crop planning and health, improved access to farm inputs, credit, and insurance, help for crop estimation, market intelligence, and support for growth of agri-tech industry and start-ups.

Agriculture Accelerator Fund

17. An Agriculture Accelerator Fund will be set-up to encourage agri-startups by young entrepreneurs in rural areas. The Fund will aim at bringing innovative and affordable solutions for challenges faced by farmers. It will also bring in modern technologies to transform agricultural practices, increase productivity and profitability.

Enhancing productivity of cotton crop

18. To enhance the productivity of extra-long staple cotton, we will adopt a cluster-based and value chain approach through Public Private Partnerships (PPP). This will mean collaboration between farmers, state and industry for input supplies, extension services, and market linkages.

Atmanirbhar Horticulture Clean Plant Program

19. We will launch an Atmanirbhar Clean Plant Program to boost availability of disease-free, quality planting material for high value horticultural crops at an outlay of ₹ 2,200 crore.

Global Hub for Millets: ‘Shree Anna’

20. *“India is at the forefront of popularizing Millets, whose consumption furthers nutrition, food security and welfare of farmers,”* said Hon’ble Prime Minister.

21. We are the largest producer and second largest exporter of ‘Shree Anna’ in the world. We grow several types of ‘Shree Anna’ such as *jowar, ragi, bajra, kuttu, ramdana, kangni, kutki, kodo, cheena, and sama*. These have a number of health benefits, and have been an integral part of our food for centuries. I acknowledge with pride the huge service done by small

farmers in contributing to the health of fellow citizens by growing these '*Shree Anna*'.

22. Now to make India a global hub for '*Shree Anna*', the Indian Institute of Millet Research, Hyderabad will be supported as the Centre of Excellence for sharing best practices, research and technologies at the international level.

Agriculture Credit

23. The agriculture credit target will be increased to ₹ 20 lakh crore with focus on animal husbandry, dairy and fisheries.

Fisheries

24. We will launch a new sub-scheme of PM Matsya Sampada Yojana with targeted investment of ₹ 6,000 crore to further enable activities of fishermen, fish vendors, and micro & small enterprises, improve value chain efficiencies, and expand the market.

Cooperation

25. For farmers, especially small and marginal farmers, and other marginalised sections, the government is promoting cooperative-based economic development model. A new Ministry of Cooperation was formed with a mandate to realise the vision of '*Sahakar Se Samriddhi*'. To realise this vision, the government has already initiated computerisation of 63,000 Primary Agricultural Credit Societies (PACS) with an investment of ₹ 2,516 crore. In consultation with all stakeholders and states, model bye-laws for PACS were formulated enabling them to become multipurpose PACS. A national cooperative database is being prepared for country-wide mapping of cooperative societies.

26. With this backdrop, we will implement a plan to set up massive decentralised storage capacity. This will help farmers store their produce and realize remunerative prices through sale at appropriate times. The government will also facilitate setting up of a large number of multipurpose

cooperative societies, primary fishery societies and dairy cooperative societies in uncovered panchayats and villages in the next 5 years.

Health, Education and Skilling

Nursing Colleges

27. One hundred and fifty-seven new nursing colleges will be established in co-location with the existing 157 medical colleges established since 2014.

Sickle Cell Anaemia Elimination Mission

28. A Mission to eliminate Sickle Cell Anaemia by 2047 will be launched. It will entail awareness creation, universal screening of 7 crore people in the age group of 0-40 years in affected tribal areas, and counselling through collaborative efforts of central ministries and state governments.

Medical Research

29. Facilities in select ICMR Labs will be made available for research by public and private medical college faculty and private sector R&D teams for encouraging collaborative research and innovation.

Pharma Innovation

30. A new programme to promote research and innovation in pharmaceuticals will be taken up through centers of excellence. We shall also encourage industry to invest in research and development in specific priority areas.

Multidisciplinary courses for medical devices

31. Dedicated multidisciplinary courses for medical devices will be supported in existing institutions to ensure availability of skilled manpower for futuristic medical technologies, high-end manufacturing and research.

Teachers' Training

32. Teachers' training will be re-envisioned through innovative pedagogy, curriculum transaction, continuous professional development, dipstick surveys, and ICT implementation. The District Institutes of Education and Training will be developed as vibrant institutes of excellence for this purpose.

National Digital Library for Children and Adolescents

33. A National Digital Library for children and adolescents will be set-up for facilitating availability of quality books across geographies, languages, genres and levels, and device agnostic accessibility. States will be encouraged to set up physical libraries for them at panchayat and ward levels and provide infrastructure for accessing the National Digital Library resources.

