

# WIRC OF ICSI

## Highlights of Union Budget 2023

By

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# UNION BUDGET 2023



Amrit Kaal

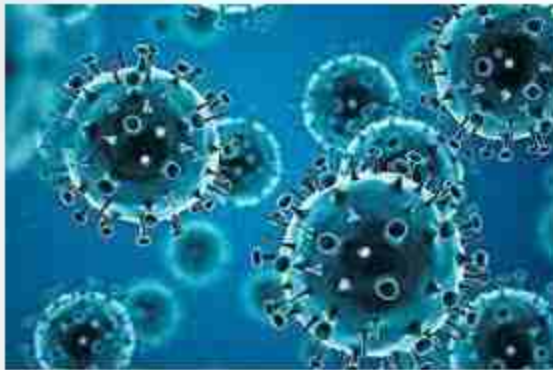
Blueprint for India @ 100

Prosperous and inclusive  
India

Reach all

Youth, Women, farmers  
OBC, SC, ST

# BACKDROP



# BENCHMARKS FOR INDIA

## Benchmarks for India

- 75<sup>th</sup> Independence
- 5<sup>th</sup> Largest Economy
- March 2023 nominal GDP to touch USD 3.5 trillion
- Real terms growth rate @ 7%
- Inflation below 6%
- Exports up by 16%
- High oil prices resulting in high fiscal deficit
- Good monsoon - higher reservoir level and average of 10 years
- Capex of the central government, increased by 63.4 % in the first eight months of FY23

# GLOBAL TRENDS

**Table I.1: Global economic challenges led to a downward revision in growth forecast across countries**

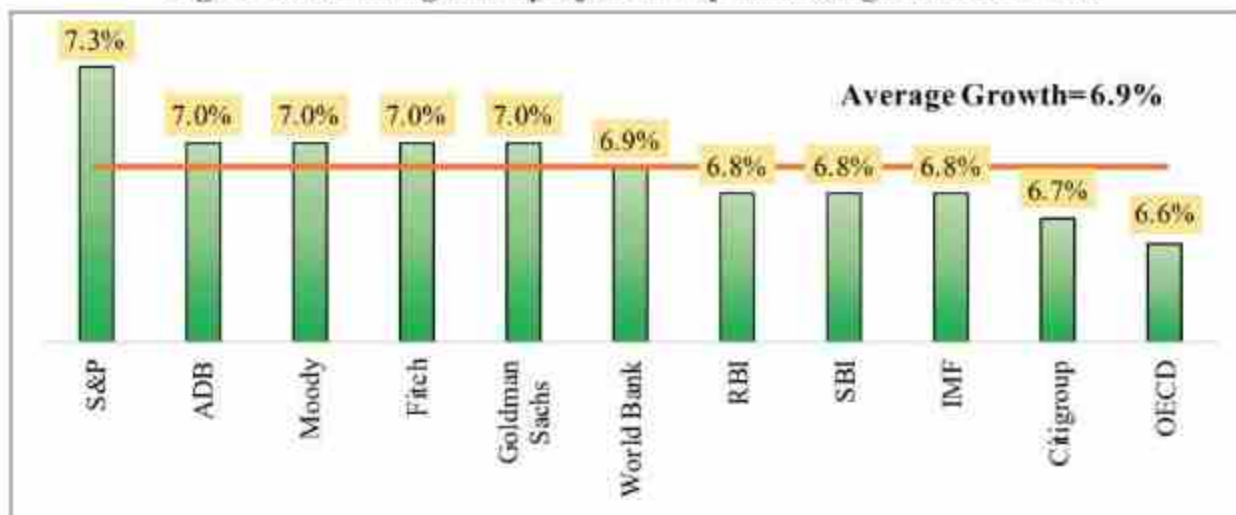
	Growth Projections (per cent)		Change from WEO Update (July 2022) (per cent)	
	2022	2023	2022	2023
<b>World</b>	3.2	2.7	0	-0.2
<b>Advanced Economies</b>	2.4	1.1	-0.1	-0.3
<b>United States</b>	1.6	1	-0.7	0
<b>Euro Area</b>	3.1	0.5	0.5	-0.7
<b>UK</b>	3.6	0.3	0.4	-0.2
<b>Japan</b>	1.7	1.6	0	-0.1
<b>Emerging Market Economies</b>	3.7	3.7	0.1	-0.2
<b>China</b>	3.2	4.4	-0.1	-0.2
<b>India*</b>	<b>6.8</b>	<b>6.1</b>	<b>-0.6</b>	<b>0</b>

