



**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY

# Union Budget 2022-23

**Steady strides into the futuristic growth**



**PHD RESEARCH BUREAU**  
**PHD CHAMBER OF COMMERCE AND INDUSTRY**

## ARE YOU INDUSTRY 4.0 READY?

Be future ready with Bry-Air products

## ENERGY EFFICIENT & SMART DEHUMIDIFIER

for varied humidity control  
requirements



## DATA CENTER AIR PURIFIERS

for removing corrosive  
gases



## COMPACT DEHUMIDIFIERS

for small footprint moisture  
control needs



## DRY ROOMS

for Lithium Battery production



### BRY-AIR (ASIA) PVT. LTD.



21C, Sector-18, Gurugram - 122015, Haryana, India  
bryairmarketing@pahwa.com



Toll Free  
**1800 102 7620**

Social Connect





**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY

# Union Budget 2022-23

**Steady strides into the futuristic growth**

**February 2022**

**PHD RESEARCH BUREAU**

**PHD CHAMBER OF COMMERCE AND INDUSTRY**

PHD House, 4/2 Siri Institutional Area, August KrantiMarg New Delhi 110016

Phone: 91-11-49545454 Fax: 91-11-26855450, 26863135

Email: [research@phdcci.in](mailto:research@phdcci.in) Website: [www.phdcci.in](http://www.phdcci.in)





- ◆ 11 Hospitals
- ◆ 1 Objective
- ◆ 20+ Specialities
- ◆ 500+ Doctors
- ◆ 25 years of Operations

**Affordable  
Quality Healthcare**



For more information call  
9910488465



24x7 Ambulance  
9810055136, 9910492869



24x7 Emergency  
9810855136, 8800197038

**Metro Hospitals**, X - 1, Sector - 12, Noida | Tel. No. 120 4366666 | [info@metrohospitals.com](mailto:info@metrohospitals.com)



[metrohospitals](https://www.facebook.com/metrohospitals)



[metrohospitals](https://www.instagram.com/metrohospitals)



[metrohospitals](https://www.youtube.com/metrohospitals)



[www.metrohospitals.com](http://www.metrohospitals.com)

## PHD Chamber's Viewpoint



**Shri Pradeep Multani**  
President

The forward-looking Union Budget is a blueprint of the economy over 'Amrit Kaal' of next 25 years - from India at 75 to India at 100. This budget looks into the future while keeping a close eye on the ground. The Budget is a step forward towards the vision of creating an Aatmanirbhar Bharat and reflects a consistency in government's approach towards inclusive development of the country. It shows a clear intent of the government by matching allocations in many areas that would contribute in building up an Aatmanirbhar Bharat. PHD Chamber is totally committed with the aim of our Hon'ble Prime Minister to achieve the goal of USD 5 trillion economy, Doubling farmers income, Employment generation and all other goals set up. We strongly feel that each one of us- Government, Industry & Bureaucrats need to work as a powerful team to achieve these goals.



**Shri Saket Dalmia**  
Senior Vice President

The Budget is structured with fine balance between fiscal expansion and economic growth. This year budget has laid a strong emphasis on PM Gati Shakti Scheme that will encompass the seven engines for multi-modal connectivity. The allocations in Infrastructure and Affordable Housing along with vast initiatives in PLI & PM's Gati Shakti programs are indeed goal-setting and unprecedented. The private sector Capex cycle will catch momentum once the demand in economy improves, leading to higher capacity utilization, enhanced production possibilities and more employment opportunities in the country.



**Shri Sanjeev Agrawal**  
Vice President

The budget has very rightly touched each and every segment of the economy. It is highly encouraging to see the focus of budget on the four priorities including PM Gati Shakti; Inclusive Development; Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition, and Climate Action and Financing of Investments. The announcement in the budget for the rationalisation of custom exemptions and tariff concessions will operate as a spur for domestic capital goods production. The expansion of the National Highways network by 25,000 km in 2022-23 and mobilisation of Rs 20,000 crore to complement the public resources are extremely commendable.



**Shri Sanjay Aggarwal**  
Immediate Former President

The Union Budget 2022-23 is a strong budget with a much higher outlay announced towards capital expenditure. The government remains steady on the course of laying a solid economic and social foundation for robust and sustainable growth. The PM Gati Shakti scheme will give much-needed legs to infrastructure development and logistics across India. Building a sound infrastructure through Gati Sakti would create a new chapter in the history of the country in the coming times. As we are moving towards digitalized era with rapidly changing times, the government's emphasis on digitization across sectors has been noteworthy.



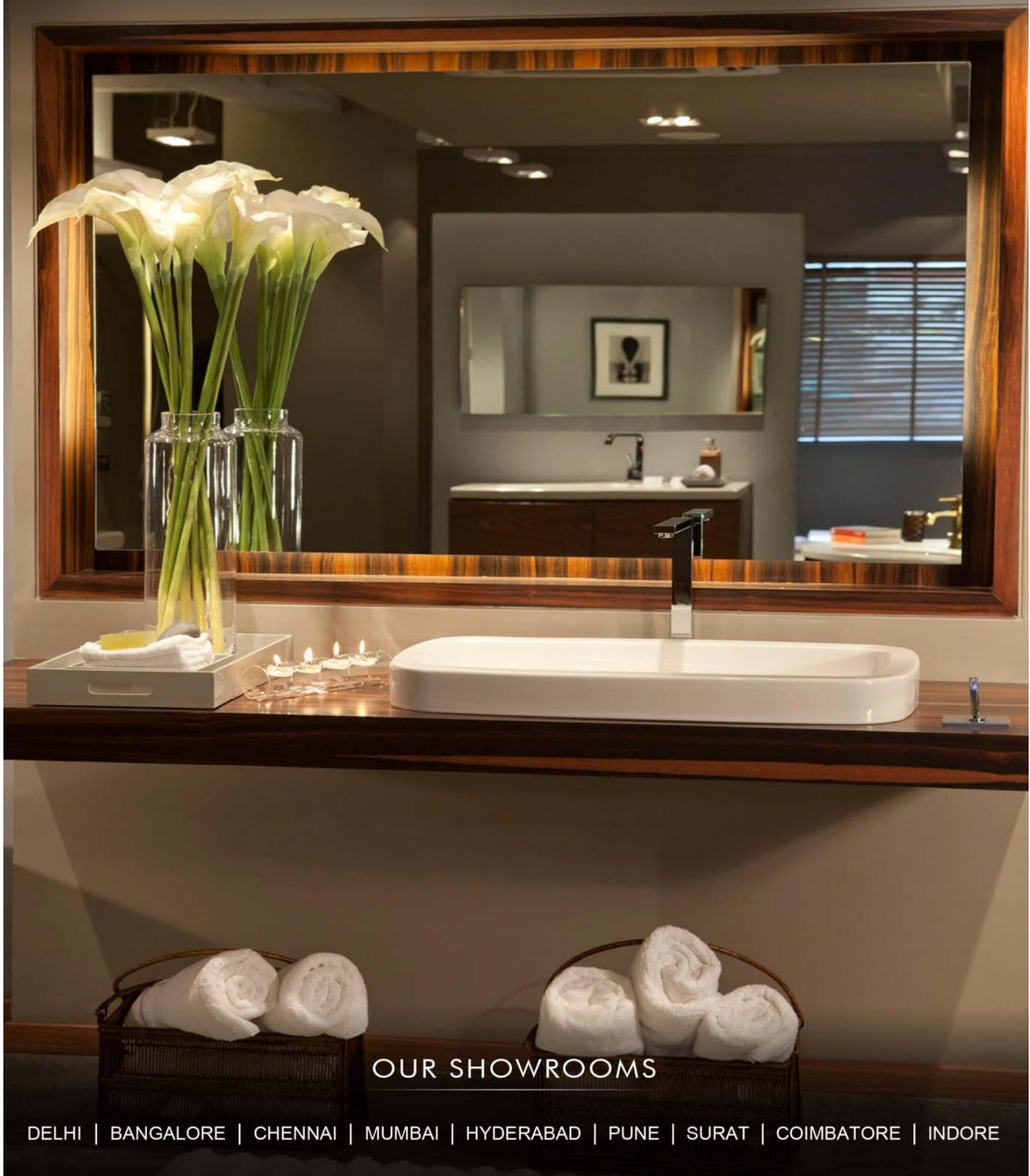
**Shri Sauabh Sanyal**  
Secretary General

The Budget provides a great direction towards stability, strength, long term economic growth to build Aatmanirbhar Bharat. PHD Chamber appreciates that the Government has placed modernisation and infrastructure development of the Armed Forces at the centre stage of the National Security and Defence Planning. It is highly inspiring to note that, more than 25,000 compliances have been reduced and 1486 Union laws have been repealed in the recent years. Also, the relief offered to MSMEs was much required as MSMEs contribute significantly in the economy. The announcement of One Station One Product will provide a further impetus to growth of the MSMEs sector in India.



fcml Interior  
Lifestyle  
Product  
Company

BATHROOM WELLNESS | BESPOKE TILES & SURFACES  
WOOD FLOORS | KITCHENS



OUR SHOWROOMS

DELHI | BANGALORE | CHENNAI | MUMBAI | HYDERABAD | PUNE | SURAT | COIMBATORE | INDORE

# Contents

S. No.	Chapter Name	Page No.
1	Executive Summary	9
2	Economic Survey 2021-22	14
3	Consideration of PHD Chamber's Suggestions in Union Budget 2022-23	25
4	Union Budget 2022-23: Key Highlights	29
5	Goals and Priorities of Union Budget 2022-23	32
6	Budget at a Glance	33
7	Impact on Economy	40
8	Impact on Trade and Industry	49
9	Impact on Infrastructure	55
10	Impact on Banking and Finance	59
11	Changes in Direct Taxes and Indirect Taxes	64
12	Strategic Disinvestments	68
13	Impact on Agriculture and Allied sector & Rural Economy	69
14	Impact on Socio-Economic Segments	72
15	Trends in Stock Markets and Exchange Rate amid Union Budget 2022-23	77
16	Support to States	78
17	Programme on Shadow Budget 2022-23	82
18	India Inc. Speaks: Union Budget 2022-23	85
19	Post Budget Interactive Session on "Implications of Union Budget 2022"	93
20	Conclusions	98

SS KOTHARI MEHTA  
— & COMPANY —  
CHARTERED ACCOUNTANTS



### 1. Executive Summary

Smt. Nirmala Sitharaman, Hon'ble Finance Minister, has presented a pragmatic and promising budget for Aatmanirbhar Bharat. The Union Budget seeks to lay a foundation and give a blueprint of the economy over 'Amrit Kaal' of next 25 years - from India at 75 to India at 100. Effective capital expenditure of the Government is estimated at Rs 10.68 lakh crores in 2022-23, revised fiscal deficit estimated at 6.9% of GDP as against 6.8% in Budget Estimates and fiscal deficit for FY 2023 is estimated at 6.4%. We are hopeful that fiscal consolidation will be in line in the coming years.

It is inspiring that the PLI Scheme in 14 sectors has received an excellent response towards 'Make In India' that can create 6 million new jobs in the next 5 years. It is encouraging that the Emergency Credit Line Guarantee Scheme has helped 130 lakh MSMEs that had mitigated the worst impact of the pandemic. In this regard, an extension of the ECLG Scheme upto March 2023 along with an extension of guaranteed cover by another Rs 50,000 crore, bringing the total cover under the scheme to Rs 5 lakh crore now, is highly appreciable and in line with PHD Chamber suggestions.

It is highly appreciable to note that the IT, Defence and R&D will be opened up for industry and startups and 68% of the capital procurement budget in defence will be earmarked for domestic industry in 2022-23. This will provide a great boost to the industrial development in the country. To catalyse the overall investments in the economy, an allocation of Rs 1 lakh crore has been made to assist the States for FY 2022-23. These 50-year interest-free loans are over and above normal borrowings allowed to States and will be used for PM Gati Shakti-related and other productive capital investments of States.

To provide a boost to domestic manufacturing, under the PLI Scheme, an additional allocation of Rs 19,500 crore has been made for PLI for manufacturing of high-efficiency modules with priority to fully integrate manufacturing units to solar PV modules. This will facilitate domestic manufacturing for the ambitious goal of 280 GW of installed solar capacity by 2030. To facilitate faster movement of people and goods, PM Gati Shakti will encompass the 7 engines for multi-modal connectivity for the states with speedier implementation of development projects using technology and with Rs 20,000 crore finance by the Government to speed up this project.

The recognition of infrastructure development by Budget is visible through announcements such as boost for Railways under the Gati Shakti plan, development and manufacturing of 400 new-generation Vande Bharat trains in next 3 years, expansion of National Highway network by 25,000 km in 2022-23, planning of 100 cargo terminals in 3 years, among others.

It is highly encouraging that for mobilizing resources for green infrastructure, sovereign Green Bonds will be issued as a part of the government's overall market borrowings in 2022-23. The proceeds will be deployed in public sector projects, which help in reducing the carbon intensity of the economy.

The budget announcements including promotion of chemical-free natural farming, promotion of use of Kisan drones for crop assessment, digitization of land records, spraying of insect pesticides, MSP direct payment of Rs 2.37 lakh crore to wheat and paddy farmers,

## UNION BUDGET 2022-23

set up of digital university with a focus on Information and Communication Technology (ICT) using a hub and spoke mode, among others, will go a long way to support the Indian farmers and take the growth and development of agriculture sector to greater heights. The completion of 80 lakh houses in 2022-23 for identified beneficiaries of PM Awas Yojana for rural & urban areas and allocation of Rs 48,000 crore for this purpose will be beneficial for many people who have the dream of owning a home.

The announcement of handing out of Bharatnet project contracts for optical fibre networks under PPP model and ensuring access of digital resources to all villages as urban areas will unlock the opportunities of growth going ahead. It is highly inspiring that a high-level panel will be set up for urban planning, wherein, modern building by-laws will be introduced, use of public transport in urban areas will be promoted and battery swapping policy to improve efficiency in electric vehicle ecosystem will be framed.

### Union Budget 2022-2023 (Key takeaways)

S. No.	Dimension	Description
1	<b>Size of the Budget</b>	Rs 39.4 lakh crore
2	<b>Fiscal Deficit</b>	FY 2022: 6.9% of GDP (RE) FY 2023: 6.4% of GDP (BE)
3	<b>Vision of Union Budget 2022-23</b>	The Government aims to attain the vision of India@100 through following Goals: (1) Complementing the macro-economic level growth focus with a micro-economic level all-inclusive welfare focus; (2) Promoting digital economy & fintech, technology enabled development, energy transition, and climate action; (3) Relying on virtuous cycle starting from private investment with public capital investment helping to crowd-in private investment. The Budget lays strong priorities on: PM GatiShakti; Inclusive Development; Productivity Enhancement & Investment, Sunrise Opportunities, Energy Transition, and Climate Action and; Financing of Investments
4	<b>Agriculture, Allied Activities &amp; Rural Economy</b>	It is proposed to promote Chemical-free Natural Farming throughout the country, with a focus on farmers' lands in 5-km wide corridors along river Ganga, at the first stage. To reduce dependence on import of oilseeds, a rationalised and comprehensive scheme to increase domestic production of oilseeds will be implemented. It is proposed to promote the Use of 'Kisan Drones' for crop assessment, digitization of land records, spraying of insecticides, and nutrients. States will be encouraged to revise syllabi of agricultural universities to meet the needs of natural, zero-budget and organic farming, modern-day agriculture, value addition and management.

