

Finance Minister Nirmala Sitharaman presented her fourth Union Budget in Parliament in a paperless format just like last year with an aim to boost growth amid continued disruption from COVID-19.

Finance Minister Nirmala Sitharaman said that India is expected to grow at 9.27% in the coming year. With a focus on four pillars of development - inclusive development, productivity enhancement, energy transition, and climate action - the Budget 2022 gives a blueprint of the economy from India at 75 to India at 100, Sitharaman said.



Economy

Top focus of the budget this year are: PM Gati Shakti, Inclusive Development, Productivity Enhancement, Sunrise Opportunities, Energy Transition, Climate Action, Financing of investments

The goal is complementing macro-growth with micro-all-inclusive welfare, digital economy and fintech, tech-enabled development, energy transition and climate action

Capex target expanded by 35.4 per cent — from Rs 5.54 lakh crore to Rs 7.50 lakh crore. FY23 effective capex seen at Rs 10.7 lakh crore

ECLGS cover expanded by Rs 50,000 to Rs 5 lakh crore

Productivity-linked incentive schemes in 14 sectors have received excellent response; received investment intentions worth Rs 30 lakh crore

Taxes

Taxpayers can file ITR within two years of the relevant assessment year

Taxation of virtual digital assets – Any income from taxation of virtual digital assets taxable at 30%. TDS will be applicable beyond a specified monetary threshold

No deduction allowed while computing income except cost of acquisition

Gift of cryptocurrencies to be taxed at receiver's end

Alternate Minimum Tax for cooperative societies to be cut to 15%

Proposal will reduce surcharge on cooperative societies to 7%, for those whose income is between Rs 1 crore and Rs 10 crore

Tax deduction limit increased to 14% on employers contribution to NPS account of state govt employees

Infra

National highway network to be expanded by 25,000 kms during FY 22-23

Desh stack e-portal to be launched to promote digital infra

2,000 kms to be brought under Kavach by FY 22-23

Four multi-modal national parks contracts will be awarded in FY23

One product one railway station will be popularised, 400 new Vande Bharat trains to be introduced

PM Gatishakti masterplan for expressways will be formulated in next financial year

100 PM Gati Shakti terminals to be set up in next three years

Focus on public investment to modernise infrastructure over the medium term, leveraging tech platform of Gati Shakti via a multi-modal approach

Housing & urban planning

Rs 48, 000 crore is allotted for PM Awas Yojana

In 2022-23, 80 lakh houses will be completed for identified beneficiaries of PM Awas Yojana; 60,000 houses will be identified as beneficiaries for PM Awas Yojana in rural & urban areas

60,000 crore allocated for providing access to tap water to 3.8 crore households

In 2022-23, 80 lakh households will be identified for the affordable housing scheme

5 existing academic institutions for urban planning to be designated as Centre for Excellence with endowment fund of Rs 250 cr

Modern building by-laws will be introduced

A high-level panel to be set up for urban planning

Govt to promote use of public transport in urban areas

Jobs

ECLGS extended till March 2023, 60 lakh jobs eyed in next 5 years

Efforts of central, state governments leading to jobs, entrepreneurial opportunities

Digital ecosystem for skilling and livelihood to be launched

This will aims to skill, reskill, upskill citizens through online training

API based skill credentials, payment layers to find relevant jobs and opportunities



MSMEs & Startups

Rs 6,000 crore programme to rate MSMEs to be rolled out over 5 years

MSMEs such as Udyam, e-shram, NCS & Aseem portals will be inter-linked, their scope will be widened

A fund with blended capital raised under co-investment model facilitated through NABARD to finance startups in agriculture & rural enterprises for farm produce value chain

Startups will promoted for Drone Shakti

PE/VC invested Rs 5.5 lakh crore in startup, expert committee will be set up to suggest measures to help attract investment

Agriculture

Govt to pay Rs 2.37 lakh crore towards procurement of wheat and paddy under MSP operations

2022-23 has been announced as International Year of Millets

Railways will develop new products for small farmers and MSMEs

A rationalised scheme to increase domestic oilseed production will be brought in to cut down imports

Kisan Drones for crop assessment, land records, spraying of insecticides expected to drive a wave of technology in agri sector

Ken Betwa river linking project worth Rs 44,605 crore announced

Draft DPRs for 5 river links have been finalised

Finance startups to be incentives to aid rural enterprises

Natural farming will be promoted along Ganga river corridor

A completely paperless, e-bill system will be launched by ministries for procurement

