



UNION BUDGET 2022

Key Highlights of the budget for FY 22/23



FINANCIAL REPORTING | DIGITAL BUSINESS |
BUSINESS PLAN | FUND RAISE | IPO | M & A

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We are an Award Winning Legal and CPA Information Technology Enabled Services (ITES) concern. We at Enterslice are committed to provide assistance to the entrepreneurs in legal registration procedures and in managing their business globally. Be it a startup business or a well established concern, our dedicated professionals are resolved to provide bespoke solutions as regards business registration and legal compliance. Our bevy of competent business advisers help to trace, decode and execute key business growth strategies. Our wide range of legal & business registration services includes GST Registration, Company Registration, ITR Filing, ESI & PF Registration, NBFC & Microfinance Company Registration, FEMA Advisory and much more.

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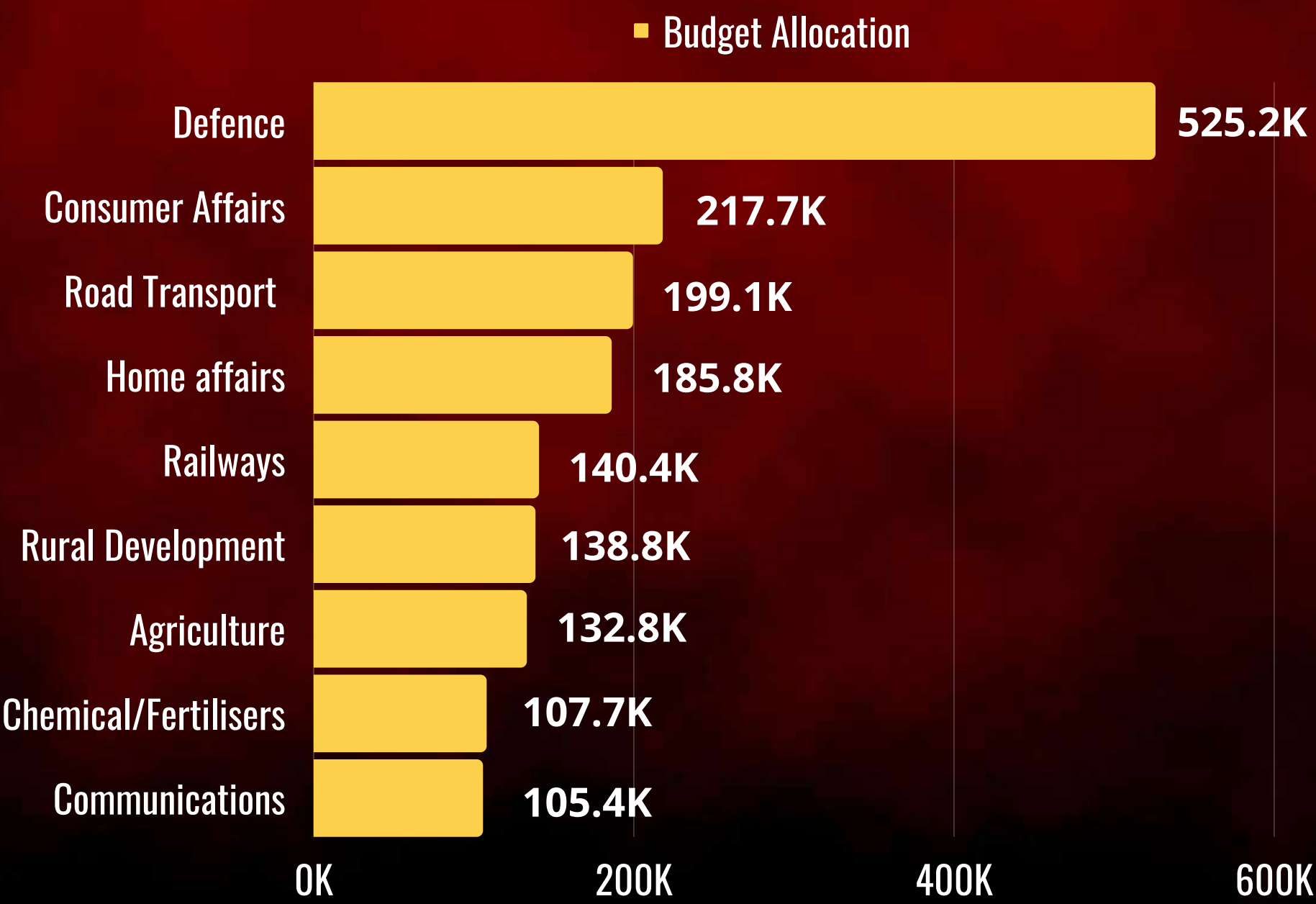