5	<b>Trade and Industry</b>	It is proposed to interlink Udyam, e-Shram, NCS and ASEEM portals along with widening their scope. It is also announced that the ECLGS will be extended up to March 2023 and its guarantee cover will be expanded by Rs 50,000 crore to total cover of Rs 5 lakh crore, with the additional amount being earmarked exclusively for the hospitality and related enterprises. The Government is committed to reducing imports and promoting <i>AtmaNirbharta</i> in equipment for the Armed Forces. 68% of the capital procurement budget will be earmarked for domestic industry in 2022-23, up from 58% in 2021-22.
7	<b>Infrastructure</b>	It is announced that the Data Centres and Energy Storage Systems including dense charging infrastructure and grid-scale battery systems will be included in the harmonized list of infrastructure. This will facilitate credit availability for digital infrastructure and clean energy storage. The Union Budget 2022-23 announced that in 2022-23 80 lakh houses will be completed for the identified eligible beneficiaries of PM AwasYojana, both rural and urban. 17. The projects pertaining to 7 engines in the National Infrastructure Pipeline will be aligned with PM GatiShakti framework. The touchstone of the Master Plan will be world-class modern infrastructure and logistics synergy among different modes of movement – both of people and goods – and location of projects
8	<b>Banking, Finance &amp; Taxation</b>	It is proposed that as a part of the government's overall market borrowings in 2022-23, sovereign Green Bonds will be issued for mobilizing resources for green infrastructure. The proceeds will be deployed in public sector projects which help in reducing the carbon intensity of the economy. Introduction of Central Bank Digital Currency (CBDC) will give a big boost to digital economy. It is proposed to introduce Digital Rupee, using blockchain and other technologies, to be issued by the Reserve Bank of India starting 2022-23. To mark 75 years of independence, it is proposed to set up 75 Digital Banking Units (DBUs) in 75 districts of the country by Scheduled Commercial Banks.
9	<b>Education &amp; Women Empowerment</b>	It is proposed to establish a Digital University to provide access to students across the country for world-class quality universal education with personalised learning experience at their doorsteps. It is also proposed that Two lakh anganwadis will be upgraded. One class-one TV channel' programme of PM eVIDYA will be expanded from 12 to 200 TV channels. 750 virtual labs in science and mathematics, and 75 skilling e-labs for simulated learning environment, will be set-up in 2022-23.
10	<b>Health and Wellbeing</b>	It is proposed that to better the access to quality mental health counselling and care services, a 'National Tele Mental Health Programme' will be launched. 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, consent framework, and universal access to health facilities.



## UNION BUDGET 2022-23

11	States	A new scheme, Prime Minister's Development Initiative for North-East, PM-DevINE, is proposed to be implemented through the North-Eastern Council. It will fund infrastructure, in the spirit of PM GatiShakti, and social development projects based on felt needs of the North-East. The Union Budget 2022-23 also proposed Vibrant Villages Programme wherein Border villages with sparse population, limited connectivity and infrastructure will be covered. The 'Scheme for Financial Assistance to States for Capital Investment' outlay has been enhanced from Rs 10,000 crore in the Budget Estimates to Rs 15,000 crore in the Revised Estimates for the current year. For 2022-23, the allocation is Rs 1 lakh crore to assist the states in catalysing overall investments in the economy.
----	--------	---

Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23, Government of India

The roll out an open platform for the National Digital Health Ecosystem, consisting of digital registries of health providers and health facilities, unique health identity and universal access to health facilities is highly encouraging. With the aim to provide a big boost to the digital economy, digital rupee will be issued using blockchain and other technologies by RBI starting 2022-23.

Announcement on review and setting up of a committee for the regulatory framework for venture capital is highly appreciable. The acceptance of the use of surety bonds as a substitute for bank guarantees in government procurements will go a long way to reduce indirect costs for suppliers and work contractors.

Announcements as a surcharge on the transfer of long-term capital gains tax capped at 15%, customs duty exemption on steel scrap extended by a year to help MSMEs, custom duty on imitation jewellery raised to discourage their imports, reduction in customs duty on methanol, duty concessions on parts of phone chargers, transformers, etc. to enable domestic manufacturing, are highly appreciable.

Last but not the least, it may be mentioned that the PHD Chamber has been working very closely with all the stakeholders of the Indian defence industry including Ministry of Defence, Armed Forces and the Paramilitary Forces for promoting indigenization and self-reliance in defence manufacturing with special emphasis on MSMEs. It is delightful that PHD Chamber's sincere effort has been greatly acknowledged and amplified by Hon'ble Finance Minister in Budget 2022 through some great initiatives to increase the defence capital procurement from 58% to 68% and more provisions for the private sector in R&D, testing and certification and establishment of centres of excellence in defence.

**IFB**

*Set yourself free*

## 2. Economic Survey 2021-22: Economy on the Eve of Union Budget 2022

The Economic Survey 2021-22 portrays that Indian economy is well-placed to take on the challenges and economic growth is set to continue in the faster lane. The Survey projects growth rate of 8-8.5% in FY2023 on the back of macro-economic stability and well-placed effective reforms undertaken by the Government. It is encouraging to note that the growth in FY 2023 will be supported by widespread vaccine coverage, gains from supply-side reforms and easing of regulations, robust export growth, and availability of fiscal space to ramp up capital spending.

The Economic Survey estimates FY2022 growth rate at 9.2%, of which the agriculture and allied sectors is estimated to grow by 3.9%, industry at 11.8% and services at 8.2%. The Survey indicates that India's agricultural exports continues to do well in 2021-22, backed by an effective agriculture export policy and with support of increased demand for staples during the COVID-19 pandemic. The steady recovery in industrial sector supported by initiatives under Atma Nirbhar Bharat is highly encouraging for businesses to move forward with a strong zeal and strength.

It is laudable that the Government consumption is estimated to grow by a strong 7.6%, which is higher than the pre-pandemic levels and the private consumption is estimated to recover 97% of corresponding pre-pandemic output level. Government's policy thrust on quickening virtuous cycle of growth via capex and infrastructure spending is highly appreciable. It has enhanced capital formation in the country, which has raised the investment to GDP ratio to about 29.6% in 2021-22, the highest in seven years.

The Survey estimates a strong growth in Gross Fixed Capital Formation (GFCF) at 15% in 2021-22 to achieve full recovery of pre-pandemic level. Though the country had a fairly high fiscal deficit even before Covid-19, which worsened during the pandemic, it is motivating to note that Government has the fiscal capacity to maintain the support and ramp up capital expenditure when required on the back of strong revival in revenues.





## UNION BUDGET 2022-23

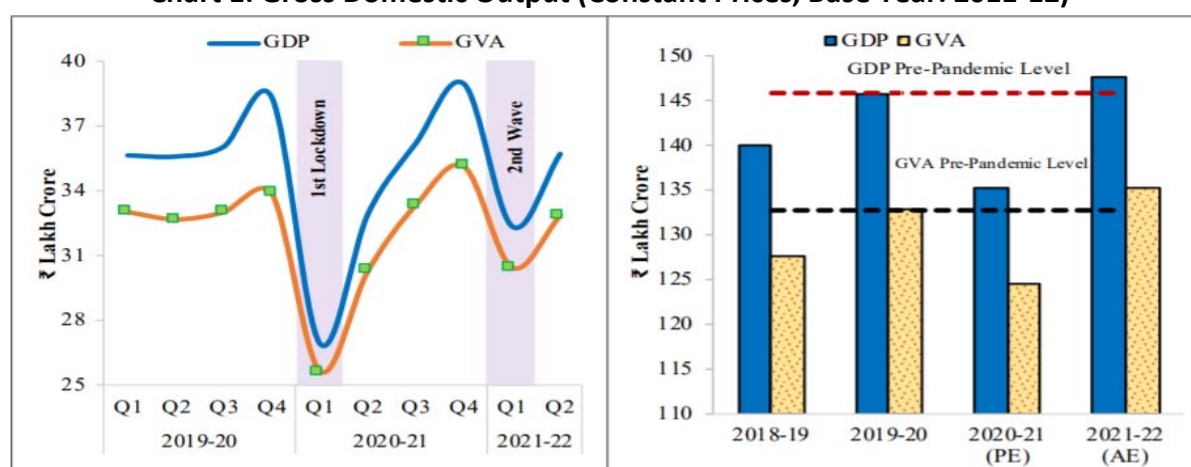
The Survey suggests that the high WPI inflation is partly due to base effects that will even out and there is no need of worrying on imported inflation, especially from high global energy prices. It is encouraging that RBI's foreign exchange reserves increased to US\$ 634 billion as on 31st December 2021, which is equivalent to 13.2 months of merchandise imports and higher than the country's external debt. This has been the result of India's balance of payments that remained in surplus throughout the last two years, despite the disruptions caused by the daunting impact of COVID-19 pandemic.

The Survey indicates that India has become the third largest startup ecosystem in the world after the US and China, with the number of new recognised startups increasing to over 14,000 in 2021-22 from only 733 in 2016-17. It is highly encouraging that the confidence on markets, corporate sector performance and prospects of the economy in the long run, are significantly high and visible through the tremendous response by all categories of investors in IPOs of companies.

### 2.1 State of the Economy

The last two years have been difficult for the world economy on account of the COVID-19 pandemic. Repeated waves of infection, supply-chain disruptions and, more recently, inflation have created particularly challenging times for policy-making. Faced with these challenges, the Government of India's immediate response was a bouquet of safety-nets to cushion the impact on vulnerable sections of society and the business sector. It next pushed through a significant increase in capital expenditure on infrastructure to build back medium-term demand as well as aggressively implemented supply-side measures to prepare the economy for a sustained long-term expansion. Advance estimates suggest that the Indian economy is expected to witness real GDP expansion of 9.2 per cent in 2021-22 after contracting in 2020-21. This implies that overall economic activity has recovered past the pre-pandemic levels. Almost all indicators show that the economic impact of the "second wave" in Q1 was much smaller than that experienced during the full lockdown phase in 2020-21 even though the health impact was more severe.

**Chart 1: Gross Domestic Output (Constant Prices, Base Year: 2011-12)**



Source: PHD Research Bureau, PHD Chamber, compiled from Economic Survey 2021-22

DMD<sup>®</sup>  
ADVOCATES

## UNION BUDGET 2022-23

Agriculture and allied sectors have been the least impacted by the pandemic and the sector is expected to grow by 3.9 per cent in 2021-22 after growing 3.6 per cent in the previous year. Advance estimates suggest that the GVA of Industry (including mining and construction) will rise by 11.8 per cent in 2021-22 after contracting by 7 per cent in 2020-21. The Services sector has been the hardest hit by the pandemic, especially segments that involve human contact. This sector is estimated to grow by 8.2 per cent this financial year following last year's 8.4 per cent contraction.

Overall, macro-economic stability indicators suggest that the Indian economy is well placed to take on the challenges of 2022-23. One of the reasons that the Indian economy is in a good position is its unique response strategy. Rather than pre-commit to a rigid response, Government of India opted to use safety-nets for vulnerable sections on one hand while responding iteratively based on Bayesian-updating of information. This “barbell strategy” was discussed in last year's Economic Survey. A key enabler of this flexible, iterative “Agile” approach is the use of eighty High Frequency Indicators (HFIs) in an environment of extreme uncertainty. Another distinguishing feature of India's response has been an emphasis on supply-side reforms rather than a total reliance on demand management. These supply-side reforms include deregulation of numerous sectors, simplification of processes, removal of legacy issues like ‘retrospective tax’, privatisation, production-linked incentives and so on.

### 2.2 Fiscal Developments

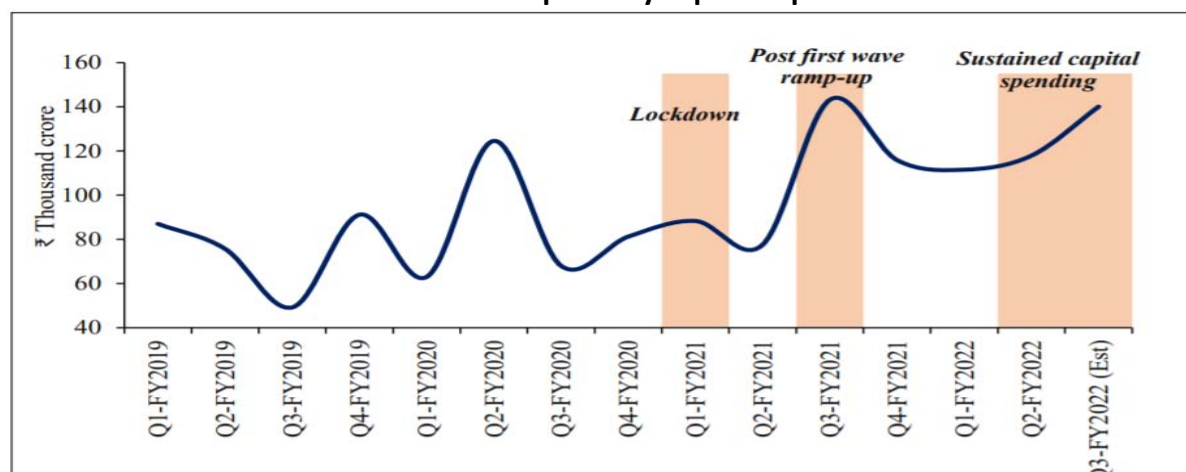
Immediately after the COVID-19 outbreak, Government of India chose to first create safety-nets for the vulnerable sections of the society/ small businesses before going on to introduce stimulus packages to boost economic recovery in the second half of 2020-21. On the fiscal front, capital expenditure was restrained during Q1 and Q2 of 2020-21 owing to movement restrictions in containment zones, and unavailability of contractors/workers to carry out capital works. However, with the easing of movement and health-related restrictions, capital spending was pushed up in Q3 of 2020-21. Thus, the change in the mix of stimulus effected in 2020-21 towards a larger share of capital spending, has continued in the current year as well. With the bouncing back of the economy in the current financial year, the revenue receipts of the central government during April to November 2021 have gone up by 67.2 per cent (YoY), as against an expected growth of 9.6 per cent in the 2021-22 Budget Estimates (over 2020-21 Provisional Actuals). The buoyant tax collections of both direct and indirect taxes, along with the non-tax revenue boosted by RBI's surplus transfer to the Government, have contributed to the increase in the revenue pool.