34. Additionally, to build a culture of reading, and to make up for pandemic-time learning loss, the National Book Trust, Children's Book Trust and other sources will be encouraged to provide and replenish non-curricular titles in regional languages and English to these physical libraries. Collaboration with NGOs that work in literacy will also be a part of this initiative. To inculcate financial literacy, financial sector regulators and organizations will be encouraged to provide age-appropriate reading material to these libraries.

Priority 2: Reaching the Last Mile

35. Prime Minister Vajpayee's government had formed the Ministry of Tribal Affairs and the Department of Development of North-Eastern Region. To provide a sharper focus to the objective of 'reaching the last mile', our government has formed the ministries of AYUSH, Fisheries, Animal Husbandry and Dairying, Skill Development, Jal Shakti and Cooperation.

Aspirational Districts and Blocks Programme

36. Building on the success of the Aspirational Districts Programme, the Government has recently launched the Aspirational Blocks Programme covering 500 blocks for saturation of essential government services across multiple domains such as health, nutrition, education, agriculture, water resources, financial inclusion, skill development, and basic infrastructure.

Pradhan Mantri PVTG Development Mission

37. To improve socio-economic conditions of the particularly vulnerable tribal groups (PVTGs), Pradhan Mantri PVTG Development Mission will be launched. This will saturate PVTG families and habitations with basic facilities such as safe housing, clean drinking water and sanitation, improved access to education, health and nutrition, road and telecom connectivity, and sustainable livelihood opportunities. An amount of ₹ 15,000 crore will be made available to implement the Mission in the next three years under the Development Action Plan for the Scheduled Tribes.

Eklavya Model Residential Schools

38. In the next three years, centre will recruit 38,800 teachers and support staff for the 740 Eklavya Model Residential Schools, serving 3.5 lakh tribal students.

Water for Drought Prone Region

39. In the drought prone central region of Karnataka, central assistance of ₹ 5,300 crore will be given to Upper Bhadra Project to provide sustainable micro irrigation and filling up of surface tanks for drinking water.

PM Awas Yojana

40. The outlay for PM Awas Yojana is being enhanced by 66 per cent to over ₹ 79,000 crore.

Bharat Shared Repository of Inscriptions (Bharat SHRI)

41. 'Bharat Shared Repository of Inscriptions' will be set up in a digital epigraphy museum, with digitization of one lakh ancient inscriptions in the first stage.

Support for poor prisoners

42. For poor persons who are in prisons and unable to afford the penalty or the bail amount, required financial support will be provided.

Priority 3: Infrastructure & Investment

43. Investments in Infrastructure and productive capacity have a large multiplier impact on growth and employment. After the subdued period of the pandemic, private investments are growing again. The Budget takes the lead once again to ramp up the virtuous cycle of investment and job creation.

Capital Investment as driver of growth and jobs

44. Capital investment outlay is being increased steeply for the third year in a row by 33 per cent to ₹ 10 lakh crore, which would be 3.3 per cent of GDP. This will be almost three times the outlay in 2019-20.

45. This substantial increase in recent years is central to the government's efforts to enhance growth potential and job creation, crowd-in private investments, and provide a cushion against global headwinds.

Effective Capital Expenditure

46. The direct capital investment by the Centre is complemented by the provision made for creation of capital assets through Grants-in-Aid to States. The 'Effective Capital Expenditure' of the Centre is budgeted at ₹ 13.7 lakh crore, which will be 4.5 per cent of GDP.

Support to State Governments for Capital Investment

47. I have decided to continue the 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, with a significantly enhanced outlay of ₹ 1.3 lakh crore.

Enhancing opportunities for private investment in Infrastructure

48. The newly established Infrastructure Finance Secretariat will assist all stakeholders for more private investment in infrastructure, including railways, roads, urban infrastructure and power, which are predominantly dependent on public resources.

Harmonized Master List of Infrastructure

49. The Harmonized Master List of Infrastructure will be reviewed by an expert committee for recommending the classification and financing framework suitable for *Amrit Kaal*.

Railways

50. A capital outlay of ₹ 2.40 lakh crore has been provided for the Railways. This highest ever outlay is about 9 times the outlay made in 2013-14.

Logistics

51. One hundred critical transport infrastructure projects, for last and first mile connectivity for ports, coal, steel, fertilizer, and food grains sectors have been identified. They will be taken up on priority with investment of ₹ 75,000 crore, including ₹ 15,000 crore from private sources.