Source: IMF

Note: \*Projection for India is for its fiscal year (Apr-Mar), while for the other economies, it is from Jan-Dec.

# INDIA'S TREND

Figure I.17: India growth projections by various agencies for FY23

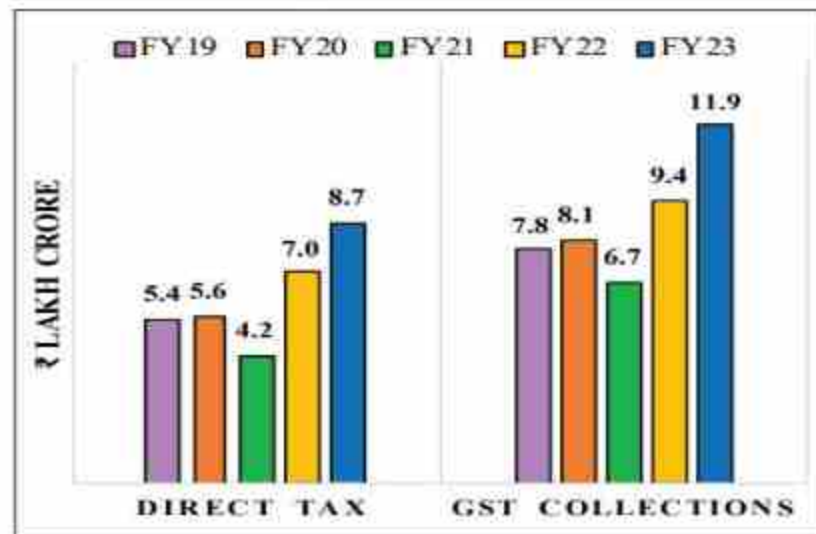


Source: Various Agencies

Note: ADB stands for Asian Development Bank, IMF is International Monetary Fund

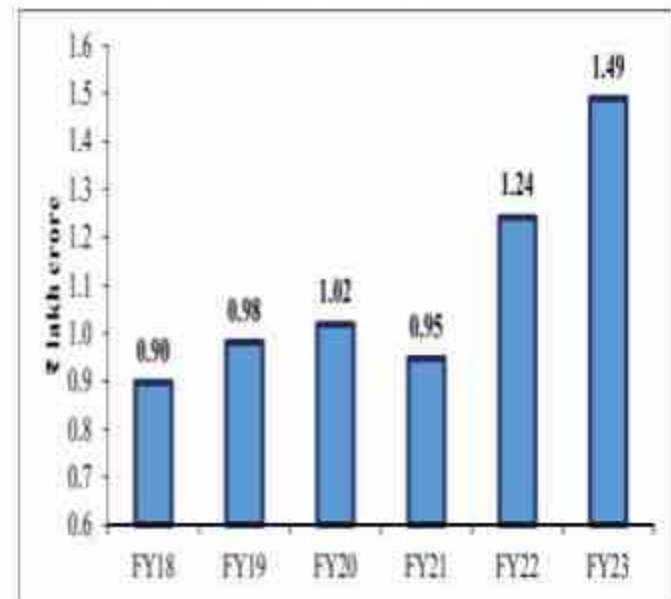
# TAX COLLECTIONS

**Figure 1.24: Buoyant tax collections  
(April-November)**



Source: CGA

**Figure 11.9: Rising average monthly gross GST collection**



Source: Department of Revenue

# TAX COMPOSITION

Figure III.3: Composition of tax profile of Union Government (FY23 BE)