On account of a sustained revenue collection and a targeted expenditure policy by the Government of India, the fiscal deficit for April to November 2021 has been contained at 46.2% of BE which is nearly one third of the proportion reached during the same period of the previous two years (135.1% of BE in April-November 2020 and 114.8% of BE in April-November 2019).



## UNION BUDGET 2022-23

**Chart 2: Trends in quarterly capital expenditure**



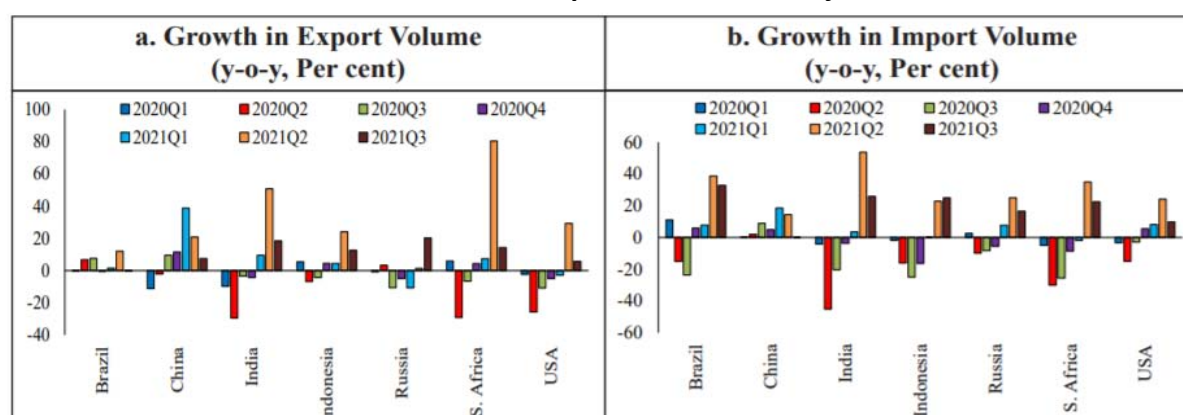
Source: PHD Research Bureau, PHD Chamber, compiled from Economic Survey 2021-22

The fiscal deficit budgeted in the current year was more realistic as it brought in several off-budget items to within the budget allocation such as the food subsidy requirements of FCI. With the enhanced borrowings on account of COVID-19, the Central Government debt has gone up from 49.1 per cent of GDP in 2019-20 to 59.3% of GDP in 2020-21, but is expected to follow a declining trajectory with the recovery of the economy. The General Government finances are also expected to witness a consolidation during 2021-22, after the uptick in deficit and debt indicators during the pandemic year 2020-21.

### 2.3 External Sector

External trade recovered strongly in 2021-22 after the pandemic-induced slump of the previous year, with strong capital flows into India, leading to a rapid accumulation of foreign exchange reserves. The resilience of India's external sector during the current year augurs well for growth revival in the economy. However, the downside risks of global liquidity tightening and continued volatility of global commodity prices, high freight costs, coupled with the fresh resurgence of COVID-19 with new variants may pose a challenge for India during 2022-23. Owing to the recovery of global demand coupled with revival in domestic activity, India's merchandise exports and imports rebounded strongly and surpassed pre-COVID levels during the current financial year. The revival in exports was also helped by timely initiatives taken by Government. USA followed by UAE and China remained the top export destinations in April-November, 2021, while China, UAE and USA were the largest import sources for India. Despite weak tourism revenues, there was significant pickup in net services receipts during April-December, 2021 on account of robust software and business earnings, with both receipts and payments crossing the pre-pandemic levels.

India's current account balance turned into deficit of 0.2% of GDP in the first half (H1) of 2021-22, largely led by deficit in trade account. India's external debt rose to US\$ 593.1 billion as at end-September 2021, from US\$ 556.8 billion a year earlier, reflecting additional SDR allocation by IMF, coupled with higher commercial borrowings.

**Chart 3: Merchandise trade performance of major economies**

Source: PHD Research Bureau, PHD Chamber, compiled from Economic Survey 2021-22

The robust capital flows were sufficient to finance the modest current account deficit, resulting in an overall balance of payments (BoP) surplus of US\$ 63.1 billion in H1 of 2021-22, that led to an augmented foreign exchange reserves crossing the milestone of US\$ 600 billion and touched US\$ 633.6 billion as of December 31, 2021. As of end November 2021, India was the fourth largest forex reserves holder in the world after China, Japan, and Switzerland. India's external sector is resilient to face any unwinding of the global liquidity arising out of the likelihood of faster normalisation of monetary policy by systemically important central banks, including the Fed, in response to elevated inflationary pressures.

## 2.4 Monetary Management and Financial Intermediation

Monetary policy and liquidity operations since the beginning of the COVID-19 pandemic have geared towards mitigating its adverse impact on economy. Accommodative monetary policy along with other regulatory dispensations, asset classification standstill, temporary moratorium and provision of adequate liquidity were put in place in order to provide a safety net to the system. In 2021-22, some of the measures undertaken by RBI like CRR reduction reached pre-set sunset dates, liquidity has been wound down partly but remains in surplus mode and regulatory measures have been realigned. After several rate cuts in 2019-20 and 2020-21, the repo rate was maintained at 4 per cent in 2021-22. The liquidity in the system remained in surplus throughout. RBI undertook various measures, including secondary market G-sec acquisition programme, special Long-Term Repo operations, on tap targeted Long-Term Repo Operations, etc. to provide further liquidity in the system. Thereafter, RBI used Variable Rate Reverse Repo, reverse repo auctions to rebalance liquidity conditions.

Gross Non-Performing advances ratio of Scheduled Commercial Banks (SCBs) continued to decline from 11.2 per cent at end of 2017-18 to 6.9 per cent at end-September 2021. Similarly, Net Non-Performing advances ratio declined from 6 per cent to 2.2 per cent during the same period. The year 2021-22 so far has been an exceptional year for the capital markets. There was a boom in fundraising through IPOs by many new age companies/tech start-ups/unicorns. In April-November 2021, ` 89,066 crore were raised via 75 IPO issues, much higher than in any year in last decade. The Sensex and Nifty scaled up to touch its

## UNION BUDGET 2022-23

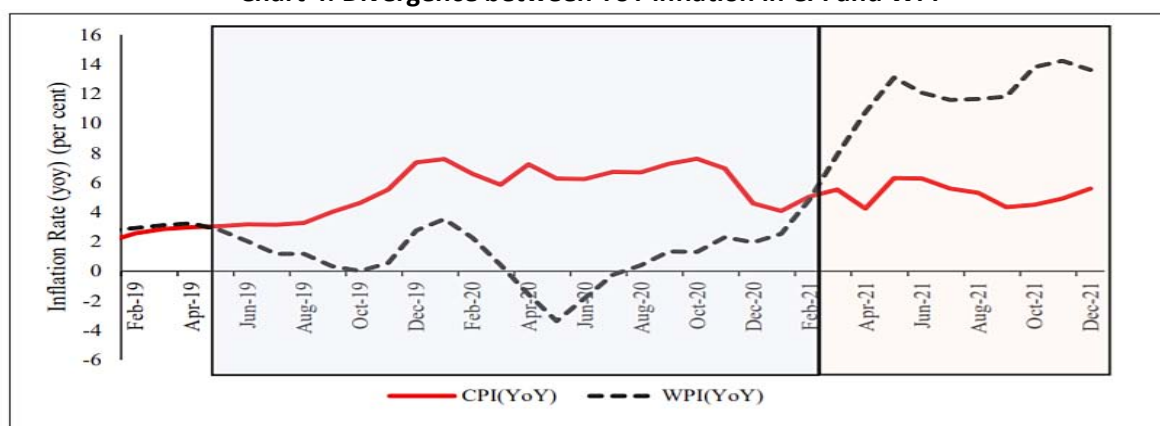
peak at 61,766 and 18,477 on October 18, 2021. Among major emerging market economies, Indian markets outperformed the peers in April-December 2021. The process of insolvency which was suspended in view of pandemic, started again in end-March 2021. A pre-packaged insolvency resolution process was provided under IBC as an alternative insolvency resolution process for corporate Micro, Small and Medium Enterprises in April 2021.

### 2.5 Prices and Inflation

COVID-19 related stimulus spending in major economies along with pent-up demand boosting consumer spending pushed inflation up in many advanced and emerging economies. The surge in energy, food, non-food commodities, and input prices, supply constraints, disruption of global supply chains, and rising freight costs across the globe stoked global inflation during the year. Crude oil prices also witnessed an upswing during the year on the back of increased demand from recovering economies and supply restrictions by the Organization of the Petroleum Exporting Countries and its allies (OPEC+).

On the domestic front, the average headline Consumer Price Index-Combined (CPI-C) inflation in India moderated to 5.2 per cent in 2021-22 (April-December) from 6.6 per cent in the corresponding period of 2020-21 and was recorded at 5.6 per cent in December 2021. The Consumer Price Index inflation remained range bound as food prices eased considerably due to the supply management response by the Government.

**Chart 4: Divergence between YoY inflation in CPI and WPI**



Source: PHD Research Bureau, PHD Chamber, compiled from Economic Survey 2021-22

Wholesale inflation based on Wholesale Price Index (WPI), after remaining very benign during the previous financial year on account of pandemic induced weakening of economic activity, record low global crude oil prices and weak demand, witnessed a sharp uptick, rising to 12.5 per cent during 2021-22 (April-December). This was attributable to the pick-up in economic activity, sharp increase in international prices of crude oil and other imported inputs, and high freight costs. The consequent divergence between CPI-C and WPI inflation during the year can be explained by factors such as variations due to base effect, difference in scope and coverage of the two indices, their price collections, items covered and difference in commodity weights. Further, WPI is more sensitive to cost-push inflation led by imported inputs. With the gradual waning of base effect in WPI, the divergence in CPI-C inflation and WPI inflation is also expected to narrow down.

## UNION BUDGET 2022-23

### 2.6 Sustainable Development and Climate Change

In 2020-21, India progressed further on achieving the Sustainable Development Goals (SDGs). India's overall score on the NITI Aayog SDG India Index & Dashboard 2020- 21 improved to 66 from 60 in 2019-20 and 57 in 2018-19. The number of Front Runners (scoring 65-99) increased to 22 states and UTs in 2020-21 from 10 in 2019-20. Kerala and Chandigarh were the top state and UT respectively on SDG performance in 2020-21. In North East India, 64 districts were Front Runners and 39 districts were Performers in the NITI Aayog North-Eastern Region District SDG Index 2021-22. India has the tenth largest forest area in the world. In 2020, India ranked third globally in increasing its forest area during 2010 to 2020.

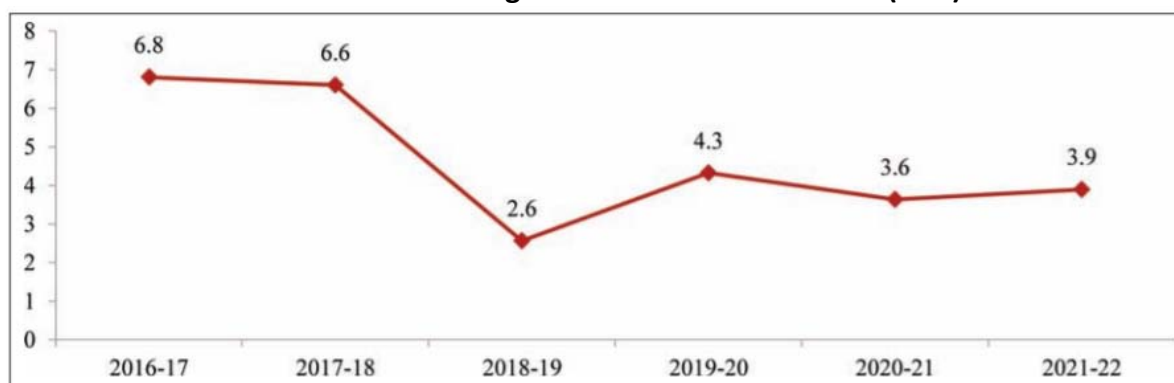
India had announced its first Nationally Determined Contribution (NDC) under the Paris Agreement in 2015. The Hon'ble Prime Minister of India, as a part of the national statement delivered at the 26th Conference of the Parties (COP 26) in Glasgow in November 2021, announced ambitious targets to be achieved by 2030 to enable further reduction in emissions.

In 2021, India continued exercising significant climate leadership at the international stage under the International Solar Alliance (ISA), Coalition for Disaster Resilient Infrastructure (CDRI) and Leadership Group for Industry Transition (LeadIT Group). The chapter also discusses several initiatives taken in the area of sustainable finance by the Ministry of Finance, RBI and SEBI.

### 2.7 Agriculture & Food Management

The agriculture sector has experienced buoyant growth in the past two years. The sector, which is the largest employer of workforce, accounted for a sizeable 18.8 per cent (2021-22) in Gross Value Added (GVA) of the country registering a growth of 3.6 per cent in 2020-21 and 3.9 per cent in 2021-22. Growth in allied sectors including livestock, dairying and fisheries has been the major drivers of overall growth in the sector. The measures taken by the Government to augment production and domestic supply of oilseeds and edible oils, interventions made in the sugar sector and promotion of crop diversification are examined.

**Chart 5: Growth of Agriculture and Allied Sectors (in %)**



Source: PHD Research Bureau, PHD Chamber, compiled from Economic Survey 2021-22



## UNION BUDGET 2022-23

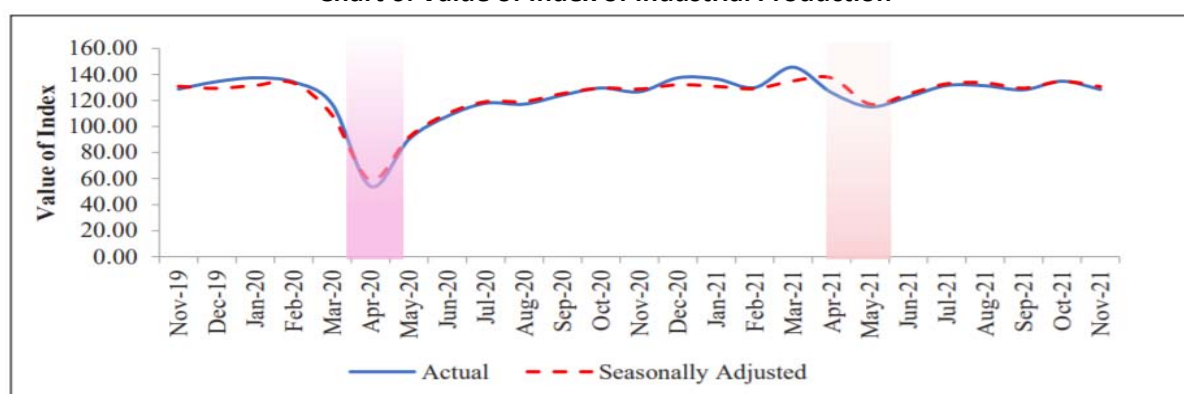
Allied sectors including animal husbandry, dairying and fishing are steadily emerging to be high growth sectors. The livestock sector has grown at a CAGR of 8.15 per cent over the last five years ending 2019-20. As revealed by the latest SAS, the sector has been a stable source of income across groups of agricultural households accounting for about 15 per cent of their average monthly income. This improvement in the contribution of allied sectors is in line with the recommendations of the Committee on Doubling Farmers' Income which has suggested a greater focus on allied sectors to improve farmers' income. A review of the allied sectors along with the recent programmes and initiatives to harness its potential has also been presented.