Regional Connectivity

52. Fifty additional airports, heliports, water aerodromes and advance landing grounds will be revived for improving regional air connectivity.

Sustainable Cities of Tomorrow

53. States and cities will be encouraged to undertake urban planning reforms and actions to transform our cities into 'sustainable cities of tomorrow'. This means efficient use of land resources, adequate resources for urban infrastructure, transit-oriented development, enhanced availability and affordability of urban land, and opportunities for all.

Making Cities ready for Municipal Bonds

54. Through property tax governance reforms and ring-fencing user charges on urban infrastructure, cities will be incentivized to improve their credit worthiness for municipal bonds.

Urban Infrastructure Development Fund

55. Like the RIDF, an Urban Infrastructure Development Fund (UIDF) will be established through use of priority sector lending shortfall. This will be managed by the National Housing Bank, and will be used by public agencies to create urban infrastructure in Tier 2 and Tier 3 cities. States will be encouraged to leverage resources from the grants of the 15th Finance Commission, as well as existing schemes, to adopt appropriate user charges while accessing the UIDF. We expect to make available ₹ 10,000 crore per annum for this purpose.

Urban Sanitation

56. All cities and towns will be enabled for 100 per cent mechanical desludging of septic tanks and sewers to transition from manhole to machine-hole mode. Enhanced focus will be provided for scientific management of dry and wet waste.

Priority 4: Unleashing the Potential

57. *“Good Governance is the key to a nation’s progress. Our government is committed to providing a transparent and accountable administration which works for the betterment and welfare of the common citizen,”* said Hon’ble Prime Minister.

Mission Karmayogi

58. Under Mission Karmayogi, Centre, States and Union Territories are making and implementing capacity-building plans for civil servants. The government has also launched an integrated online training platform, *iGOT Karmayogi*, to provide continuous learning opportunities for lakhs of government employees to upgrade their skills and facilitate people-centric approach.

59. For enhancing ease of doing business, more than 39,000 compliances have been reduced and more than 3,400 legal provisions have been decriminalized. For furthering the trust-based governance, we have introduced the Jan Vishwas Bill to amend 42 Central Acts. This Budget proposes a series of measures to unleash the potential of our economy.

Centres of Excellence for Artificial Intelligence

60. For realizing the vision of “*Make AI in India and Make AI work for India*”, three centres of excellence for Artificial Intelligence will be set-up in top educational institutions. Leading industry players will partner in conducting interdisciplinary research, develop cutting-edge applications and scalable problem solutions in the areas of agriculture, health, and sustainable cities. This will galvanize an effective AI ecosystem and nurture quality human resources in the field.

National Data Governance Policy

61. To unleash innovation and research by start-ups and academia, a National Data Governance Policy will be brought out. This will enable access to anonymized data.

Simplification of Know Your Customer (KYC) process

62. The KYC process will be simplified adopting a ‘risk-based’ instead of ‘one size fits all’ approach. The financial sector regulators will also be

encouraged to have a KYC system fully amenable to meet the needs of Digital India.

One stop solution for identity and address updating

63. A one stop solution for reconciliation and updating of identity and address of individuals maintained by various government agencies, regulators and regulated entities will be established using DigiLocker service and Aadhaar as foundational identity.

Common Business Identifier

64. For the business establishments required to have a Permanent Account Number (PAN), the PAN will be used as the common identifier for all digital systems of specified government agencies. This will bring ease of doing business; and it will be facilitated through a legal mandate.

Unified Filing Process

65. For obviating the need for separate submission of same information to different government agencies, a system of 'Unified Filing Process' will be set-up. Such filing of information or return in simplified forms on a common portal, will be shared with other agencies as per filer's choice.

Vivad se Vishwas I – Relief for MSMEs

66. In cases of failure by MSMEs to execute contracts during the Covid period, 95 per cent of the forfeited amount relating to bid or performance security, will be returned to them by government and government undertakings. This will provide relief to MSMEs.

Vivad se Vishwas II – Settling Contractual Disputes

67. To settle contractual disputes of government and government undertakings, wherein arbitral award is under challenge in a court, a voluntary settlement scheme with standardized terms will be introduced. This will be done by offering graded settlement terms depending on pendency level of the dispute.

State Support Mission

68. The State Support Mission of NITI Aayog will be continued for three years for our collective efforts towards national priorities.