VCFO Services

From a strategy review of the Business development to the complete hands-on implementation, Enterslice Advisory can be truly your legal companion to grow your venture to a level further.

The Finance Minister of India Nirmala Sitharaman delivered a paperless Union Budget 2022-23 and read out her budget speech from a tablet with the aim of fast-tracking the economy, providing opportunities to businesses and creating 6 million new jobs. Healthcare, Infrastructure, MSMEs, Agriculture, too, feature prominently in the minister’s scheme of things. The Finance Minister said that “This Union Budget seeks to lay the foundation and give a blueprint of the economy over “Amrit Kal” of next 25 years from Indian at 75 to India at 100”. India to post 9.2% GDP growth, highest among all economies. We are in the surge of the Omicron wave and the speed of the Government’s vaccination drive has helped dramatically. The Finance Minister of India Nirmala Sitharaman said she is very confident that “Sabka Prayaas” will continue with robust growth. The Union Budget 2022-23 has given a sharp increase in public investment & capital expenditure provision.

Financial Policy for the 3rd wave of pandemic. In the 3rd wave of the pandemic, Financial Policy must exit from short-term relief measures with phasing out of the pandemic era exceptional expenditure support. As such, the focus must continue to remain on pushing the durable engines of growth (Investment & Consumption), in a bid to achieve medium-term growth sustainability.