The Government has placed focus on the food processing sector, which is not only a major market of agriculture produce but is also a significant employer of the surplus workforce engaged in agriculture. Government therefore facilitates food processing through various measures of infrastructure development, subsidised transportation and support for formalization of micro food enterprises.

### 2.8 Industry and Infrastructure

Global Industrial activity continued to be affected by the disruptions caused by the COVID-19 pandemic. While the Indian industry was no exception to these disruptions, its performance has improved in 2021-22. Gradual unlocking of the economy, record vaccinations, improvement in consumer demand, continued policy support towards industries by the government in the form of AtmaNirbhar Bharat Abhiyan and further reinforcements in 2021-22 have led to an upturn in the performance of the industrial sector. The growth of the industrial sector, in the first half of 2021-22, was 22.9 percent vis a vis the corresponding period of 2020-21 and is expected to grow by 11.8 percent in this financial year. The industrial performance has shown improvement as reflected in the cumulative growth of the IIP. During April-November 2021-22 the IIP grew at 17.4 percent as compared to (-)15.3 percent in April-November 2020-21.

**Chart 6: Value of Index of Industrial Production**



Source: PHD Research Bureau, PHD Chamber, compiled from Economic Survey 2021-22

The introduction of the production linked incentive scheme (PLI) to encourage scaling up of industries and major boost provided to infrastructure-both physical as well as digital-combined with continued measures to reduce transaction costs and improve ease of doing

## UNION BUDGET 2022-23

business, would support the pace of recovery. Several initiatives such as the National Infrastructure Pipeline (NIP), National Monetization Plan (NMP), amongst others, have been taken to propel the infrastructure investment.

### 2.9 Services

The services sector as a whole has mostly recovered from the impact of the nationwide lockdown imposed during March-May 2020 and localised lockdowns during the second covid wave in April-May 2021, although some of the sub-sectors continue to be impacted. During the first half of 2021-22, the Services sector grew by 10.8 per cent. The recovery is more pronounced given the Gross Value Added (GVA) of Services crossed the prepandemic level in Q2 2021-22. However, being a contact intensive sub-sector, GVA of 'Trade, hotels, transport, communication & services related to broadcasting' still remains below its pre-pandemic level. The overall Services sector GVA is expected to grow by 8.2 per cent in 2021-22, although the spread of Omicron variant brings in a degree of uncertainty for near term, especially in segments that require human contact.

Services exports, after the initial slump during the first three quarters of 2020-21, surpassed its pre-pandemic level in Q4 2020-21. During H1 2021-22, services exports grew by 21.6 per cent, deriving strength from global demand for software and IT services exports. The Government undertook a major reform of removing telecom regulations in the IT-BPO sector. Similarly, the Government has opened up space sector to private players, which will enhance the socio-economic use of space assets and activities. During the first half of 2021-22, the Services sector received over US\$ 16.7 billion FDI accounting for almost 54 per cent of the total FDI inflows into India. Startups in India have grown remarkably over the last six years. The number of new recognised startups have increased to over 14,000 in 2021-22 from only 733 in 2016-17. As a result, India has become the third largest startup ecosystem in the world after the US and China.

### 2.10 Social Infrastructure and Employment

India having already faced two COVID-19 waves, with the first peak in September 2020 and the second peak in May 2021, is currently facing the third wave led by the Omicron variant. Indian National COVID Vaccination Program, one of the world's largest vaccination programs, has not only supported production of COVID-vaccines domestically, but it has also ensured free vaccines to its population - world's second largest population. As per quarterly Periodic Labour Force Survey (PLFS) data, up to March 2021, employment in urban sector affected by the pandemic has recovered almost to the pre-pandemic levels. As per the latest available data, school infrastructure – both in terms of number of recognized schools & colleges and basic facilities in schools – and teachers' availability reflected in Pupil Teacher Ratio, showed an improvement in 2019-20 over earlier years. The latest National Family Health Survey-5 showed encouraging outcomes of Government programmes in the health and other social sectors. Total fertility rate (TFR) has come down from 2.2 in 2015-16 to 2 in 2019-21. Significant improvement is seen in the health infrastructure and services reaching the public. Consequently, Government spending on social services increased significantly during the pandemic, recording an increase of 9.8% over 2020-21.



CHERESO LIFESCIENCES

Nature • Innovation • Health

## INNOVATIVE INGREDIENTS

**FENFURO**

SUPPORTS HEALTHY  
GLUCOSE LEVEL

**FUROCYST**

FOR MANAGEMENT  
OF PCOS

**FUROSAP**

OVERALL ENERGY &  
VITALITY IN MEN

**GCB70**

SUPPORTS HEALTHY  
METABOLISM

**PROSMAN**

SUPPORTS HEALTHY  
PROSTATE

**GRECOBE**

THE GREEN COFFEE

## ACTIVE INGREDIENTS

**THIOLCHICOSIDE**

IP/FP/EP  
US DMF No.032070

**COLCHICINE**

USP/BP  
US DMF No.032072

**RESERPINE**

USP/BP/CP

**PYGEUM EXTRACT**

US DMF No.032163

**SENNOSIDES**

USP  
US DMF No.032164

**LYSERGOL**

Intermediate for  
Nicergoline

(WHO-GMP, NSF-GMP, ISO 9001:2015, ISO 22000:2018, ZED-Gold,  
FSSC 22000, Kosher and HALAL certified & A Govt. of India approved 100% EOU)

WHO-GMP  
Certified



FSSC 22000

D-U-N-S<sup>®</sup> NUMBER: 92-062-4769

Visit us : [www.chereso.net](http://www.chereso.net)  
Email : [info@chereso.net](mailto:info@chereso.net)

### 3. Consideration of PHD Chamber's Suggestions in Union Budget 2022-23

It gives us the immense pleasure to share that more than 50 percent of the recommendations proposed by PHD Chamber on broader economic and industry aspects have been considered by the Government in the Union Budget 2022-23. We look forward to the effective implementation of the reforms considered at the grassroots level and kind consideration of the remaining recommendations in due course of time.

PHD Chamber's valuable and insightful suggestions on refuelling consumption demand, enhancing private investments, and creating avenues for employment creation have been considered by the government. Other suggestions such as hassle free credit availability to industry and ease of doing business, particularly for MSMEs, including recommendations on making Performance Bank Guarantees into insurance-linked scheme and an extension of Emergency Credit Line Guarantee Scheme, have been kindly accepted by the Hon'ble Minister of Finance. Also, other important issues of industry such as ease of doing exports, issuance of sovereign Green Bonds to mobilise the resources; deterrence against tax evasion to reduce litigation, among others, have been very kindly considered by the government.

Going ahead, major hits of the budget 2022-23 is the substantial increase of over 30% in the capital expenditure of fiscal 2023, which is expected to re-kick start the investment cycles. PHD Chamber looks forward to extend continuous support and share representations, ideas and ground reality based on the feedback received from our large membership base, for the kind consideration of the government.

S. No.	PHD Chamber's Suggestion	Budget Announcements
1.	<b>Refuelling consumption demand</b>  <b><u>Considered</u></b>	<ul style="list-style-type: none"> <li>The budget has focused on infrastructure development, which will reap significant multiplier effects through demand creation and employment generation.</li> <li>This budget has proposed PM GatiShakti, which is a transformative approach for seven engines namely Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure.</li> <li>2023 has been announced as the International Year of Millets. Support will be provided for post-harvest value addition, enhancing domestic consumption, and for branding millet products nationally and internationally.</li> </ul>
2.	<b>Encouraging the private investments</b>  <b><u>Considered</u></b>	<ul style="list-style-type: none"> <li>Public investment must continue to take the lead and pump-prime the private investment and demand in 2022-23.</li> <li>For delivery of digital and hi-tech services to farmers with involvement of public sector research and extension institutions along with private agri-tech</li> </ul>



		<p>players and stakeholders of agri-value chain, a scheme in PPP mode will be launched.</p> <ul style="list-style-type: none"> <li>The private sector will be encouraged to develop sustainable and innovative business models for 'Battery or Energy as a Service'. This will improve efficiency in the EV eco-system.</li> </ul>
3.	<p><b>Front loading of infrastructure investments</b></p> <p><b><u>Considered</u></b></p>	<ul style="list-style-type: none"> <li>GatiShakti National Master Plan will encompass the seven engines for economic transformation, seamless multimodal connectivity and logistics efficiency. It will also include the infrastructure developed by the state governments as per the GatiShakti Master Plan</li> <li>One hundred PM GatiShakti Cargo Terminals for multimodal logistics facilities will be developed during the next three years</li> <li>PM GatiShakti Master Plan for Expressways will be formulated in 2022-23 to facilitate faster movement of people and goods.</li> <li>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.</li> </ul>
4.	<p><b>Performance Bank Guarantee</b></p> <p><b><u>Considered</u></b></p>	<ul style="list-style-type: none"> <li>To reduce indirect cost for suppliers and work-contractors, the use of surety bonds as a substitute for bank guarantee will be made acceptable in government procurements. Business such as gold imports may also find this useful. IRDAI has given the framework for issue of surety bonds by insurance companies.</li> </ul>
5.	<p><b>Strengthening MSMEs</b></p> <p><b><u>Considered</u></b></p>	<ul style="list-style-type: none"> <li>Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) scheme will be revamped with required infusion of funds. This will facilitate additional credit of Rs 2 lakh crore for Micro and Small Enterprises and expand employment opportunities.</li> <li>Raising and Accelerating MSME Performance (RAMP) programme with outlay of Rs 6,000 crore over 5 years will be rolled out. This will help the MSME sector become more resilient, competitive and efficient.</li> <li>Emergency Credit Line Guarantee Scheme (ECLGS) has provided much-needed additional credit to more than 130 lakh MSMEs. This has helped them mitigate the adverse impact of the pandemic. The ECLGS will be extended up to March 2023 and its guarantee cover will be expanded by ` 50,000 crore to total cover of ` 5 lakh crore, with the additional amount being earmarked exclusively for the hospitality and related enterprises.</li> </ul>

6.	<p><b>Reducing the costs of doing business</b></p> <p><u><b>Considered</b></u></p>	<ul style="list-style-type: none"> <li>• In recent years, over 25,000 compliances were reduced and 1486 Union laws were repealed. This is the result of our government's strong commitment for 'minimum government &amp; maximum governance', our trust in the public, and ease of doing business (EODB).</li> <li>• The next phase of Ease of Doing Business EODB 2.0 and Ease of Living, will be launched. This new phase will be guided by an active involvement of the states, digitisation of manual processes and interventions, integration of the central and state-level systems through IT bridges, a single point access for all citizen-centric services, and a standardization and removal of overlapping compliances.</li> </ul>
7.	<p><b>Green Bond</b></p> <p><u><b>Considered</b></u></p>	<ul style="list-style-type: none"> <li>• As a part of the government's overall market borrowings in 2022-23, sovereign Green Bonds will be issued for mobilizing resources for green infrastructure. The proceeds will be deployed in public sector projects which help in reducing the carbon intensity of the economy.</li> <li>• Green bonds are debt instruments that differ from conventional fixed-income securities only in that the issuer pledges to use the proceeds to finance projects that are meant to have positive environmental or climate effects.</li> </ul>
8.	<p><b>Effective reforms in social infrastructure</b></p> <p><u><b>Considered</b></u></p>	<ul style="list-style-type: none"> <li>• Artificial Intelligence, Geospatial Systems and Drones, Semiconductor and its eco-system, Space Economy, Genomics and Pharmaceuticals, Green Energy, and Clean Mobility Systems have immense potential to assist sustainable development at scale and modernize the country. They provide employment opportunities for youth, and make Indian industry more efficient and competitive.</li> </ul>
9.	<p><b>Strong agriculture infrastructure</b></p> <p><u><b>Considered</b></u></p>	<ul style="list-style-type: none"> <li>• For delivery of digital and hi-tech services to farmers with involvement of public sector research and extension institutions along with private agri-tech players and stakeholders of agri-value chain, a scheme in PPP mode will be launched.</li> <li>• Use of 'Kisan Drones' will be promoted for crop assessment, digitization of land records, spraying of insecticides, and nutrients.</li> </ul>

10.	<p><b>Taxation</b></p> <p><b><u>Considered</u></b></p>	<ul style="list-style-type: none"> <li>• Assessee is identical to a question of law which is pending in appeal before the jurisdictional High Court or the Supreme Court in any case, the filing of further appeal in the case of this assessee by the department shall be deferred till such question of law is decided by the jurisdictional High Court or the Supreme Court. This will greatly help in reducing the repeated litigation between taxpayers and the department.</li> <li>• Extension of last date for commencement of manufacturing production under section 115BAB by one year</li> <li>• Decision on extension of date of incorporating of eligible startup for taking the tax benefits and change on the introduction of the provision of filling updated returns for 2 years on payment of additional tax</li> <li>• Extending the time limit to avail the credit is till 30th November of next financial year and the amendment of GST R1 and 3B in case there is omission or error by 30th November of next financial year.</li> </ul>
-----	--	---

Source: PHD Research Bureau, PHD Chamber

### 4. Union Budget 2022-23: Key Highlights

Hon'ble Finance Minister Smt. Nirmala Sitharaman has presented a pragmatic, progressive and promising budget for Aatmanirbhar Bharat. The budget has focused on laying foundation and giving blueprint of economy over 'Amrit Kaal' of next 25 years - from India at 75 to India at 100.

The key highlights of the budget are as follows:

#### PART A

- India's economic growth is estimated at 9.2% in FY 2022 to be the highest among all large economies.
- Total expenditure in 2022-23 estimated at Rs. 39.4 lakh crore.
- Total receipts other than borrowings in 2022-23 estimated at Rs. 22.8 lakh crore.
- Fiscal deficit in the FY 2022: 6.9% of GDP (against 6.8% in Budget Estimates), Fiscal deficit in FY 2023 estimated at 6.4% of GDP.
- The outlay for capital expenditure stepped up sharply by 35.4% to Rs. 7.50 lakh crore in 2022-23 from Rs. 5.54 lakh crore in the current year. The outlay in 2022-23 to be 2.9% of GDP.
- Allocation of Rs. 1 lakh crore in 2022-23 to assist the states in catalysing overall investments in the economy: fifty-year interest-free loans, over and above normal borrowings
- 60 lakh new jobs to be created under the productivity linked incentive scheme in 14 sectors.
- Entering Amrit Kaal, the 25 year long lead up to India @100, the budget provides an impetus for growth along four priorities: PM GatiShakti, Inclusive Development, Productivity Enhancement & Investment, Sunrise opportunities, Energy Transition, and Climate Action and Financing of investments
- The projects pertaining to these 7 engines in the National Infrastructure Pipeline engines for economic transformation, seamless multimodal connectivity and logistics efficiency, will be aligned with PM GatiShakti framework.
- National Highways Network to be expanded by 25000 Km in 2022-23.
- 400 new generation Vande Bharat Trains to be manufactured during the next three years.
- 100 PM GatiShakti Cargo terminals for multimodal logistics to be developed during the next three years.