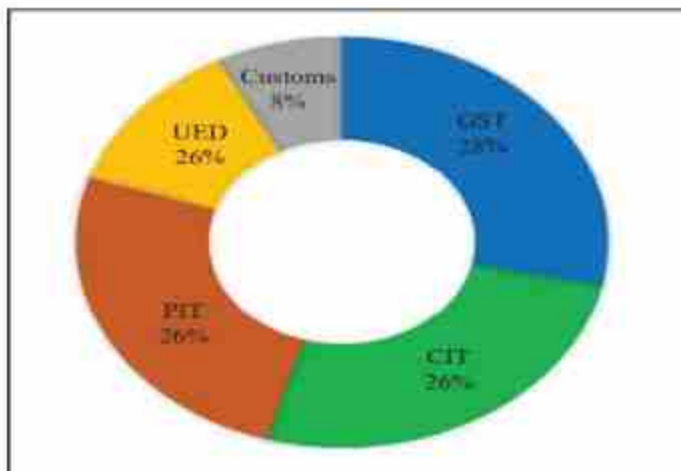
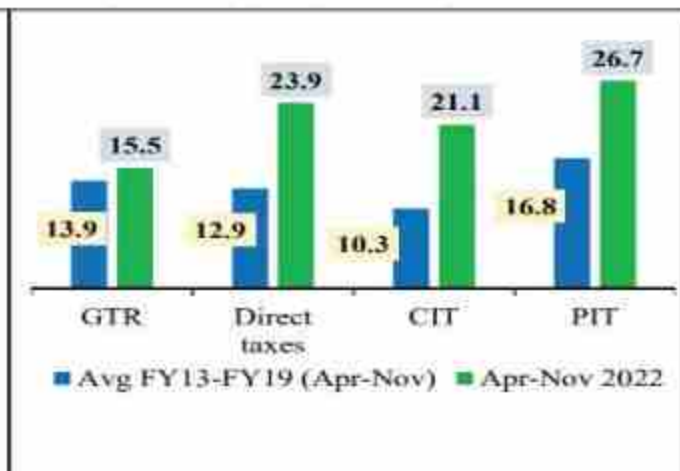


Figure III.4: Growth in Centre's direct taxes are higher than their corresponding longer-term averages during the period April to November



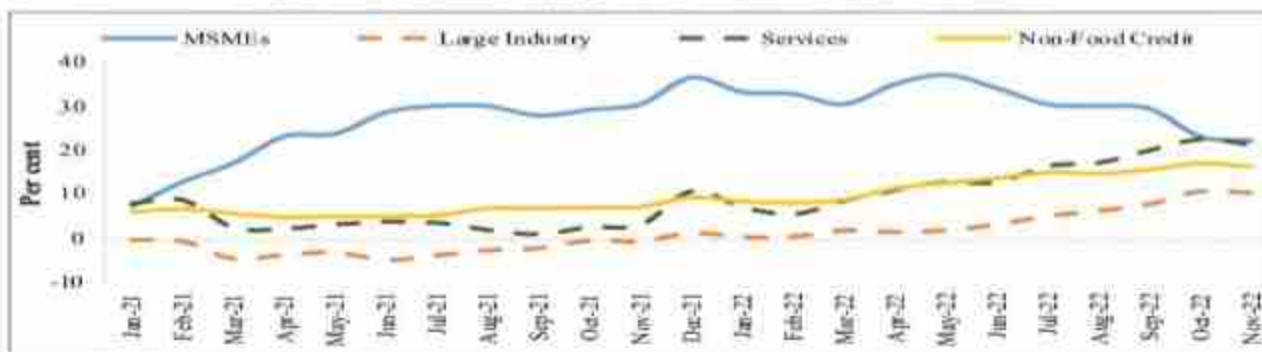
Source: Union Budget FY23, O/o CGA

Note: GTR - Gross Tax Revenue, GST - Goods and Services Tax, CIT - Corporation Income Tax, PIT - Taxes on Income other than Corporation Income Tax, UED - Union Excise Duties