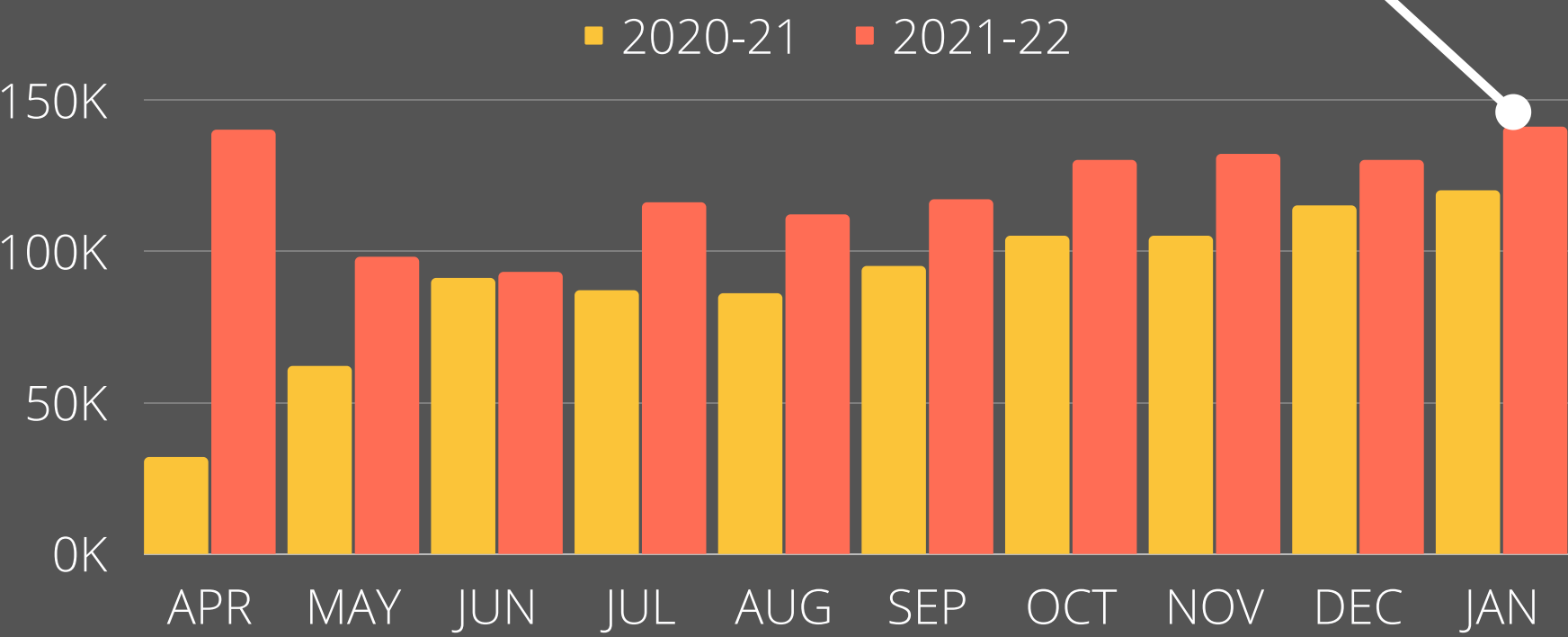


- ❖ Capex target expanded by 35.4 per cent — from Rs 5.54 lakh crore to Rs 7.50 lakh crore. FY23 effective capex seen at Rs 10.7 lakh crore
- ❖ India's growth highest among all major economies; we are now in a strong position to withstand challenges
- ❖ The goal is complementing macro-growth with micro-all-inclusive welfare, digital economy and fintech, tech-enabled development, energy transition and climate action
- ❖ ECLGS cover expanded by Rs 50,000 to Rs 5 lakh crore
- ❖ Top focus of the budget this year are: PM Gati Shakti, Inclusive Development, Productivity Enhancement, Sunrise Opportunities, Energy Transition, Climate Action, Financing of investments
- ❖ Productivity-linked incentive schemes in 14 sectors have received excellent response; received investment intentions worth Rs 30 lakh crore
- ❖ Economic recovery benefitting from public investment and capital spending. This Budget will provide impetus to growth
- ❖ In 2022-23, states will be allowed fiscal deficit of up to 4 pc of GSDP



- Government has aimed to provide for a stable tax regime.
- Govt to provide one-time window to correct omissions in ITRs filed, updated returns to be filed within 2 years.
- 1 per cent TDS on transfer of virtual assets above a Rs. 10,000, gifts to be taxed.
- The government will tax income from digital asset transfers at 30%.
- Corporate surcharge to be reduced from 12% to 7%
- 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
- Updated return can be filed within 2 years from the end of the relevant assessment year.

Govt's GST collection in January 2022 at Rs 1,4 lakh crore was Highest Ever





- Import duty on certain chemicals being/to be cut
- Customs duty exemption on steel scrap will be extended for another year for MSMEs.
- Import duty on cut and polished diamonds and gemstones to be cut 5 per cent and on sawn diamond to nil
- Customs duty concessions to be given to certain consumer electronic devices to promote manufacturing across wearables, hearables and specific mobile phone components

JOBS

DUTIES

- 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.



INFRASTRUCTURE & MANUFACTURING



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



Strategic transfer of ownership of Air India completed now



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



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.



PM Gati Shakti will pull forward the economy and will lead to more jobs and opportunities for the youth.



Concessional corporate tax rate of 15 pc would be available for 1 more year till March 2024 for newly incorporated manufacturing companies.



- 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.
- Rs 60,000 cr allocated to provide tap water connections to 3.8 crore households in 2022-23.
- 5 existing academic institutions for urban planning to be designated as Centre for Excellence with endowment fund of Rs 250 cr.
- A high-level committee for urban planners and economists to be formed for recommendations on urban capacity building, planning implementation, and governance.
- Proposal to reduce Minimum Alternative Tax to 15 pc for co-op societies, at par with corporate.