Result Based Financing

69. To better allocate scarce resources for competing development needs, the financing of select schemes will be changed, on a pilot basis, from 'input-based' to 'result-based'.

E-Courts

70. For efficient administration of justice, Phase-3 of the E-Courts project will be launched with an outlay of ₹ 7,000 crore.

Fintech Services

71. Fintech services in India have been facilitated by our digital public infrastructure including Aadhaar, PM Jan Dhan Yojana, Video KYC, India Stack and UPI. To enable more Fintech innovative services, the scope of documents available in DigiLocker for individuals will be expanded.

Entity DigiLocker

72. An Entity DigiLocker will be set up for use by MSMEs, large business and charitable trusts. This will be towards storing and sharing documents online securely, whenever needed, with various authorities, regulators, banks and other business entities.

5G Services

73. One hundred labs for developing applications using 5G services will be set up in engineering institutions to realise a new range of opportunities, business models, and employment potential. The labs will cover, among others, applications such as smart classrooms, precision farming, intelligent transport systems, and health care applications.

Lab Grown Diamonds

74. Lab Grown Diamonds (LGD) is a technology-and innovation-driven emerging sector with high employment potential. These environment-friendly diamonds which have optically and chemically the same properties as natural diamonds. To encourage indigenous production of LGD seeds and machines and to reduce import dependency, a research and development grant will be provided to one of the IITs for five years.

75. To reduce the cost of production, a proposal to review the custom duty rate on LGD seeds will be indicated in Part B of the speech.

Priority 5: Green Growth

76. Hon'ble Prime Minister has given a vision for "LiFE", or Lifestyle for Environment, to spur a movement of environmentally conscious lifestyle. India is moving forward firmly for the '*panchamrit*' and net-zero carbon emission by 2070 to usher in green industrial and economic transition. This Budget builds on our focus on green growth.

Green Hydrogen Mission

77. The recently launched National Green Hydrogen Mission, with an outlay of ₹ 19,700 crores, will facilitate transition of the economy to low carbon intensity, reduce dependence on fossil fuel imports, and make the country assume technology and market leadership in this sunrise sector. Our target is to reach an annual production of 5 MMT by 2030.

Energy Transition

78. This Budget provides ₹ 35,000 crore for priority capital investments towards energy transition and net zero objectives, and energy security by Ministry of Petroleum & Natural Gas.

Energy Storage Projects

79. To steer the economy on the sustainable development path, Battery Energy Storage Systems with capacity of 4,000 MWH will be supported with

Viability Gap Funding. A detailed framework for Pumped Storage Projects will also be formulated.

Renewable Energy Evacuation

80. The Inter-state transmission system for evacuation and grid integration of 13 GW renewable energy from Ladakh will be constructed with investment of ₹ 20,700 crore including central support of ₹ 8,300 crore.

Green Credit Programme

81. For encouraging behavioural change, a Green Credit Programme will be notified under the Environment (Protection) Act. This will incentivize environmentally sustainable and responsive actions by companies, individuals and local bodies, and help mobilize additional resources for such activities.

PM-PRANAM

82. “PM Programme for Restoration, Awareness, Nourishment and Amelioration of Mother Earth” will be launched to incentivize States and Union Territories to promote alternative fertilizers and balanced use of chemical fertilizers.

GOBARdhan scheme

83. 500 new ‘waste to wealth’ plants under GOBARdhan (Galvanizing Organic Bio-Agro Resources Dhan) scheme will be established for promoting circular economy. These will include 200 compressed biogas (CBG) plants, including 75 plants in urban areas, and 300 community or cluster-based plants at total investment of ₹ 10,000 crore. I will refer to this in Part B. In due course, a 5 per cent CBG mandate will be introduced for all organizations marketing natural and bio gas. For collection of bio-mass and distribution of bio-manure, appropriate fiscal support will be provided.

Bhartiya Prakritik Kheti Bio-Input Resource Centres

84. Over the next 3 years, we 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.

MISHTI

85. Building on India's success in afforestation, 'Mangrove Initiative for Shoreline Habitats & Tangible Incomes', MISHTI, will be taken up for mangrove plantation along the coastline and on salt pan lands, wherever feasible, through convergence between MGNREGS, CAMPA Fund and other sources.