## UNION BUDGET 2022-23

- Rs. 2.37 lakh crore direct payment to 1.63 crore farmers for procurement of wheat and paddy.
- Emergency Credit Linked Guarantee Scheme (ECLGS) to be extended up to March 2023.
- Digital Ecosystem for Skilling and Livelihood (DESH-Stack e-portal) will be launched to empower citizens to skill, reskill or upskill through on-line training.
- Startups will be promoted to facilitate 'Drone Shakti' and for Drone-As-A-Service (DrAAS).
- 'One class-One TV channel' programme of PM eVIDYA to be expanded to 200 TV channels.
- An open platform for National Digital Health Ecosystem to be rolled out.
- Rs. 60,000 crore allocated to cover 3.8 crore households in 2022-23 under Har Ghar, Nal se Jal.
- Rs. 48,000 crore allocated for completion of 80 lakh houses in 2022-23 under PM Awas Yojana.
- 100 per cent of 1.5 lakh post offices to come on the core banking system.
- Modernization of building bye-laws, Town Planning Schemes (TPS), and Transit-Oriented Development (TOD) will be implemented.
- Scheme for design-led manufacturing to be launched to build a strong ecosystem for 5G as part of the Production Linked Incentive Scheme.
- Special Economic Zones Act to be replaced with new legislation to enable States to become partners in 'Development of Enterprise and Service Hubs'.
- 68% of capital procurement budget earmarked for the domestic industry- defence in 2022-23, up from 58% in 2021-22.
- Government contribution to be provided for R&D in Sunrise Opportunities like Artificial Intelligence, Geospatial Systems and Drones, Semiconductor and its eco-system, Space Economy, Genomics and Pharmaceuticals, Green Energy, and Clean Mobility Systems.
- Introduction of Digital Rupee by the Reserve Bank of India starting 2022-23.

## PART B

### DIRECT TAXES

- Provision to file an Updated Return on payment of additional tax.
- Alternate Minimum Tax paid by cooperatives brought down from 18.5% to 15%.

## UNION BUDGET 2022-23

- Tax deduction limit increased from 10% to 14% on employer's contribution to the NPS account of State Government employees.
- Period of incorporation extended by one year, up to 31.03.2023 for eligible start-ups to avail tax benefit.
- Last date for commencement of manufacturing or production under section 115BAB extended by one year i.e. from 31st March, 2023 to 31st March, 2024.
- Surcharge on long term capital gains arising on transfer of any type of assets capped at 15%.
- Benefits passed on to agents as business promotion strategy taxable in hands of agents. Tax deduction provided to person giving benefits, if the aggregate value of such benefits exceeds Rs 20,000 during the financial year.

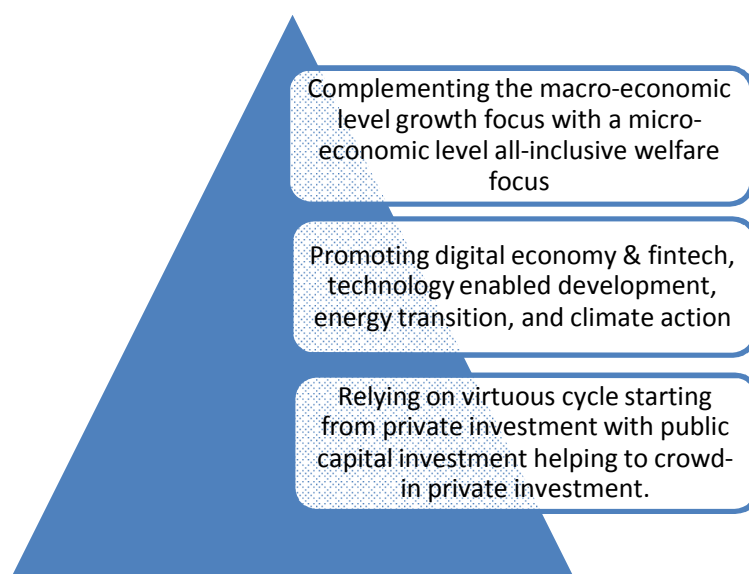
## INDIRECT TAXES

- Gradually phasing out of the concessional rates in capital goods and project imports; and applying a moderate tariff of 7.5% – conducive to the growth of domestic sector and 'Make in India'.
- Certain exemptions for advanced machineries that are not manufactured within the country shall continue.
- A few exemptions introduced on inputs, like specialised castings, ball screw and linear motion guide - to encourage domestic manufacturing of capital goods.
- More than 350 exemption entries proposed to be gradually phased out, like exemption on certain agricultural produce, chemicals, fabrics, medical devices, & drugs and medicines for which sufficient domestic capacity exists.
- Simplifying the Customs rate and tariff structure particularly for sectors like chemicals, textiles and metals and minimise disputes; Removal of exemption on items which are or can be manufactured in India and providing concessional duties on raw material that go into manufacturing of intermediate products.
- Sector specific custom duty proposals announced:
  - Electronics- Customs duty rates to be calibrated to provide a graded rate structure - to facilitate domestic manufacturing of wearable devices, hearable devices and electronic smart meters; Duty concessions to parts of transformer of mobile phone chargers and camera lens of mobile camera module and certain other items;
  - Customs duty on cut and polished diamonds and gemstones being reduced to 5%; Nil customs duty to simply sawn diamond;
  - Customs duty on certain critical chemicals namely methanol, acetic acid and heavy feed stocks for petroleum refining being reduced; Duty is being raised on sodium cyanide for which adequate domestic capacity exists; among others.

## 5. Goals and Priorities of Union Budget 2022-23

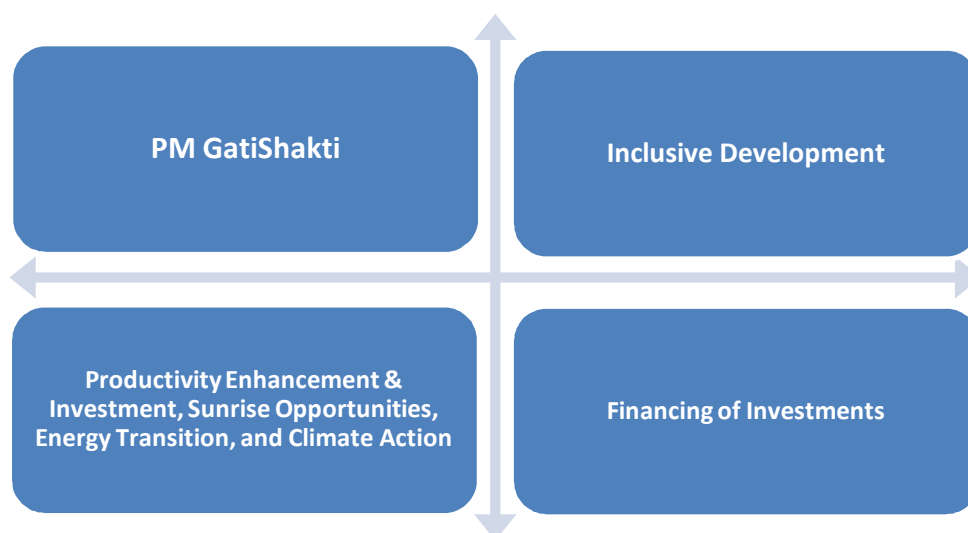
India is marking Azadi ka Amrit Mahotsav and has entered into AmritKaal, the 25-year-long leadup to India@100. Hon'ble Prime Minister in his Independence Day address had set-out the vision for India@100.

**The Government aims to attain this vision through following Goals:**



The Union Budget 2022-23 seeks to lay the foundation and give a blueprint to steer the economy over the AmritKaal of the next 25 years. It lays a parallel track of (1) a blueprint for the AmritKaal, which is futuristic and inclusive. This will directly benefit the youth, women, farmers, the Scheduled Castes and the Scheduled Tribes and (2) big public investment for modern infrastructure, readying for India at 100.

**The Budget lays strong priorities on:**



## UNION BUDGET 2022-23

### 6. Budget at a Glance

<b>Fiscal deficit</b> in Revised Estimates (RE) 2021-22 has been increased to 6.9% from 6.8% in Budget Estimates (BE) and in BE 2022-23, fiscal deficit is pegged at 6.4%.	<b>Revenue Deficit</b> has been decreased to 4.7% in Revised Estimates (RE) 2021-22 from 5.1% in Budget Estimates (BE). The Revenue Deficit for 2022-23 is pegged at 3.8%	<b>Total expenditure in Budget for 2022-23</b> has been placed at Rs 39.4 lakh crores.
--	---	--

#### 6.1 Budget at a Glance

(Amount in Rs. Crore)

S. No.	Particulars	2020-21	2021-22		2022-23	2022-2023 Y-o-Y growth
		Actuals	BE	RE	BE	%
1	<b>Revenue Receipts (2+3)</b>	1633920	1788424	2078936	2204422	6.0
2	Tax Revenue (Net to Centre)	1426287	1545396	1765145	1934771	9.6
3	Non-tax revenue	207633	243028	313791	269651	(-)14.1
4	<b>Capital Receipts (5+6+7)</b>	1875916	1694812	1691064	1740487	2.9
5	Recoveries of loans	19729	13000	21975	14291	(-)35.0
6	Other Receipts	37897	175000	78000	65000	(-)16.7
7	Borrowings & other liabilities <sup>1</sup>	1818291	1506812	1591089	1661196	4.4
8	<b>Total Receipts (1+4)</b>	3509836	3483236	3770000	3944909	4.6
9	<b>Total Expenditure (10+13)</b>	3509836	3483236	3770000	3944909	4.6
10	On Revenue Account of which	3083519	2929000	3167289	3194663	0.9
11	Interest Payments	679869	809701	813791	940651	15.6
12	Grants in Aid for creation of Capital assets	230865	219112	237685	317643	33.6
13	On Capital Account <sup>2</sup>	426317	554236	602711	750246	24.5
14	<b>Revenue deficit (10-1)</b>	1449599	1140576	1088352	990241	(-)9.0
15	as % of GDP	7.3	5.1	4.7	3.8	...
16	<b>Effective Revenue Deficit (14-12)</b>	1218734	921464	850667	672598	(-)20.9
17	as % of GDP	6.2	4.1	3.7	2.6	...
18	<b>Fiscal deficit {9-(1+5+6)}</b>	1818291	1506812	1591089	1661196	4.4
19	as % of GDP	9.2	6.8	6.9	6.4	...
20	<b>Primary deficit (16-11)</b>	1138422	697111	777298	720545	(-)7.3
21	as % of GDP	5.8	3.1	3.3	2.8	...

Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23. BE: Budget Estimates, RE: Revised Estimates. Notes: <sup>1</sup> Includes drawdown of cash Balance; <sup>2</sup> RE 2021-22 for Capital Expenditure includes capital infusion/loans to AIAHL/AI for settlement of past guaranteed and sundry liabilities, not backed by assets amounting to Rs 51971 crore. Excluding this, capital expenditure in RE is estimated Rs 550740 crore; (i) GDP for BE 2022-23 has been projected at Rs 25800000 crore assuming 11.1% growth over the estimated GDP of Rs 23214703 crore for 2021-2022 (RE); Individual items may not sum up to the totals due to rounding off; Y-o-Y stands for Year on year growth that has been calculated for 2022-23 BE over 2021-22 RE.



## UNION BUDGET 2022-23

### 6.2 Sectoral Allocations

(Amount in Rs. Crore)

S.No.	Particulars	2020-2021	2021-22		2022-2023	2022-2023 Y-o-Y growth
		Actuals	BE	RE	BE	%
1	Pension	208473	189328	198962	207132	4.1
2	Defence	340094	347088	368418	385370	4.6
3	Subsidy					
4	- Fertiliser	127922	79530	140122	105222	-24.9
5	- Food	541330	242836	286469	206831	-27.8
6	- Petroleum	38455	14073	6517	5813	-10.8
7	Agriculture and Allied Activities	134420	148301	147764	151521	2.5
8	Commerce and Industry	21554	34623	45833	53116	15.9
9	Development of North East	1854	2658	2658	2800	5.3
10	Education	84219	93224	88002	104278	18.5
11	Energy	32728	41747	48684	49220	1.1
12	External Affairs	14329	18155	16000	17250	7.8
13	Finance	37038	91916	51904	21354	-58.9
14	Health	80026	74602	85915	86606	0.8
15	Home Affairs	96652	113521	115550	127020	9.9
16	Interest	679869	809701	813791	940651	15.6
17	IT and Telecom	32778	53108	28757	79887	177.8
18	Others	91998	87528	101864	113301	11.2
19	Planning and Statistics	3172	2472	4808	5720	19.0
20	Rural Development	214246	194633	206948	206293	-0.3
21	Scientific Departments	22100	30640	28510	30571	7.2
22	Social Welfare	37563	48460	44952	51780	15.2
23	Tax Administration <sup>1</sup>	146439	131100	195351	171677	-12.1
	of which, Transfer to GST Compensation Fund	106317	100000	110795	120000	8.3
24	Transfer to States	211475	293302	285394	334339	17.1
25	Transport	216795	233083	325443	351851	8.1
26	Union Territories	47605	53026	57533	58757	2.1
27	Urban Development	46701	54581	73850	76549	3.7
Grand Total		3509836	3483236	3770000	3944909	4.6

Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23. Note: <sup>1</sup> This also includes payment of arrears for scrip based schemes; Individual items may not sum up to the totals due to rounding off. BE - Budget Estimates, RE - Revised Estimates; Y-o-Y stands for Year on year growth that has been calculated for 2022-23 BE over 2021-22 RE.