- ◈ 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.
- ◈ Natural farming will be promoted along Ganga river corridor.
- ◈ Govt will promote chemical-free natural farming throughout the country to boost sustainable agricultural productivity and income of farmers.
- ◈ A fund under co-investment model will be facilitated through NABARD to finance startups for agriculture and rural enterprise relevant for farm produce value chain.
- ◈ Financial support will be provided to farmers to take up agro-forestry.

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.
- ❖ They will now perform as portals with live organic databases providing G-C, B-C & B-B services such as credit facilitation, enhancing entrepreneurial opportunities.
- ❖ 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.
- ❖ Existing tax benefits for startups, which were offered redemption of taxes for 3 consecutive years, to be extended by 1 more year

DIGITAL CURRENCY

- ❖ Launch of blockchain-based digital rupee starting 2022-23
- ❖ To launch scheme for taxation of virtual digital assets starting 2022-23
- ❖ Losses from sale of virtual digital assets cannot be offset against other income
- ❖ Income from virtual digital assets to be taxed at 30%

- ❖ 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
- ❖ 75 digital banks in 75 districts will be set up by scheduled commercial banks to encourage digital payments
- ❖ The use of surety bonds as a substitute for bank guarantee will be made acceptable in government procurements.
- ❖ International arbitration centre will be set up in GIFT city to provide faster dispute resolution
- ❖ Payment of annuity and lump sum amount to the differently abled dependent during the lifetime of parents/guardians, i.e., on parents/ guardians attaining the age of sixty years

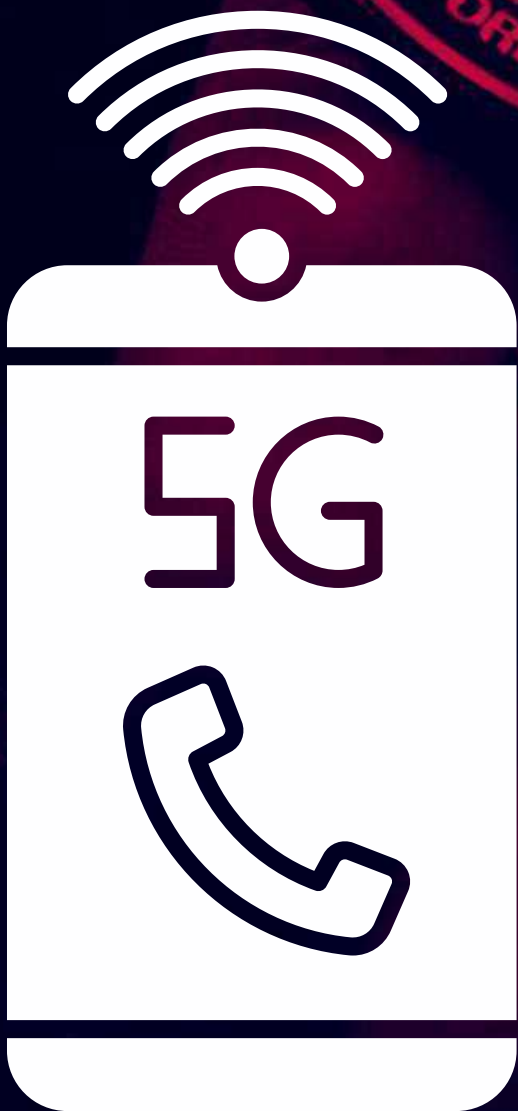
HEALTHCARE AND TELECOM

- ◈ 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.
- ◈ To award contracts to lay optical fibre in rural areas, completion in 2025.