Financial support will be provided to farmers to take up agro-forestry



Electric Vehicles

Battery swapping policy to allow EV charging stations for automobiles will be framed

Private sector will be encouraged to create sustainable and innovative business models for battery and energy as a service, improving the efficiency in the EV ecosystem

Education

States to be encouraged to revise syllabi of agricultural universities to meet needs of natural, zero-budget & organic farming, modern-day agriculture

One class, one TV channel' program of PM eVIDYA will be expanded from 12 to 200 TV channels

This will enable all states to provide supplementary education in regional languages for classes 1 to 12

Digital university to be set up to provide education; to be built on hub and spoke model

1-Class-1-TV Channel to be implemented to provide supplementary education to children to make up for loss of formal education due to Covid

Finance & Inclusion

Rs 1 lakh crore financial assistance to states to be provided in 2022-23 to catalyse investments

Proposed to introduce Digital Rupee by RBI using blockchain technology, starting 2022-23

Measures will be taken to step up private capital in infra sector

Digital Rupee to be rolled out by 2023

100% of 1.5 lakh post offices will come on the core banking system, enabling financial inclusion and access to accounts through net banking, mobile banking,

ATMs, and also provide online transfer of funds between post office accounts and bank accounts

This will be helpful especially for farmers and senior citizens in rural areas, enabling inter operability, and financial inclusion

IBC amendments to enhance efficiency of resolution process

Facilitate cross-border insolvency resolution

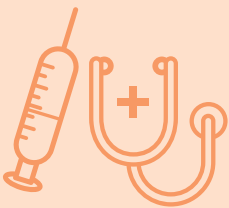
To speed up voluntary winding up of companies

75 digital banks in 75 districts will be set up by scheduled commercial banks to encourage digital payments

International arbitration centre will be set up in GIFT city to provide faster dispute resolution

World-class university to be allowed in GIFT IFSC free from domestic regulation, says FM

Healthcare



An open platform for the national digital health ecosystem will be rolled out

It will consist of digital registries of health providers and health facilities, unique health identity and universal access to health facilities

95 per cent of 112 aspirational districts have made significant progress in health, infra

For mental health counselling, a National Tele Mental Health Program will be launched

Telecom

Spectrum auction will be conducted in 2022 for the rollout of 5G

Scheme for design led manufacturing to be launched for 5G ecosystem as part of PLI scheme to enable affordable broadband and mobile communication in rural and remote areas

5 pc of USO Fund to be provided for R&D and technology upgradation

Contracts for laying optical fibre in villages to be awarded under BharatNet project under PPP in 2022-23

Data centre and energy storage system to be given infrastructure status; move to provide easy financing

Women & Children

Recognising the importance of 'Nari Shakti', 3 schemes were launched to provide integrated development for women and children

2 lakh Anganwadis to be upgraded for improving child health

Ease of Business

75,000 compliances have been eliminated and 1,486 union laws repealed to make it easier for businesses

Next phase of ease of doing business, ease of living to be launched

Voluntary exit for corporates to be cut down to 6 months from 2 years

Defence

Govt committed to reduce import and promote self-reliance in defence sector

68 per cent of capital for defence sector to be earmarked for local industry

Defense R&D will be opened up for industry, startups and academia with 25% of defense R&D budget.

Private industry will be encouraged to take up the design and development of military platforms and equipment in collaboration with DRDO and other organizations through SPV model.

68% of capital procurement budget in defence will be earmarked for domestic industry in 2022-23 (up from the 58% last fiscal)

Railways

400 new generation Vande Bharat trains to be manufactured in next 3 years

2,000 km of rail network to be brought under indigenous technology KAWACH for safety and capacity augmentation

Climate & Net Zero

Risks of climate change are strongest externalities for the world

Funds will be used for projects that will help reduce carbon intensity of the economy

Sovereign green bonds will be part of government's borrowing programme in FY23

Proceeds to be deployed in public sector projects

4 pilot projects for coal gasification to be set up

Rs 19,500 cr additional allocation for PLI for manufacturing high efficiency solar modules has been made

Travel

E-Passports will be rolled out in 2022-23 for convenience in overseas travel

E-passport with embedded chip will be rolled out

Source: BS, Union Budget Speech

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