## UNION BUDGET 2022-23

### 6.3 Summary of Receipts

(Amount in Rs. Crore)

S. No	Component	2020-2021	2021-22		2022-2023	2022-2023
			BE	RE		Y-o-Y growth
		Actuals			BE	%
<b>1</b>	<b>Tax Revenue Gross Tax Revenue</b>	2027104	2217059	2516059	2757820	9.6
a.	Corporation Tax	457719	547000	635000	720000	13.4
b.	Taxes on Income	487144	561000	615000	700000	13.8
c.	Wealth Tax	12	..	..	..	...
d.	Customs	134750	136000	189000	213000	12.7
e.	Union Excise Duties	391749	335000	394000	335000	(-)15.0
f.	Service Tax	1615	1000	1000	2000	100.0
g.	GST	548778	630000	675000	780000	15.6
	- CGST	456334	530000	570000	660000	15.8
	- IGST	7251	..	..	..	...
	- GST Compensation Cess	85192	100000	105000	120000	14.3
h.	Taxes on Union Territories	5336	7059	7059	7820	10.8
	<b>Less - NCCD transferred to the NCCF/NDRF</b>	5820	6100	6130	6400	4.4
	<b>Less - State's share</b>	594997	665563	744785	816649	9.6
<b>1a.</b>	<b>Centre's Net Tax Revenue</b>	1426287	1545397	1765145	1934771	9.6
<b>2</b>	<b>Non-Tax Revenue</b>	207633	243028	313791	269651	(-)14.1
	Interest receipts	17113	11541	20894	18000	(-)13.9
	Dividend and Profits	96877	103538	147353	113948	(-)22.7
	External Grants	1752	747	1345	620	(-)53.9
	Other Non-Tax Revenue	90292	124671	141668	134276	(-)5.2
	Receipts of Union Territories	1598	2531	2531	2807	10.9
	<b>Total Revenue Receipts(1a + 2)</b>	1633920	1788424	2078936	2204422	6.0
<b>3</b>	<b>Capital Receipts</b>					
<b>A.</b>	<b>Non-debt Receipts</b>	57626	188000	99975	79291	(-)20.7
(i)	Recoveries of loans and advances@	19729	13000	21975	14291	(-)35.0
(ii)	Disinvestment Receipts	37897	175000	78000	65000	(-)16.7
<b>B.</b>	<b>Debt Receipts*</b>	1825479	1435428	1416902	1660444	17.2
	<b>Total Capital Receipts (A+B)</b>	1883105	1623428	1516877	1739735	14.7
<b>4</b>	<b>DRAW-DOWN OF CASH BALANCE<sup>&amp;</sup></b>	(-)7188	71383	174187	752	(-)99.6
	<b>Total Receipts (1a+2+3)</b>	3517025	3411853	3595813	3944157	9.7

Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23. Note: Individual items in this document may not sum up to the totals due to repayments. BE-Budget Estimates, RE-Revised Estimates. Y-o-Y stands for Year on year growth. NCCD transferred to the National Calamity Contingency Fund/National Disaster Response Fund. \* The receipts are net of payment. @ Excludes recoveries of short term loans and advances. (Note: yoy growth that has been calculated for 2022-23 BE over 2021-22 RE)

## UNION BUDGET 2022-23

### 6.4 Summary of Expenditure

(Amount in Rs. Crore)

S. No.	Particulars	2020-2021	2021-22		2022-2023	2022-2023
		Actuals	BE	RE	BE	Y-o-Y growth %
<b>A</b>	<b>Centre's Expenditure</b>					
I	Establishment Expenditure	594449	609014	700541	692214	-1.2
II	Central Sector Schemes/ Projects	1356817	1051703	1195078	1181085	-1.2
III	Other Central Sector Expenditure	798274	1011887	1021631	1132813	10.9
	of which Interest Payments	679869	809701	813791	940651	15.6
<b>B.</b>	<b>Transfers</b>					
IV	Centrally Sponsored Schemes	383976	381305	415351	442781	6.6
V	Finance Commission Grants	184063	220843	211065	192108	-9.0
VI	Other Grants/Loans/Transfers	192257	208484	226334	303908	34.3
	<b>Grand Total</b>	<b>3509836</b>	<b>3483236</b>	<b>3770000</b>	<b>3944909</b>	<b>4.6</b>
<b>Effective Capital Expenditure of the Government</b>						
1	Capital Expenditure <sup>1</sup>	426317	554236	602711	750246	24.5
2	Grants in Aid for creation of capital assets <sup>2</sup>	230865	219112	237685	317643	33.6
	<b>Total</b>	<b>657182</b>	<b>773348</b>	<b>840396</b>	<b>1067889</b>	<b>27.1</b>

Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23. Note: <sup>1</sup> RE 2021-22 for Capital Expenditure includes capital infusion/loans to AIAHL/AI for settlement of past guaranteed and sundry liabilities, not backed by assets amounting to Rs 51971 crore. Excluding this, capital expenditure in RE is estimated Rs 550740 crore; <sup>2</sup> Provisions of Grants for creations of capital assets also includes allocations under Demand driven/entitlement based scheme MGNREGS, which would vary based on demand. Individual items may not sum up to the totals due to rounding off. BE-Budget Estimates, RE-Revised Estimates, Y-o-Y stands for Year on year growth that has been calculated for 2022-23 BE over 2021-22 RE

### 6.5 Resources Transferred to State and U.T.

(Amount in Rs. Crore)

S.N o.	Indicators	2020-2021	2021-22	2022-2023	2022-2023
		Actuals	RE	BE	Y-o-Y growth%
<b>I.</b>	<b>Devolution of States' share in taxes</b>	594997	744785	816649	9.6
<b>II.</b>	<b>Some Important Items of Transfer</b>	164873	221200	163710	-26.0
1	Assistance to States from NDRF	8257	9000	10408	15.6
2	Back to Back Loans to States in lieu of GST Compensation Shortfall	110208	159000	...	...
3	Central Pool of Resources for North Eastern Region and Sikkim	197	405	...	...
4	Externally Added Projects - Grants	3431	4165	3722	-10.6
5	Externally Aided Projects - Loan	26764	27000	32280	19.6

## UNION BUDGET 2022-23

6	Schemes of North East Council	207	221	80	-63.8
7	Schemes under Proviso to Article 275(1) of the Constitution	800	750	1070	42.7
8	Special Assistance as Loan to States for Capital Expenditure	11830	15000	100000	566.7
9	Special Assistance under the demand-Transfer to States	1996	5000	15000	200.0
10	Special Central Assistance to Scheduled Castes- Department of Social Justice and empowerment	387	...	..	...
11	Special Central Assistance to Tribal Area-under the Demand - Ministry of Tribal Affairs	795	660	1150	74.2
<b>III.</b>	<b>Finance Commission Grants</b>	184063	211065	192108	-9.0
1	Grant for Rural Local Bodies	60750	42623	46513	9.1
2	Grants for Urban Local Bodies	26710	14614	22908	56.8
3	Grants for Health Sector	..	13192	13192	...
4	Grants-in-Aid for SDRF	22262	17747	18635	5.0
5	Grants-in-Aid for State Disaster Mitigation Fund	...	4437	4659	5.0
6	Post Devolution Revenue Deficit Grants	74340	118452	86201	-27.2
<b>IV.</b>	<b>Total Transfer to States [Other than (I)+(II)+(III)]</b>	325453	372829	383682	2.9
1	Under Centrally Sponsored Schemes (Revenue)	308306	326240	333086	2.1
2	Under Central Sector Schemes (Revenue)	16143	45123	49026	8.6
3	Under Other Categories of Expenditure (Revenue)	1003	1353	1466	8.4
4	Capital Transfers	2	113	103	-8.8
<b>V.</b>	<b>Total Transfer to Delhi and Puducherry</b>	50667	53476	55631	4.0
1	Under Centrally Sponsored Schemes (Revenue)	6874	8319	8500	2.2
2	Under Central Sector Schemes (Revenue)	1154	142	252	77.5
3	Under Other Categories of Expenditure (Revenue)	42639	45015	46879	4.1
4	Capital Transfers	...	...	...	...
<b>Total Transfers to States/UTs</b>		1320053	1603356	1611781	0.5

Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23. Note: BE-Budget Estimates, RE-Revised Estimates. UT: Union Territories and NDRF: National disaster Response Fund, SDF: State's Disaster Relief Fund; Y-o-Y stands for Year on year growth that has been calculated for 2022-23 BE over 2021-22 RE

## 6.6 Debt and Deficit Statistics

(Amount in Rs. Crore)

S. No.	Particulars	2020-2021	2021-22		2022-2023	2022-2023 Y-o-Y growth
		Actuals	BE	RE	BE	%
1	<b>Fiscal Deficit</b>	1818291	1506812	1591089	1661196	4.4
	as a % of GDP	9.2	6.8	6.9	6.4	
2	<b>Primary Deficit</b>	1138422	697111	777298	720545	(-)7.3
	as a % of GDP	5.8	3.1	3.3	2.8	
3	<b>Revenue Deficit</b>	1449599	1140576	1088352	990241	(-)9.0
	as a % of GDP	7.3	5.1	4.7	3.8	
4	<b>Effective Revenue Deficit</b>	1218734	921464	850667	672598	(-)20.9
	as a % of GDP	6.2	4.1	3.7	2.6	
<b>Sources of Financing Fiscal Deficit</b>						
5	<b>Debt Receipts (Net)</b>	1825479	1435428	1416902	1660444	17.2
	6. Market Borrowings (G-Sec + T Bills)	1239737	967708	875771	1158719	32.3
	7. Securities Against Small Savings	483733	391927	591524	425449	(-)28.1
	8. State Provident Funds	18514	20000	20000	20000	0.0
	9. Other Receipts (Reserve Fund, Deposit & Advances)	13315	54280	-90140*	37025	(-)141.1
	10. External Debt	70181	1514	19746	19251	(-)2.5
11	<b>Draw Down of Cash Balance</b>	(-)7188	71383	174187	752	(-)99.6
12	<b>Grand Total</b>	<b>1818291</b>	<b>1506812</b>	<b>1591089</b>	<b>1661196</b>	<b>4.4</b>

Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23. Note: \* Negative receipts is due to higher investment than collection under NSSF, on account of surplus cash available for investment in the beginning of the year; Individual items may not sum up to the totals due to rounding off; BE - Budget Estimates, RE - Revised Estimates; Y-o-Y stands for Year on year growth that has been calculated for 2022-23 BE over 2021-22 RE





## 7. Impact on Economy

The size of the budget for FY2022-23 is estimated at Rs 39.45 lakh crore, while the total receipts other than borrowings are estimated at Rs 22.84 lakh crore. The Union Budget 2022-23 has touched every sector of the economy. The budget has very rightly attempted to balance the near-term growth imperatives with long term priorities. The overall, sharp rebound and recovery of the economy is reflective of Indian economy's strong resilience. The budget has estimated India's economic growth in the current year at 9.2%, highest among all large economies.

The Union Budget has accorded a major push to infrastructure and logistics via GatiShakti. This will support the near term growth and also enhance the competitiveness of the Indian industry in the medium term. The focus on 7 key engines would create a synergy between infrastructure and logistics sector.

The budget has tried to alleviate the plight of farmers with the help of technology and funding support. The capex outlay of Rs 7.5 trillion is booster for investment generation. The budget has tried to revive the MSME sector with the sprucing up of Emergency Credit Line Guarantee Scheme (ECLGS) outlay by Rs 50,000 crores and extending the scheme till March 2023. Green sovereign bond issuances for public investment in green infrastructure and rationalization of custom duties and anti-dumping are some of the notable steps in the Union Budget 2022-23.

The budget has estimated the fiscal deficit to be 6.4% of GDP in FY2022-23. This will lead to growth, through public investment. The budget has encouraged States to undertake more investment in development of State infrastructure by way of higher allocations towards State Budgets. The focus of the Union Budget has been to build the supply side of the economy in a sustainable manner and to stimulate the local demand.

The continuity of reforms and stable policy, investment led growth orientation and focus on future economy augurs well for equity markets in the long run. With the accelerated improvement of health infrastructure in the past two years, the economy is in a strong position to withstand challenges. The budget has aimed to achieve overall macro-economic growth and human welfare with a focus on infrastructure, inclusive development, thrust to sunrise sectors, climate action and financing of investments.

### Impact on the Indian Economy

S.No	Parameter	Budget Announcement	Impact
1	<b>Macroeconomic stability</b>	The Union Budget laid a foundation and given the blueprint of the economy over 'Amrit Kaal' of next 25 years - from India at 75 to India at 100. Effective capital expenditure of the Government is estimated at Rs 10.68 lakh crores in 2022-23, about 4.1% of GDP, revised fiscal deficit estimated at 6.9% of GDP as against 6.8% in Budget Estimates and fiscal	The Union Budget 2022-23 has touched every sector of the economy. The budget has very rightly attempted to balance the near-term growth imperatives with long term priorities. The overall, sharp rebound and recovery of the economy is reflective of Indian economy's strong resilience.

## UNION BUDGET 2022-23

		deficit for FY 2023 is estimated at 6.4%. We are hopeful that fiscal consolidation will be in line in the coming years.	
2	<b>Fiscal Prudence</b>	The Fiscal Deficit in 2022-23 is estimated at 6.4% of GDP, which is consistent with the broad path of fiscal consolidation announced last year to reach a fiscal deficit level below 4.5% by 2025-26. Fiscal Deficit in the current year is estimated at 6.9% of GDP as against 6.8% projected in the Budget Estimates.	The Budget shows fiscal consolidation, revenue targets look credible, and given the strong growth recovery and see limited risks of a slip-page next fiscal year.
3	<b>Agriculture and Allied Activities</b>	Chemical-free Natural Farming will be promoted throughout the country, with a focus on farmers' lands in 5-km wide corridors along river Ganga, at the first stage.  For delivery of digital and hi-tech services to farmers with involvement of public sector research and extension institutions along with private agri-tech players and stakeholders of agri-value chain, a scheme in PPP mode will be launched.  Use of 'Kisan Drones' will be promoted for crop assessment, digitization of land records, spraying of insecticides, and nutrients.	This will promote the practice based on new-age soil microbiology. Small and marginal farmers who spend a lot on chemical inputs are expected to benefit. Natural farming will promote higher net income for farmers. The announcement will also help in boosting exports.  The announcement would take agriculture on a sustained higher growth trajectory with an emphasis on digital infrastructure and incentivising investments through public private partnership.  This is a step to modernise agriculture sector. The usage of drones will enable the startups to try out new business models.
4	<b>Trade and Industry</b>	The Productivity Linked Incentive in 14 sectors for achieving the vision of AtmaNirbhar Bharat to create 60 lakh new jobs, and an additional production of Rs 30 lakh crore during next 5 years.	The government focus on recovery and reform will improve productive efficiency of capital and human resources. It will strengthen the idea of 'trust-based governance'.  The aspiration of Make in India and EODB 2.0 would be a game