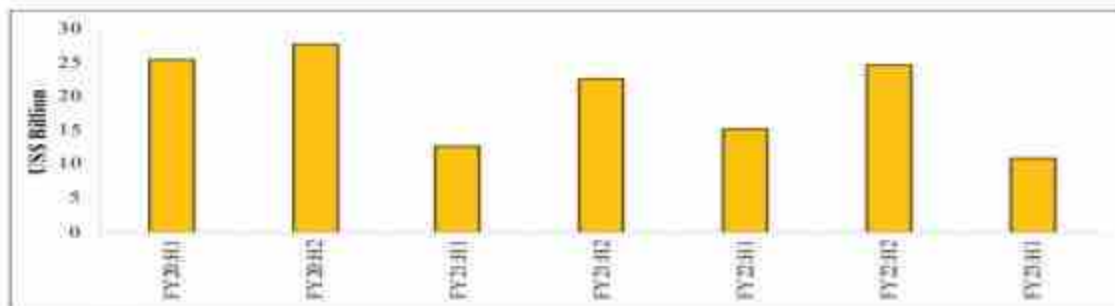
# FUNDING

Figure 1.26: Double-digit growth in Bank Credit to MSMEs



Source: RBI

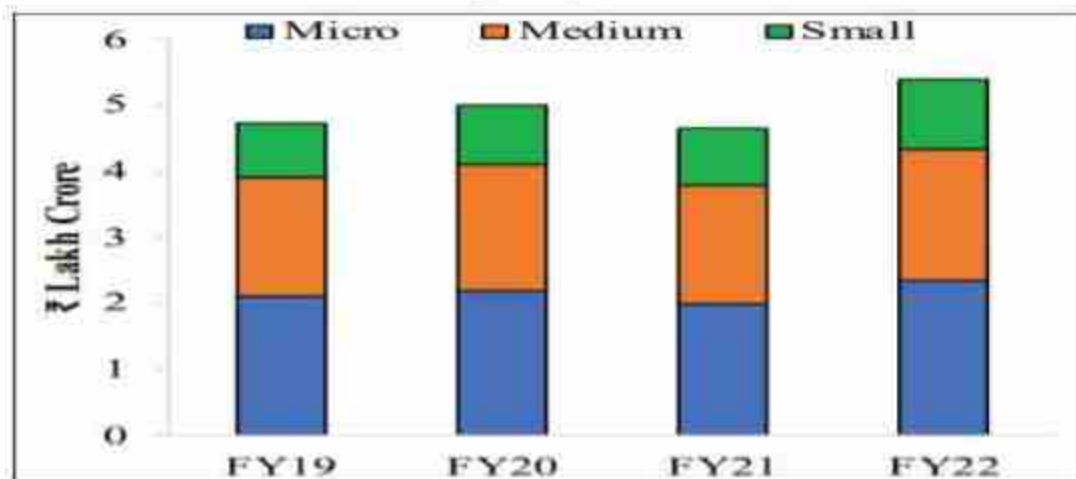
Figure 1.31: Higher interest/hedging costs made ECBs and FCCBs less attractive source of funds