Amrit Dharohar

86. Wetlands are vital ecosystems which sustain biological diversity. In his latest Mann Ki Baat, the Prime Minister said, *"Now the total number of Ramsar sites in our country has increased to 75. Whereas, before 2014, there were only 26..."* Local communities have always been at the forefront of conservation efforts. The government will promote their unique conservation values through *Amrit Dharohar*, a scheme that will be implemented over the next three years to encourage optimal use of wetlands, and enhance bio-diversity, carbon stock, eco-tourism opportunities and income generation for local communities.

Coastal Shipping

87. Coastal shipping will be promoted as the energy efficient and lower cost mode of transport, both for passengers and freight, through PPP mode with viability gap funding.

Vehicle Replacement

88. Replacing old polluting vehicles is an important part of greening our economy. In furtherance of the vehicle scrapping policy mentioned in Budget 2021-22, I have allocated adequate funds to scrap old vehicles of

the Central Government. States will also be supported in replacing old vehicles and ambulances.

Priority 6: Youth Power

89. To empower our youth and help the '*Amrit Peedhi*' realize their dreams, we have formulated the National Education Policy, focused on skilling, adopted economic policies that facilitate job creation at scale, and have supported business opportunities.

Pradhan Mantri Kaushal Vikas Yojana 4.0

90. Pradhan Mantri Kaushal Vikas Yojana 4.0 will be launched to skill lakhs of youth within the next three years. On-job training, industry partnership, and alignment of courses with needs of industry will be emphasized. The scheme will also cover new age courses for Industry 4.0 like coding, AI, robotics, mechatronics, IOT, 3D printing, drones, and soft skills. To skill youth for international opportunities, 30 Skill India International Centres will be set up across different States.

Skill India Digital Platform

91. The digital ecosystem for skilling will be further expanded with the launch of a unified Skill India Digital platform for:

- enabling demand-based formal skilling,
- linking with employers including MSMEs, and
- facilitating access to entrepreneurship schemes.

National Apprenticeship Promotion Scheme

92. 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.

Tourism

93. With an integrated and innovative approach, at least 50 destinations will be selected through challenge mode. In addition to aspects such as physical connectivity, virtual connectivity, tourist guides, high standards for food streets and tourists' security, all the relevant aspects would be made available on an App to enhance tourist experience. Every destination would be developed as a complete package. The focus of development of tourism would be on domestic as well as foreign tourists.

94. Sector specific skilling and entrepreneurship development will be dovetailed to achieve the objectives of the 'Dekho Apna Desh' initiative. This was launched as an appeal by the Prime Minister to the middle class to prefer domestic tourism over international tourism. For integrated development of theme-based tourist circuits, the 'Swadesh Darshan Scheme' was also launched. Under the Vibrant Villages Programme, tourism infrastructure and amenities will also be facilitated in border villages.

Unity Mall

95. States will be encouraged to set up a Unity Mall in their state capital or most prominent tourism centre or the financial capital for promotion and sale of their own ODOPs (one district, one product), GI products and other handicraft products, and for providing space for such products of all other States.

Priority 7: Financial Sector

96. Our reforms in the financial sector and innovative use of technology have led to financial inclusion at scale, better and faster service delivery, ease of access to credit and participation in financial markets. This Budget proposes to further these measures.

Credit Guarantee for MSMEs

97. Last year, I proposed revamping of the credit guarantee scheme for MSMEs. I am happy to announce that the revamped scheme will take effect

from 1st April 2023 through infusion of ₹ 9,000 crore in the corpus. This will enable additional collateral-free guaranteed credit of ₹ 2 lakh crore. Further, the cost of the credit will be reduced by about 1 per cent.

National Financial Information Registry

98. A national financial information registry will be set up to serve as the central repository of financial and ancillary information. This will facilitate efficient flow of credit, promote financial inclusion, and foster financial stability. A new legislative framework will govern this credit public infrastructure, and it will be designed in consultation with the RBI.

Financial Sector Regulations

99. To meet the needs of *Amrit Kaal* and to facilitate optimum regulation in the financial sector, public consultation, as necessary and feasible, will be brought to the process of regulation-making and issuing subsidiary directions.

100. To simplify, ease and reduce cost of compliance, financial sector regulators will be requested to carry out a comprehensive review of existing regulations. For this, they will consider suggestions from public and regulated entities. Time limits to decide the applications under various regulations will also be laid down.