		<p>Budget has announced the next phase of Ease of Doing Business EODB 2.0. This new phase will be guided by an active involvement of the states, digitisation of manual processes with integration of the central and state-level systems through IT bridges, a single point access for all citizen-centric services.</p> <p>To give a fillip to the cash strapped MSME sector several provisions in the Budget have been done. 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.</p> <p>Extension of Emergency Credit Line Guarantee Scheme (ECLGS) till march 2023, will provide much-needed additional credit to more than 130 lakh MSMEs. Guarantee cover will be expanded by Rs 50,000 crore to total cover of Rs 5 lakh crore, with the additional amount being earmarked exclusively for the hospitality and related enterprises.</p>	<p>changer for the members of business community. This will help in crowdsourcing of suggestions and ground level assessment with active involvement of citizens and businesses.</p> <p>This will remove the citizen centric compliances and citizen centric service will be encouraged. It will also help in standardization and removal of overlapping compliances.</p> <p>These E- portals will ease the problem of delayed payments and consequential cash flows mismatches for the MSMEs.</p> <p>This will help them to mitigate the adverse impact of the pandemic. The hospitality and related services, especially those by micro and small enterprises, are yet to regain their pre-pandemic level of business. This will resolve the MSME related issues at a faster pace.</p>
5	Infrastructure	<p>Data Centres and Energy Storage Systems including dense charging infrastructure and grid-scale battery systems will be included in the harmonized list of infrastructure.</p> <p>This budget has proposed implementation of Multimodal Logistics Parks at four locations through PPP mode and they will be awarded in 2022-23.</p>	<p>This will facilitate credit availability for digital infrastructure and will enhance clean energy storage system.</p> <p>This will help to all types' transportation activities to be at centralized place and will add value added services needed by exporters and local traders for shipment their goods. It will also works as an interlinking point for all modes of transport at one</p>

		<p>Parvatmala: National Ropeways Development Programme has been announced. This Programme will be taken up on PPP mode. Contracts for 8 ropeway projects for a length of 60 km will be awarded in 2022-23</p> <p>Government had introduced battery swapping policy.</p> <p>In 2022-23 80 lakh houses will be completed for the identified eligible beneficiaries of PM AwasYojana, both rural and urban. Rs 48,000 crore is allocated for this purposes.</p>	<p>specific place.</p> <p>The aim is to improve connectivity and convenience for commuters, besides promoting tourism, especially in hilly areas. This will also cover congested urban areas, where conventional mass transit system is not feasible.</p> <p>It will help the private sector to develop inter-operability standards and innovate new business models for sustainable growth and development. Battery or Energy as a Service'. This will improve efficiency in the EV eco-system</p> <p>This will help to have affordable and smart houses for all and will improve the living condition by giving accessibility to housing facility to all.</p>
6	<b>Banking , Finance and Investment</b>	<p>Digital Banking and Payment</p> <p>Accelerated Corporate Exit</p> <p>Government Procurement- To enhance transparency and to reduce delays in payments, a completely paperless, end-to-end online e-Bill System will be launched for use by all central ministries for their procurements.</p>	<p>The financial support for the digital payments ecosystem is a welcome move and further reaffirms the Government of India's digital banking push. This push on digitization will make way for more inclusion in the ecosystem.</p> <p>This will ease the exit of enterprises that faced lengthy voluntary winding-up deadlines. If incorporation and departure procedures are streamlined it makes India a favourable jurisdiction for investment.</p> <p>Suppliers and contractors will be able to submit their status online from anywhere using the new system.</p>



7		Public Capital Investment-Capital expenditure in the Union Budget is being stepped up sharply by 35.4% from Rs. 5.54 lakh crore (BE) in the current year to Rs. 7.50 lakh crore (BE) in 2022-23.	Capital investment helps in creating employment opportunities, inducing enhanced demand for manufactured inputs from large industries and MSMEs, services from professionals, and help farmers through better agri-infrastructure. The economy has shown strong resilience to come out of the effects of the pandemic with high growth.
		Sovereign Green Bonds will be issued for mobilizing resources for green infrastructure. The proceeds will be deployed in public sector projects which help in reducing the carbon intensity of the economy.	The Budget proposed the issuance of Sovereign Green Bonds as a part of the Government's overall market borrowing in 2022-23. Green bonds will serve as a transformative step in the direction. The size and penetration of the Green Bond Market are expected to grow up.
		Digital Rupee-The budget proposed to introduce Digital Rupee, using blockchain and other technologies, to be issued by the Reserve Bank of India starting 2022-23.	The introduction of a Central Bank Digital Currency (CBDC) will make the rupee an attractive international currency. It will give a big boost to the digital economy. Digital currency will also lead to a more efficient and cheaper currency management system.
	Taxation	Introducing new 'Updated return'	It will facilitate ease of compliance to the taxpayer in a litigation free environment. It is an affirmative step in the direction of voluntary tax compliance.
		Reduced Alternate minimum tax rate and Surcharge for Cooperatives	It will provide a level playing field for co-operative societies and companies.
		Rationalization of Surcharge	This will help in boosting the start-up community and also expand the tax incentives to manufacturing companies and start-ups.

## UNION BUDGET 2022-23

8	<b>Strategic Disinvestment</b>	The strategic partner for NINL (Neelanchallspat Nigam Limited) has been selected. The public issue of the LIC is expected shortly. Others too are in the process for 2022-23.	The government has set its revised estimates for disinvestment target at Rs 78,000 crore from the previous year initial projection of Rs 1.75 lakh crore on the back of a strong pipeline of assets. According to the revised estimates for the year 2021-22 the proceeds from disinvestments amounted to Rs 78,000 crore only (vis-à-vis the budget Rs 1,75,000 crore). Given the pace of disinvestment over the last two years, the disinvestment target for 2022-23 has been revised and reduced to Rs. 65000.
9	<b>States</b>	<p>Prime Minister's Development Initiative for North East Region (PM-DevINE)</p> <p>Vibrant Villages Programme</p>	<p>The announcement will fund infrastructure, in the spirit of PM GatiShakti, and social development projects based on felt needs of the North-East. This will enable livelihood activities for youth and women, filling the gaps in various sectors. The scheme will not be a substitute for existing central or state schemes.</p> <p>The programme will include activities such as construction of village infrastructure, housing, tourist centres, road connectivity, provisioning of decentralized renewable energy, direct to home access for Doordarshan and educational channels, and support for livelihood generation.</p> <p>Such activities are expected to generate employment opportunities, enhance growth and development and border security.</p>

10	<b>Socio-Economic Developments</b>	<p>Digital Ecosystem for Skilling and Livelihood – the DESH-Stack e-portal – will be launched.</p> <p>Startups will be promoted to facilitate ‘Drone Shakti’ through varied applications and for Drone-As-A-Service (DrAAS).</p> <p>A Digital University will be established for world-class quality universal education. The best public universities and institutions in the country will collaborate as a network of hub-spokes.</p> <p>The three schemes, namely, Mission Shakti, Mission Vatsalya, Saksham Anganwadi and Poshan 2.0 were launched recently to provide integrated benefits to women and children.</p>	<p>This portal will support many people to adapt and leverage the technological infrastructure to skill, reskill or upskill themselves and to gain a sustainable livelihood. It also provides the secure storage location for their skill and experience certificates in Digi Locker, which can be accessed by employers to verify skilled professionals' profiles.</p> <p>It is designed to boost local manufacturing and job creation. It will help small businesses in becoming more productive and help in reducing the time for completing the task.</p> <p>The digital university would be beneficial to students coming from the economically poor, marginalised and rural backgrounds. It will provide the student-friendly digital platforms and digital content using modern technologies. It will provide personalised anytime, anywhere education to students in India and across the globe.</p> <p>The Mission Shakti and Mission Vatsalya, schemes would help to improve and empower millions of women across the country and also provide the benefit to those women who are living in rural areas with impoverished backgrounds. The Saksham Anganwadi and Poshan 2.0 scheme will improve the infrastructure and audio-visual assistance, as well as a cleaner environment for early childhood development.</p>
----	------------------------------------	---	---

		Issuance of e-Passports using embedded chip and futuristic technology will be rolled out in 2022-23.	The e-Passports will provide improved protection for the personal data as well as smoother immigration processes. It will also boost the travel and add a level of convenience for international travellers.
11	<b>Circular Economy</b>	The budget has proposed action plans for ten sectors such as electronic waste, end-of-life vehicles, used oil waste, and toxic & hazardous industrial waste are ready. This will be supported by active public policies covering regulations, extended producers' responsibilities framework and innovation facilitation.	It will help in productivity enhancement as well as creating large opportunities for new businesses and jobs. The focus now will be on addressing important cross cutting issues of infrastructure, reverse logistics, technology upgradation and integration with informal sector.

Source: PHD Research Bureau, PHD Chamber

# PHD RESEARCH BUREAU

An Information Hub for Businesses, Professionals,  
Policymakers, Researchers and Students



**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY

## Subscribe and gain from the analytical reports & notes of PHD Research Bureau

Subscribers of PHD Research Bureau would receive:

- Daily developments on International, National and Sub-National arena (More than 50 in a month)
- Weekly updates on economy, trade and industry
- Monthly Periodicals/ Newsletters on International, National and Sub-National Arena on economic and business developments.
- Quarterly forecasting on major economic indicators.
- Research and analytical reports (25 in a year) on topical/thematic issues related to economy, trade and industry.
- 10% discount for subscribers for Business & Research Consultancy from PHD Research Bureau on customized research requirements.

PHD Research Bureau, the research arm of PHD Chamber of Commerce and Industry, was established in 2010 with the objective to review the economic situation and policy developments at Sub-National, National and International levels and comment on them in order to update the members and industry stakeholders from time to time, to present suitable memoranda to the Government as and when required, to conduct thematic research studies on various socio-economic and business developments.

The Research Bureau has been instrumental in forecasting various lead economic indicators at national and sub-national level. It disseminates more than 500 analytical notes on various socio-economic and business developments in a year, prepare more than 25 research studies and research papers in a year, provide updations on Central and State Governments' policy announcements and prepare around 50 newsletters in a year.

Since its inception in 2010, PHD Research Bureau has conducted more than 150 studies/ Research Papers in the areas of Economy, Trade and Industry.

## BENEFITS FOR SUBSCRIBERS

### Research Activities

- Research Studies
- Research Projects
- Research Papers
- State Profiles
- Impact Assessments
- Thematic Research Reports

### Comments on Economic Developments

- Global Economy
- International Trade
- Indian economy
- States Developments
- Infrastructure
- Foreign Exchange Market
- Agriculture & rural development
- Finance & Taxation

### Newsletters

- Global Economic Monitor (GEM)
- Current Economic Scenario (CES)
- Trade and Investment Facilitation Services (TIFS) Newsletter
- Economic Affairs Committee (EAC) Newsletter
- State Development Monitor (SDM)

## Subscription Fee

### Category

Industry stakeholders/ Businesses/  
Professionals/Educational Institutes/Research  
Organisations/ Industry Associations.

Research Scholars, Students and Individuals

### Annual Subscription

Rs 5,000 (inclusive GST)

Rs 2,500 (inclusive GST)

Annual Subscription  
Certificate of the  
Membership of PHD  
Research Bureau

Warm regards,

**Dr. S P Sharma**

Chief Economist | DSG

PHD Chamber of Commerce and Industry

For subscribing to PHD Research Bureau,  
Please click on PFB PHDCCI payment link- <https://bit.ly/2PvVFIE>  
for further related query please contact

**Ms. Bhavana Rai**, Research Officer(bhavana.raai@phdcci.in) 9971297620

**Ms. Abhi Tomar**, Research Associate (abhi.tomar@phdcci.in) 9891874000

**PHD CHAMBER OF COMMERCE AND INDUSTRY**

PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India)



## 8. Impact on Trade and Industry

The impact of the Budget is very positive and progressive for industrial growth after a devastating Covid-19 wave that crippled small business and deepened social and economic inequalities. The holistic announcement of the forward-looking budget would scale up the industrial growth through push to infrastructure, digitalisation and stimulus to Atmanirbhar Bharat. Increased Capex in infrastructure sector will have a multiplier effect as it will create demand across product categories. It is encouraging to note that budget has provided expansion of PLI schemes to 14 sectors for manufacture of high efficiency solar modules, focus on defence indigenization, and the launch of Ease of Doing Business 2.0.

S.No	Parameter	Budget Announcement	Impact
1	Overall Industry	<p>The Productivity Linked Incentive in 14 sectors for achieving the vision of AtmaNirbhar Bharat to create 60 lakh new jobs, and an additional production of Rs 30 lakh crore during next 5 years.</p> <p>Budget has announced the next phase of Ease of Doing Business EODB 2.0. This new phase will be guided by an active involvement of the states, digitisation of manual processes with integration of the central and state-level systems through IT bridges, a single point access for all citizen-centric services.</p>	<p>The government focus on recovery and reform will improve productive efficiency of capital and human resources. It will strengthen the idea of 'trust-based governance'.</p> <p>The aspiration of Make in India and EODB 2.0 would be a game changer for the members of business community.</p> <p>This will help in crowdsourcing of suggestions and ground level assessment with active involvement of citizens and businesses.</p> <p>This will remove the citizen centric compliances and citizen centric service will be encouraged. It will also help in standardization and removal of overlapping compliances.</p>
2	Food Processing	<p>Government has proposed comprehensive package with participation of State Governments on various fruits and vegetables.</p>	<p>The cooperative initiatives will help in productivity enhancement as well as creating large opportunities for new businesses and jobs.</p> <p>This will enhance production and harvesting techniques of Indian farmers and will lead to export oriented growth. And will encourage state participation.</p>

3	MSME	<p>To give a fillip to the cash strapped MSME sector several provisions in the Budget have been done. 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.</p> <p>Extension of Emergency Credit Line Guarantee Scheme (ECLGS) till march 2023, will provide much-needed additional credit to more than 130 lakh MSMEs. Guarantee cover will be expanded by Rs 50,000 crore to total cover of Rs 5 lakh crore, with the additional amount being earmarked exclusively for the hospitality and related enterprises.</p> <p>Credit Guarantee Trust for Micro and Small Enterprises (CGTMSE) scheme will be revamped with required infusion of funds.</p> <p>Raising and Accelerating MSME Performance (RAMP) programme with outlay of Rs 6,000 crore over 5 years will be rolled out.</p>	<p>These E- portals will ease the problem of delayed payments and consequential cash flows mismatches for the MSMEs. These services will relate to credit facilitation, skilling, and recruitment with an aim to further formalise the economy and enhance entrepreneurial opportunities for all. This will promote MSME sector and will boost domestic production</p> <p>This will help them to mitigate the adverse impact of the pandemic. The hospitality and related services, especially those by micro and small enterprises, are yet to regain their pre-pandemic level of business. This will resolve the MSME related issues at a faster pace.</p> <p>This will provide impetus to the exporters of handicrafts and textiles, and make them more competitive in global market. This will give a clear cut direction to the textile sector.</p> <p>It will help in creating economies of scale, will attract investment in core manufacturing sector and will make India global hub for supply chain. This will also make our domestic Industries more competitive. This will facilitate additional credit of Rs 2 lakh crore for Micro and Small Enterprises and will expand employment opportunities. This will help the MSME sector become more resilient, competitive and efficient.</p>
---	------	---	---