EDUCATION

- ❖ 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.
- ❖ I-Class-I-TV Channel to be implemented to provide supplementary education to children to make up for loss of formal education due to Covid
- ❖ To launch National Skill Qualification Framework (NSQF) to cater to dynamic industry needs

TRANSPORTATION

- ❖ 400 new generation Vande Bharat trains to be manufactured in next 3 years.
- ❖ 42,000 km of rail network to be brought under indigenous technology KAWACH for safety and capacity augmentation.
- ❖ National highways network to be expanded by 25,000km in 2022-23
- ❖ Highways expansion to cost Rs 20,000 crore in 2022-23
- ❖ One product one railway station will be popularised



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).

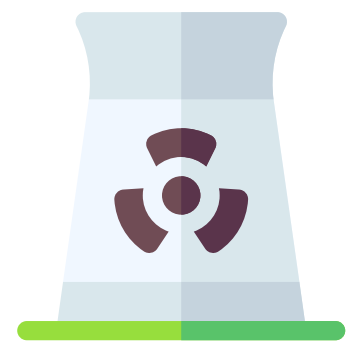
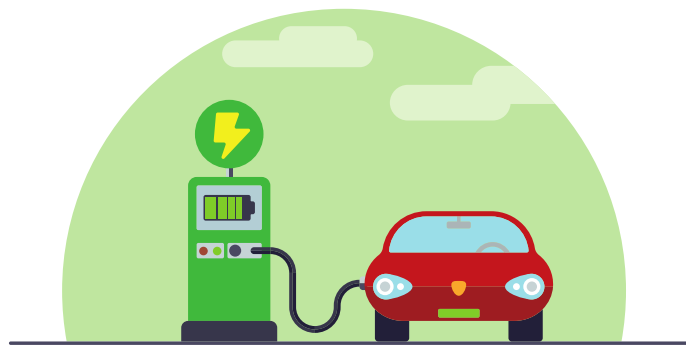
"Private industry will be encouraged to take up design and development of military platforms and equipment in collaboration with DRDO and other organisations through SPV (special purpose vehicle) model" -

Nirmal Sitharman



ENVIRONMENT

- ◊ Energy transition and action on climate to be major priority for govt
- ◊ Funds will be used for projects that will help reduce carbon intensity of the economy
- ◊ Sovereign green bonds to be launched to fund green infra, to be part of government's borrowing programme in FY23.
- ◊ 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.
- ◊ Low carbon development strategy opens up employment opportunity



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

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.



TRAVEL

- ◈ ePassports will be rolled out in 2022-23 for convenience in overseas travel.
- ◈ E-passport with embedded chip will be rolled out.



