

Key Feature Document

Union Budget 2022-23

Finance Minister Nirmala Sitharaman, while presenting the Budget, said that the country is expected to grow at 9.27 per cent.

Moving forward on this parallel track, we lay the following four priorities — PM Gati Shakti, inclusive development, productivity enhancement and investment, sunrise opportunities, energy transition and climate action and financing of investments

Production Linked Incentive Scheme for achieving Aatmanirbhar Bharat has received an excellent response, with potential to create 60 lakh new jobs and additional production of 30 lakh crore during the next five years

PM GatiShakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. All seven engines will pull forward the economy in unison.

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. 20,000 crore will be mobilized through innovative ways of financing to complement the public resources

Railways will develop new products and efficient logistics services for small farmers and Small and Medium Enterprises

Udyam, e-Shram, NCS and ASEEM portals will be interlinked. Their scope will be widened. They will now perform as portals with live, organic databases, providing G2C, B2C and B2B services. These services will relate to credit facilitation, skilling, and recruitment with an aim to further formalise the economy and enhance entrepreneurial opportunities for all.

Emergency Credit Line Guarantee Scheme will be extended up to March 2023 and the guaranteed cover will be expanded by Rs 50,000 crore to cover an amount of Rs 5 lakh crore

Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) scheme will be revamped with required infusion of funds. This will facilitate additional credit of ` 2 lakh crore for Micro and Small Enterprises and expand employment opportunities.

The issuance of e-Passports using embedded chip and futuristic technology will be rolled out in 2022-23 to enhance convenience for the citizens in their overseas travel.

Over 2,000 km of rail network to be brought under the indigenous world-class technology KAWACH, for safety and capacity augmentation. 400 new Vande Bharat trains with better energy efficiency and passenger riding experience to be manufactured in the next three years

68% of the capital procurement budget for Defence to be earmarked for domestic industry to promote *Aatmanirbharta* and reduce dependence on imports. This is up from the 58% last fiscal

Special Economic Zones Act will be replaced with new legislation for the development of enterprise and hubs. It will cover the existing industrial enclaves and enhance the competitiveness of exports

Effective capital expenditure of the Central government is estimated at Rs 10.68 lakh crore in 2022-23, about 4.1% of GDP

To facilitate domestic manufacturing of 280 gigawatt of installed solar capacity by 2030, additional allocation of Rs 19,500 crore for PLI for manufacturing of high-efficiency modules with priority to fully integrate manufacturing units to solar PV modules will be made

Digital rupee to be issued using blockchain and other technologies and will be issued by RBI starting 2022-23. This will give a big boost to the economy. Gains from digital assets to be taxed at 30%

To provide an opportunity to correct an error, taxpayers can now file an updated return within 2 years from the relevant assessment year

Corporate surcharge to be reduced from 12% to 7%

Income from Long Term Capital Gains will be taxed at 15%

It is proposed to extend the period of incorporation of eligible startups by one more year for providing tax incentives. This is going to be a boost for young startups in the country.

The govt had announced a concessional 15 percent income tax for new manufacturing companies, with manufacturing to start before March 31, 2023. They will now get one more year to start operations, till March 31 2024. This will be useful for companies who are planning new projects through separate companies whose plans may have been delayed by the pandemic.

No changes in income tax slabs.

Electric Vehicles battery-swapping policy to be brought out with interoperability standards

Import duty on certain chemicals (Methanol etc.) reduced

Customs duty exemption on steel scrap to be extended for another year for small- and medium-sized businesses

Customs duty on stainless steel, flat products, high steel bars to be revoked

Concessional customs duty on capital goods to be phased out, initial rate of 7.5% to be imposed