Source: RBI

# TAX COLLECTIONS FROM MSME

**Figure I.34: GST paid by MSMEs in FY22 crossed the pre-pandemic level**

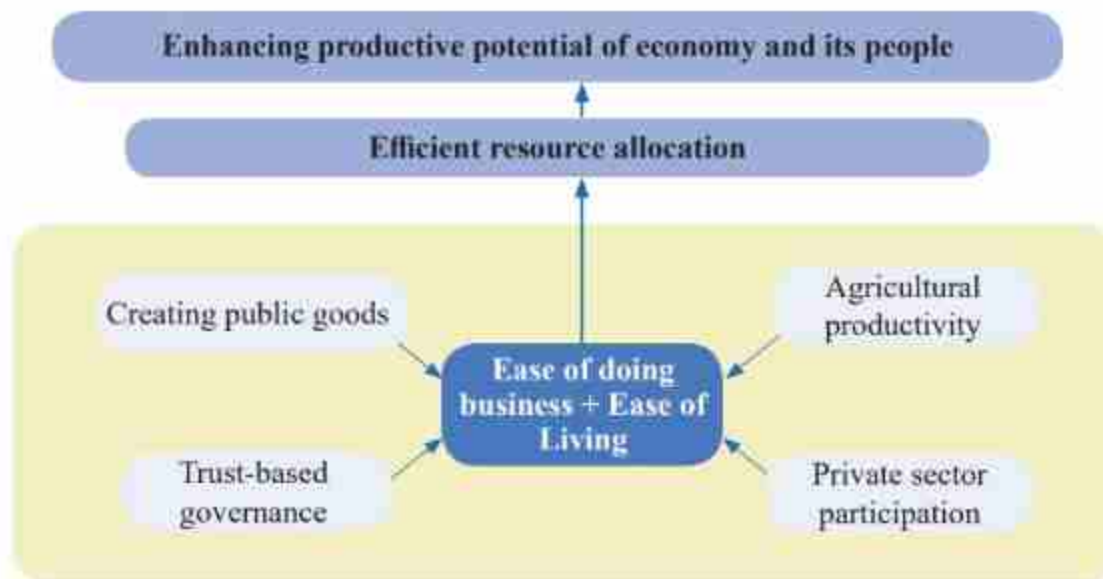


Source: Ministry of Finance

Note: Includes firms with turnover up to ₹1000 crore.  
Micro --  $\leq$  25cr; Small  $\leq$  25 to 100 Cr.; Medium 100 to 1000 Cr.

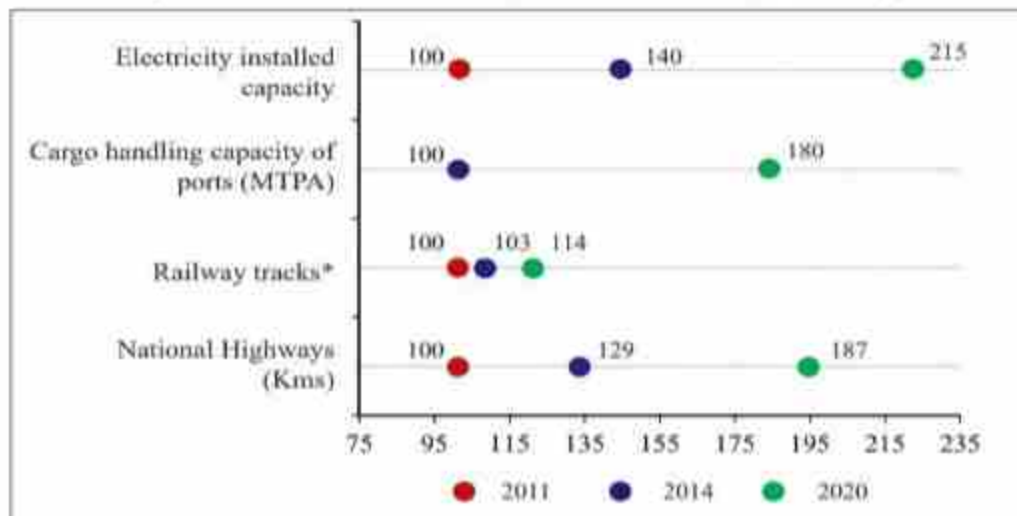
# GOVERNANCE

Figure II.6: Underlying framework for Reforms for a new India



# INFRASTRUCTURE GROWTH

**Figure II.8: Developments in critical Infrastructure Capacity**  
(Values are as an index with the first available value as 100)



Source: RBI Report on Currency and Finance 2022

Note: (a) Railway tracks denote Running Track Kilometres

(b): The data for national highways for 2019 is the latest available data and is shown against 2020

# NEW AGE INDIA

A report in *The Economist* (January 2023) attributes the trends:

- Formalization of the workforce
- Transformed digital financial architecture
- Digitalized GST system
- Growth in the usage of UPI
  
- Measuring factors:
  - Digital identities such as Aadhar
  - Registration of unorganized workers on the eshram portal
  - Street vendors on SVANidh
  - Taxpaying firms on GSTN
  - MSMEs on the Udayam portal

# NEW AGE INDIA

- Out of the 1.27 crore enterprises registered on the Udyam Portal
- More than 93,000 micro-enterprises have grown to become small enterprises
- 10,000 small enterprises have become medium enterprises over the last two years
- Goods and Services Tax Network (GSTN) and e-Way Bill system have enabled the formalization of business transactions
- Increasing number of GST taxpayers, from 70 lakh in 2017 to more than 1.4 crore in 2022, indicates the expansion
- National Single Window System for business approvals
- JanSamarth portal for credit-linked Central Government scheme
- UMANG app for access to Central and state government services
- Eshram portal, with more than 28.5 crore registered workers
- PM Gatishakti, the GIS-based platform that brings together multiple ministries for integrated planning and coordinated implementation of multimodal infrastructure connectivity projects, aims to reduce logistics costs

# NEW AGE LAWS

Trust based  
Governance – IBC,  
RERA

Until 30 September  
2022, 23,417  
applications for  
initiating the  
corporate insolvency  
resolution process  
(CIRP) of corporate  
debtors having  
underlying defaults of  
₹7.3 lakh crore were  
disposed of before  
their admission into  
CIRP

The Real Estate  
Regulatory  
Authorities across the  
country have  
disposed off more  
than 1.06 lakh  
complaints. With  
99262 projects and  
71514 agents already  
registered under  
RERA, the Act  
incentivises more  
investments into the  
sector.

Decriminalisation of  
minor economic  
offences under the  
Companies Act of  
2013

# COMPANIES ACT

**Table II.2: Snapshot on decriminalisation of offences under the Companies Act, 2013**

	Pre-decriminalisation	Post-decriminalisation [in two phases]
Total penal provisions	134	124
Compoundable offences [mostly fines are imposed]	81	31
Non-compoundable offences [serious offences where imprisonment is ordered upon conviction]	35	35
Defaults subject to civil liability (through In House Adjudication Mechanism)	18	58



# EASE OF DOING BUSINESS



Simplifying processes by doing away with 25000 unnecessary compliances, repealing more than 1400 archaic laws, abolishing the Angel tax and removing retrospective taxation on offshore indirect transfer of assets located in India, signal the government's resolve to ensure a non-adversarial policy environment

# VISION OF AMRIT KAAL

Technology Driven Knowledge based economy

Opportunities for citizens with focus on the youth

Growth and Job Creation

Strengthening Macro-Economic Environment

Fiscal for country - 6.4% of GDP for FY 23, FY 24 target stands at 5.9% and Less than 4.5% by 25-26.

# VISION OF AMRIT KAAL

Economic Empowerment of Women -Deendayal Antyodaya Yojana -mobilizing rural women Self Help Groups& empowerment through formation of large producer enterprises

PM Vishwakarma KAushal Samman (PM VIKAS) -integrating them with the MSME value chain

Tourism promotion – Mission mode

Green Growth -green

Fuel, green energy, green farming, green mobility, green buildings, and green equipment



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**SAPTHARISHI**



# SEVEN PRIORITIES OF THE BUDGET 2023



# SABKA SAATH SABKA VIKAS INCLUSIVE DEVELOPMENT

## Agriculture and Cooperatives

Building Digital Public Infrastructure

Agriculture Accelerator Fund – Agri start up

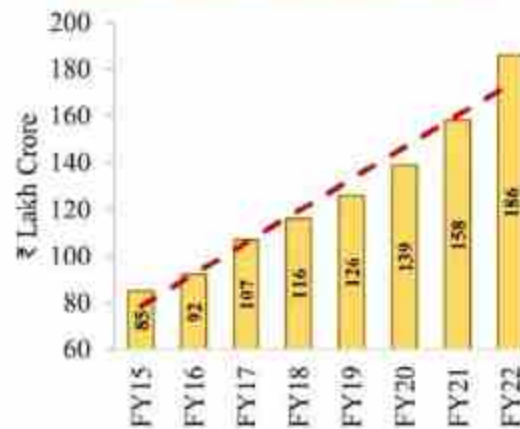
Atmanirbhar Horticulture Clean Plant Program