EASE OF BUSINESS & LIVING

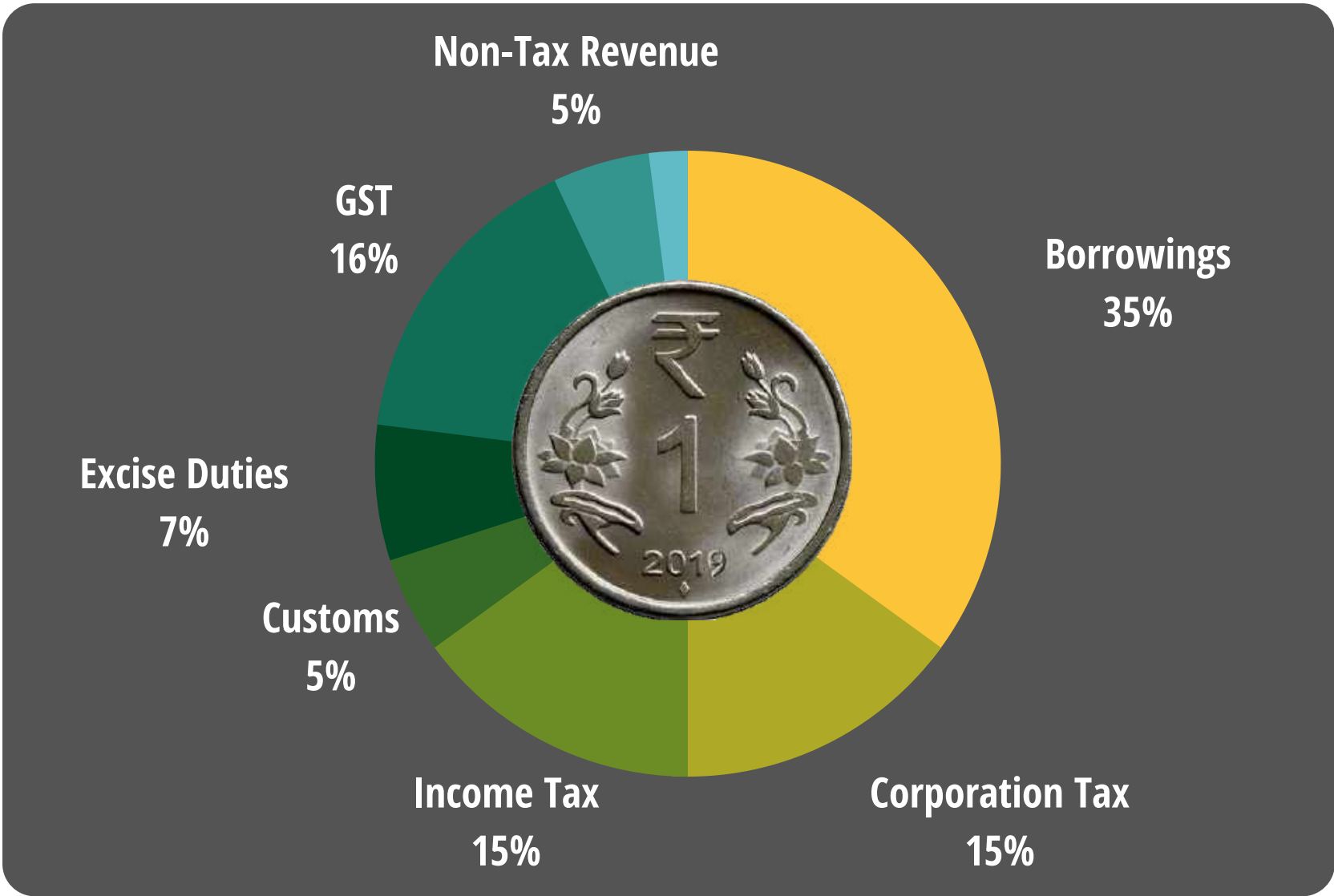
- ◈ 75,000 compliances have been eliminated and 1,486 union laws repealed to make it easier for businesses.
- ◈ India to launch the next phase of Ease of Doing Business EODB 2.0 and Ease of Living.
- ◈ Voluntary exit for corporates to be cut down to 6 months from 2 years.
- ◈ Special Economic Zones Act to be replaced with new legislation.