GIFT IFSC

101. To enhance business activities in GIFT IFSC, the following measures will be taken:

- Delegating powers under the SEZ Act to IFSCA to avoid dual regulation,
- Setting up a single window IT system for registration and approval from IFSCA, SEZ authorities, GSTN, RBI, SEBI and IRDAI,

- Permitting acquisition financing by IFSC Banking Units of foreign banks,
- Establishing a subsidiary of EXIM Bank for trade re-financing,
- Amending IFSCA Act for statutory provisions for arbitration, ancillary services, and avoiding dual regulation under SEZ Act, and
- Recognizing offshore derivative instruments as valid contracts.

Data Embassy

102. For countries looking for digital continuity solutions, we will facilitate setting up of their Data Embassies in GIFT IFSC.

Improving Governance and Investor Protection in Banking Sector

103. To improve bank governance and enhance investors' protection, certain amendments to the Banking Regulation Act, the Banking Companies Act and the Reserve Bank of India Act are proposed.

Capacity Building in Securities Market

104. To build capacity of functionaries and professionals in the securities market, SEBI will be empowered to develop, regulate, maintain and enforce norms and standards for education in the National Institute of Securities Markets and to recognize award of degrees, diplomas and certificates.

Central Data Processing Centre

105. A Central Processing Centre will be setup for faster response to companies through centralized handling of various forms filed with field offices under the Companies Act.

Reclaiming of shares and dividends

106. For investors to reclaim unclaimed shares and unpaid dividends from the Investor Education and Protection Fund Authority with ease, an integrated IT portal will be established.

Digital Payments

107. Digital payments continue to find wide acceptance. In 2022, they show increase of 76 per cent in transactions and 91 per cent in value. Fiscal support for this digital public infrastructure will continue in 2023-24.

Azadi Ka Amrit Mahotsav Mahila Samman Bachat Patra

108. For commemorating Azadi Ka Amrit Mahotsav, a one-time new small savings scheme, Mahila Samman Savings Certificate, will be made available for a two-year period up to March 2025. This will offer deposit facility upto ₹ 2 lakh in the name of women or girls for a tenor of 2 years at fixed interest rate of 7.5 per cent with partial withdrawal option.

Senior Citizens

109. The maximum deposit limit for Senior Citizen Savings Scheme will be enhanced from ₹ 15 lakh to ₹ 30 lakh.

110. The maximum deposit limit for Monthly Income Account Scheme will be enhanced from ₹ 4.5 lakh to ₹ 9 lakh for single account and from ₹ 9 lakh to ₹ 15 lakh for joint account.

Fiscal Management

Fifty-year interest free loan to States

111. The entire fifty-year loan to states has to be spent on capital expenditure within 2023-24. Most of this will be at the discretion of states, but a part will be conditional on states increasing their actual capital

expenditure. Parts of the outlay will also be linked to, or allocated for, the following purposes:

- Scrapping old government vehicles,
- Urban planning reforms and actions,
- Financing reforms in urban local bodies to make them creditworthy for municipal bonds,
- Housing for police personnel above or as part of police stations,
- Constructing Unity Malls,
- Children and adolescents' libraries and digital infrastructure, and
- State share of capital expenditure of central schemes.

Fiscal Deficit of States

112. States will be allowed a fiscal deficit of 3.5 per cent of GSDP of which 0.5 per cent will be tied to power sector reforms.

Revised Estimates 2022-23

113. The Revised Estimate of the total receipts other than borrowings is ₹ 24.3 lakh crore, of which the net tax receipts are ₹ 20.9 lakh crore. The Revised Estimate of the total expenditure is ₹ 41.9 lakh crore, of which the capital expenditure is about ₹ 7.3 lakh crore.

114. The Revised Estimate of the fiscal deficit is 6.4 per cent of GDP, adhering to the Budget Estimate.

Budget Estimates 2023-24

115. Coming to 2023-24, the total receipts other than borrowings and the total expenditure are estimated at ₹ 27.2 lakh crore and ₹ 45 lakh crore respectively. The net tax receipts are estimated at ₹ 23.3 lakh crore.

116. The fiscal deficit is estimated to be 5.9 per cent of GDP. In my Budget Speech for 2021-22, I had announced that we plan to continue the path of fiscal consolidation, reaching a fiscal deficit below 4.5 per cent by 2025-26 with a fairly steady decline over the period. We have adhered to this path, and I reiterate my intention to bring the fiscal deficit below 4.5 per cent of GDP by 2025-26.

117. To finance the fiscal deficit in 2023-24, the net market borrowings from dated securities are estimated at ₹ 11.8 lakh crore. The balance financing is expected to come from small savings and other sources. The gross market borrowings are estimated at ₹ 15.4 lakh crore.

I will, now, move to Part B.