Global Hub for Millets: 'Shree Anna' – IIMR - COE

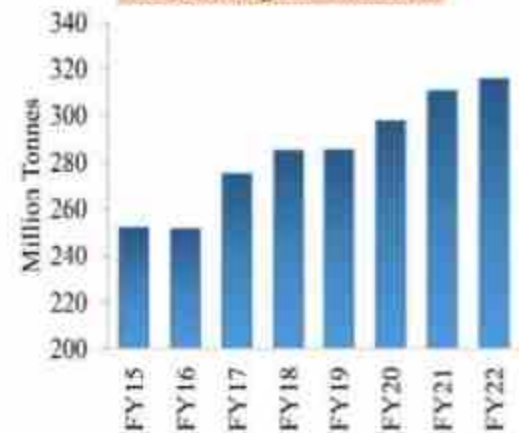
Targeted Funding

Setting up of widely available storage capacity

More Credit to Agriculture Sector



Record Foodgrain Production



# SABKA SAATH SABKA VIKAS INCLUSIVE DEVELOPMENT

## Health

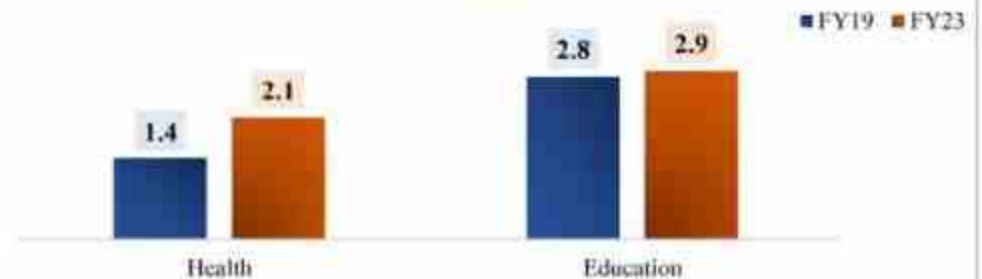
Nursing Colleges

Sickle Cell Anaemia  
Elimination Mission

Medical Research

Pharma Innovation

Increase in Expenditure on Health and Education (% of GDP)



# SABKA SAATH SABKA VIKAS INCLUSIVE DEVELOPMENT

## Education & Skilling

Revamped Teachers training via  
District Institutions of Education  
& Training

National Digital Library to be set  
up for Children and Adolescents

States will be encouraged to set  
up physical libraries at Panchayat  
and ward levels





# INCLUSIVE DEVELOPMENT ACHIEVEMENTS

## Inclusive Development Achievements

Cash Transfer of Rs.2.2 lakh crore to over 11.4 crore Farmers under PM-KISAN

Insurance cover for 44.6 crore persons under PMSBY and PMJJY

47.8 crore PM Jan Dhan bank accounts

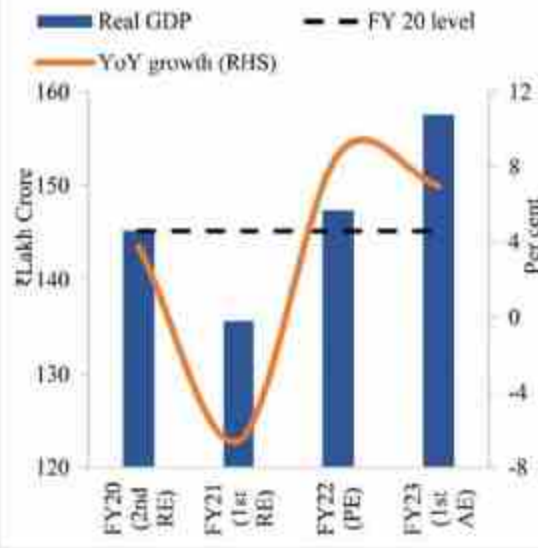
220 crore Covid Vaccinations of 102 crore persons