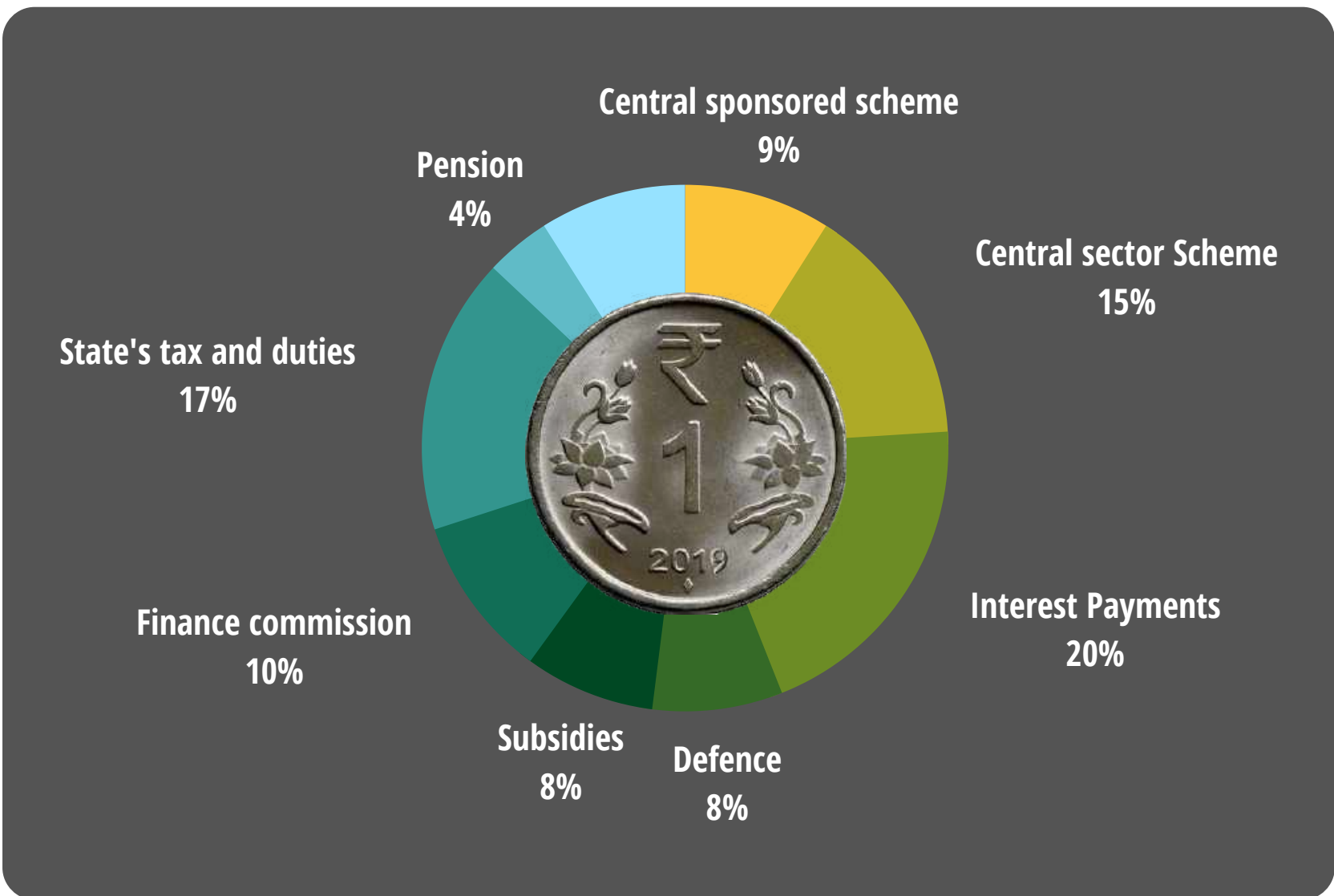
MISCELLANEOUS

- ❖ Task force on animation visual effects, gaming, comic promotion to be set up.
- ❖ Villages on northern border of India will be covered under a new vibrant village programme to enhance development.
- ❖ Rs 3062.60 crore allocated under sports budget for financial year 2022-23, an increase of Rs 305.58 crore over last year
- ❖ 'Parwatmala' for conventional roads in hilly areas to be taken in PPP modes. To improve connectivity and convenience.
- ❖ A new scheme called PM Development Initiative for North East to be launched

HOW A RUPEE IS SPENT?



HOW A RUPEE IS EARNED?



BUDGET
22/23

ENTERSLICE: A GLOBAL PRESENCE

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Justdial Spinny

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NUTRITION

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DAVINTA
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TAJ

WHITE HORSE
FINANCIAL BROKING

MILTON

OFFICES AT:

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511-512, CORPORATE ANNEX,
SONAWALA ROAD,
GOREGAON EAST, MUMBAI
400063, MAHARASHTRA

NOIDA -

B-78, SECTOR 60, NOIDA

BANGALORE -

315, BLUE PEARL, 14TH CROSS
7TH MAIN. SECTOR 6, HSR
LAYOUT. BANGALORE.

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EMAIL:

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GET IN TOUCH WITH US
CALL - 9810688945 / 7290028346

Prepared by Ganesh Nair | Legal Researcher | Enterslice



www.enterslice.com

info@enterslice.com