9.6 crore LPG connections under Ujjawala

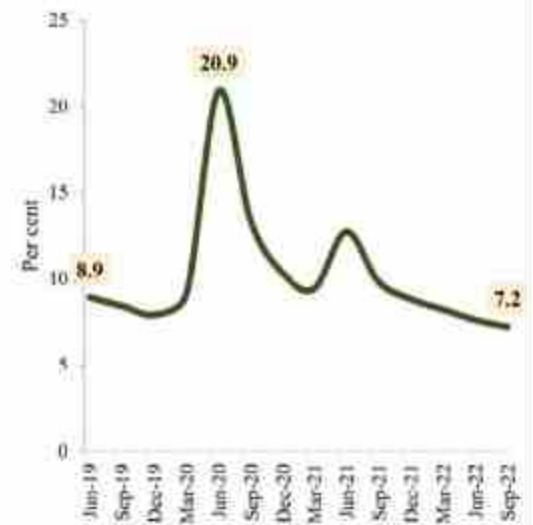
11.7 crore household toilets constructed under SBM

9 crore drinking water connections to rural houses

**Growth remains resilient**



**Urban Unemployment Rate at four year low**



# REACHING THE LAST MILE

**Pradhan Mantri PVTG  
Development Mission to be  
launched**

**Financial assistance to be given  
for sustainable micro irrigation  
in drought prone regions of  
Karnataka**

**More teachers to be recruited for  
740 Eklavaya Model Residential  
Schools**

**Bharat (SHRI) to be set up for  
digitization of ancient  
inscriptions**



# INFRASTRUCTURE AND INVESTMENT

Incentives to boost  
Investment in  
Infrastructure and  
productive capacity

Multiplier  
→  
Impact

Rise in growth and  
employment



# TRUST BASED GOVERNANCE

Make AI  
in India

National  
Data  
Governan  
ce Policy

Vivad Se  
Vishwas I

Vivad Se  
Vishwas  
II

Phase 3  
of E-  
courts

Entity  
Digi  
Locker

100 labs  
for 5G  
services

Lab  
Grown  
Diamond  
s (LGD)

# GREEN GROWTH

- Green Hydrogen Mission
- Energy Transition
- Energy Storage Projects
- Renewable Energy Evacuation
- Green Credit Programme
- PM-PRANAM
- GOBARdhan scheme
- Bhartiya Prakritik Kheti Bio-Input Resource Centres
- MISHTI
- Amrit Dharohar
- Coastal Shipping
- Vehicle Replacement



# YOUTH POWER

Pradhan Mantri Kaushal Vikas  
Yojana 4.0

Skill India Digital Platform

National Apprenticeship  
Promotion Scheme

Tourism

Unity Mall

# FINANCIAL SECTOR

**Credit Guarantee  
for MSMEs**

**National Financial  
Information  
Registry**

**Financial Sector  
Regulations**

**GIFT IFSC**

**Data Embassy**

**Improving  
Governance and  
Investor Protection  
in Banking Sector**

**Capacity Building  
in Securities  
Market**

**Central Data  
Processing Centre**

**Reclaiming of  
shares and  
dividends**

**Benefits for Senior  
Citizens**

**Azadi Ka Amrit  
Mahotsav Mahila  
Samman Bachat  
Patra**



# OTHERS

Central Processing Centre - setup for faster response under companies act

**Azadi Ka Amrit Mahotsav Mahila Samman Bachat Patra** - 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**

senior citizen savings scheme - maximum deposit enhanced from 15 lakh to 30 lakhs

Monthly Income Account Scheme - max. limit enhanced from 4.5 lakh to 9 lakh for single account and from 9 lakh to 15 lakh for joint accounts