## UNION BUDGET 2022-23

4	Telecom	The budget has proposed auctions by 2022 and launched the scheme for manufacturing as part of the Production Linked Incentive Scheme.	This will facilitate rollout of 5G mobile services within 2022-23 by private telecom providers and will improve the connectivity part. This will also help to build a strong ecosystem for 5G. And it will also enable large investments in the electronics and will boost domestic manufacturing.
		The budget has allocated five per cent of annual collections under the Universal Service Obligation Fund.	This will promote Research and development and commercialization of technologies and solutions. This will enable affordable broadband and mobile service proliferation in rural and remote areas.
		The Budget has proposed contracts for laying optical fibre in all villages, including remote areas, and they will be also awarded under the Bharatnet project through PPP in 2022-23. Completion is expected in 2025	This will help to enable better and more efficient use of the optical fibre and remote areas will be connected more efficiently with network and will easily accessible also.
5	(Animation, visual effects, gaming, and comic) AVGC Promotion Task Force	An AVGC promotion task force with all stakeholders will be set-up.	This will help to recommend ways to realize and build domestic capacity for serving Indian markets and the global demands.
6	Sunrise Opportunities	The budget has proposed sunrise opportunities to these specific sectors such as Artificial Intelligence, Geospatial Systems and Drones, Semiconductor and its eco-system, Space Economy, Genomics and Pharmaceuticals, Green Energy, and Clean Mobility.	This will provide employment opportunities for youth, and make Indian industry more efficient and competitive. This will build domestic capacities, and promotion of research & development approach among academia, industry and public institutions, government contribution will be provided.
7	AtmaNirbharta in Defence	The budget has allocated 68% of the capital procurement for domestic industry in 2022-23, which was 58% in 2021-22.  Budget has also ear marked 25 per cent of fund for industry,	This initiative will boost domestic production under make in India campaign. This will also lead to

		<p>startu-ps and academia with R&amp;D budget. Private Industry will be also encouraged to design and development of military platforms.</p> <p>An independent nodal umbrella body will be set up for meeting wide ranging testing and certification requirements.</p>	import substation and export promotion.
<b>Changes in Custom Duties on Industrial Products</b>			
7	<b>Electronics</b>	Calibrated customs duty rates on wearable devices, hearable devices and electronic smart meters.	This initiative will add greater value addition to the domestic electronic manufacturing of the products. This will also enable domestic manufacturing of high growth electronic items.
8	<b>Gems and Jewellery</b>	<p>Reduction of Customs duty on cut and polished diamonds and gemstones from 7.5% to 5%.</p> <p>Simply sawn diamond would attract nil customs duty.</p> <p>To facilitate export of jewellery through e-commerce, a simplified regulatory framework shall be implemented by June this year</p> <p>The customs duty on imitation jewellery is being prescribed in a manner that a duty of at least Rs 400 per Kg is paid on its import.</p>	<p>This will lower the cost of doing business in the sector and enhance exports and trade. The contribution of cut and polished diamond in domestic trade is smaller whereas it significantly contributes in exports.</p> <p>This is a wise approach that will help India solidify its position as a diamond service centre.</p> <p>It will be helpful for exporters to export via e-commerce platforms seamlessly. It will also provide momentum to the exports growth trajectory.</p> <p>It will reduce imports of undervalued imitation jewellery and will encourage domestic producers.</p>
9	<b>Chemicals</b>	<p>To reduce custom duty on methanol, acetic acid and heavy feed stocks for petroleum refining.</p> <p>To increase Custom Duty on sodium cyanide for which adequate domestic capacity exists.</p>	<p>It will increase the competitiveness of domestic producers in the global market for the production of more clean fuel.</p> <p>It will discourage the imports of sodium cyanide from other countries and build up domestic capacity.</p>

10	MSME Products	To raise custom duty on umbrellas to 20%.	Earlier import duty on finished umbrellas was 10% which is now increased to 20%. This announcement will prevent dumping of cheaper umbrellas from China. It will discourage the imports and protect the domestic industry.
		To withdraw exemption on parts of umbrellas.	This announcement will offer protection to small industry as this industry does not deploy major technology and more of labour intensive.
		To rationalize exemptions on implements and tools for agri-sector which are manufactured in India.	It will reduce the prices of agricultural tools and would provide a greater value addition to the domestic manufacturing industry.
11	Textile, Handicraft and Leather Industry	To provide exemptions on items such as embellishment, trimming, fasteners, buttons, zipper, lining material, specified leather, furniture fittings and packaging boxes.	It will help the MSMEs related to textile and handicraft sector and will provide a boost to exports pertaining to these sectors.
12	Marine Products	To reduce custom duty on certain inputs required for shrimp aquaculture.	It is a positive move and shall bring down production costs for farmers who have been contending with disease outbreaks, depressed shrimp prices and logistical issues stemming from the Covid-19 pandemic.
13	Mobile and Parts	Duty concessions are also being given to parts of transformer of mobile phone chargers and camera lens of mobile camera module and certain other items.	This initiative will add greater value addition to the domestic electronic manufacturing of the products. This will also enable domestic manufacturing of high growth electronic items.
14	Capital Goods/Project Imports	To phase out the concessional rates in capital goods and project imports gradually and apply a moderate tariff of 7.5%.	The phased exemption on project import and applying moderate tariff of 7.5% will provide a level playing field to local players in coal



		Exemptions for advanced machineries that are not manufactured within the country shall continue.	mining projects, power projects, railways and metro projects. It will increase the India's participation in the Global Value Chains.
		Duty exemptions given on capital goods have been revoked for sectors like power, fertilizer, textiles, leather, footwear, food processing and fertilizers.	In certain circumstances, duty exemptions were extended for more than three decades in these industries. The growth of the domestic capital goods sector has been stifled by these exemptions. Domestic manufacturers would benefit from a level playing field if reasonable tariffs were implemented. Domestically, this would result in increased economic activity and employment prospects.
15	<b>Iron and Steel Industry</b>	Some exemptions are being introduced on inputs, like specialised castings, ball screw and linear motion guide.	This will encourage domestic manufacturing of capital goods.
		Customs duty exemption given to steel scrap last year is being extended for another year.	It is a great step forward and will help steel companies (especially MSME) to bring down the manufacturing cost and carbon footprints.
		To revoke Anti- Dumping Duty (ADD) and Countervailing Duties (CVD) on stainless steel and coated steel flat products, bars of alloy steel and high-speed steel.	The prices of these products in the international market were very high in the last one year and still are not melting down. This initiative will help to tackle the prevailing high prices of metal. It will also be helpful to facilitate and provide relieve to producers of iron and steel products.
16	<b>Export Promotion</b>	The Special Economic Zones Act will be replaced with a new legislation that will enable the States to become partners in 'Development of Enterprise and Service Hubs'.	This will cover all large existing and new industrial enclaves to optimally utilise available infrastructure and enhance competitiveness of exports.
17	<b>Unblended Fuel</b>	Unblended fuel shall attract an additional differential excise duty of Rs. 2/ litre from the 1 <sup>st</sup> day of October 2022.	This will help to reduce the carbon footprints and improvise the automation and industrial technology.

Source: PHD Research Bureau, PHD Chamber

## 9. Impact on Infrastructure

The Union Budget 2022-23 has given a massive push and stimulus to the infrastructure sector through some great initiatives and announcements. The directionality and consistency are the major key words of this year budget. Infrastructure is an important growth driver for the economic growth and development of the country. Key reforms announced for strengthening infrastructure include proposed PM GatiShakti, which is a transformative approach for seven engines namely Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. One station one product and Production Linked Incentive Schemes are some of the notable reforms carried out during this period. Completion of 80 lakh houses and urban development is forward looking outlook on infrastructure projects, creating jobs, improving ease of living, and providing equitable access of infrastructure to all, thereby making growth more inclusive.

S.No	Parameter	Budget Announcement	Impact
1	<b>Overall Infrastructure Development</b>	<p>This budget has proposed PM GatiShakti, which is a transformative approach for seven engines namely Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure.</p> <p>With technical support from the Capacity Building Commission, Central Ministries, State Governments, and their infra-agencies will have their skills upgraded. This will ramp up capacity in planning, design, financing (including innovative ways), and implementation management of the PM GatiShakti infrastructure projects.</p> <p>This budget has proposed implementation of Multimodal Logistics Parks at four locations through PPP mode and they will be awarded in 2022-23.</p>	<p>All seven engines will pull forward the economy in unison. This plan is combined efforts of the Central Government, the State Governments, and the private sector together, which will be leading to huge job and entrepreneurial opportunities for all, especially the youth.</p> <p>This will augment modern infrastructure and logistics synergy among different modes of movement – both of people and goods – and location of projects and will further raise productivity, and will accelerate economic growth and development.</p> <p>The plan aims at greatly enhancing, and laying down of national highways, the electricity transmission networks, increasing the cargo handling by railways and the cargo capacity at ports, and also setting up mega food parks, defence corridors, and electronics manufacturing clusters.</p>

		Government had announced for financing the infrastructure needs, the stepping-up of public investments. Measures will be taken to enhance financial viability of infrastructural projects through PPP model.	This will help to all types' transportation activities to be at centralized place and will add value added services needed by exporters and local traders for shipment their goods. It will also works as an interlinking point for all modes of transport at one specific place.
2	<b>National Roads Infrastructure and Highways</b>	The National Highways network will be expanded by 25,000 km in 2022-23 (US\$ 2.67 billion). It has been also proposed that 20,000 crore will be mobilized through financing to complement the public resources.	This will augment road and national Infrastructure, which will in turn revive the overall economy. To further augment road infrastructure and will lead to facilitation infrastructure. This will also boost the economy by creating more jobs and will augment growth and development.
3	<b>Railway Infrastructure</b>	<p>The budget has announced new products and efficient logistics services for small farmers and Small and Medium Enterprises and also taken lead in integration of Postal and Railways networks.</p> <p>The budget has proposed, Kavach, under which 2,000 km of network will be brought under the ambit of indigenous world-class technology for safety and capacity augmentation.</p> <p>Four hundred new-generation Vande Bharat Trains with better energy efficiency and passenger riding experience will be developed and manufactured during the next three years</p>	<p>This will provide seamless solutions for movement of parcels and will help in bringing down the logistic cost of railway system and will in turn boost domestic industries. This will also help in facilitating railway infrastructure will enhance the delivery of service of railway.</p> <p>This will help local businesses and supply chains and will also develop more efficient logistics for farmers and agri-enterprises.</p> <p>The new-generation Vande Bharat trains will come with better energy efficiency and passenger riding experience. These new train sets will be made of light-weight aluminium, as opposed to steel, making each around 50 tonnes lighter in weight, consuming much less energy than its steel counterparts.</p>

5	<b>Urban Infrastructure</b>	<p>The budget has proposed Multimodal connectivity between mass urban transport and also has been announced that railway stations will be facilitated on priority.</p> <p>Parvatmala: National Ropeways Development Programme has been announced. This Programme will be taken up on PPP mode. Contracts for 8 ropeway projects for a length of 60 km will be awarded in 2022-23.</p> <p>Government has announced high-level committee of reputed urban planners, urban economists and institutions.</p> <p>For urban capacity building, support will be provided to the States. Modernization of building byelaws, Town Planning Schemes (TPS), and Transit Oriented Development (TOD) will be implemented. The Central Government's financial support for mass transit projects and AMRUT scheme will be implemented by the States.</p> <p>For developing India specific knowledge in urban planning and design, and to deliver certified training in these areas, up to five existing academic institutions in different regions will be designated as centres of excellence. These centres will be provided endowment funds of Rs 250 crore each. In addition, AICTE will take the lead to improve syllabi, quality and access of urban planning courses in other institutions.</p>	<p>This will drive urban infrastructural facilities and will lead to better connectivity and will create demand will generate revenue.</p> <p>The aim is to improve connectivity and convenience for commuters, besides promoting tourism. This will also cover congested urban areas, where conventional mass transit system is not feasible</p> <p>This will help to make recommendations on urban sector policies, capacity building, planning, implementation and governance.</p> <p>This will facilitate reforms for people to live and work closer to mass transit systems. They will be considered as centre of excellence and will lead to improving training facility .</p> <p>This will improve the projects technical know-how will provide knowledge assistance from multi-lateral agencies. It will also use and obtained global best practices, innovative ways of financing, and balanced risk allocation to mitigate the risk</p>
---	-----------------------------	---	---

## UNION BUDGET 2022-23

6	<b>Solar Power Infrastructure</b>	The budget has approved to facilitate domestic manufacturing for the ambitious goal of 280 GW of installed solar capacity by 2030, an additional allocation of Rs 19,500 crore for Production Linked Incentive for manufacture of high efficiency modules, with priority to fully integrated manufacturing units from polysilicon to solar PV modules will be made.,	This will improve the service of solar power sector and will facilitate domestic manufacturing for the ambitious goal of Aatmanirbhar bharat. And will lead to raise the limit of existing PLI scheme and will help to increase manufacturing capacities
7	<b>Land Records Management</b>	Efficient use of land resources has been introduced in this budget. The adoption or linkage with National Generic Document Registration System (NGDRS) with the 'One-Nation One-Registration Software' will be promoted as an option for uniform process for registration and 'anywhere registration' of deeds & documents.	States will be encouraged to adopt Unique Land Parcel Identification Number to facilitate IT-based management of records. The facility for transliteration of land records across any of the Schedule VIII languages will also be rolled out and will ease the complexities of documents.
8	<b>Housing for all</b>	In 2022-23 80 lakh houses will be completed for the identified eligible beneficiaries of PM AwasYojana, both rural and urban. Rs 48,000 crore is allocated for this purposes.	. This will help to have affordable and smart houses for all and will improve the living condition by giving accessibility to housing facility for all.
9	<b>Green Infrastructure</b>	In 2022-23, sovereign Green Bonds will be issued for mobilizing resources for green infrastructure.	The proceeds will be deployed in public sector projects which help in reducing the carbon intensity of the economy. This will improve the projects technical know-how will provide knowledge assistance from multi-lateral agencies. It will also use and obtained global best practices, innovative ways of financing, and balanced risk allocation to mitigate the risk
10	<b>Data Centre and Energy Storage Systems</b>	Data Centres and Energy Storage Systems including dense charging infrastructure and grid-scale battery systems will be included in the harmonized list of infrastructure	This will facilitate credit availability for digital infrastructure and will enhance clean energy storage system

Source: PHD Research Bureau, PHD Chamber

## 10. Impact on Banking, Finance & Investments

The Union Budget 2022-23 has delivered quality and praise worthy financing reforms across the banking sector and financial markets. The capital expenditure in the budget is a good directional change. The revenue projections and the composition of the expenditures give an idea of how the growth process will be accelerated. On the whole, this is a Budget that invests boldly in India's future and also seeds many futuristic ideas, including sovereign green bonds, India's own central bank digital currency (CBDC).

### Impact on Banking, Finance & Investment

S.No	Parameter	Budget Announcement	Impact
1	Digital Banking and Payment	<p>To mark 75 years of independence, the budget proposed to set up 75 Digital Banking Units (DBUs) in 75 districts of the country by Scheduled Commercial Banks.</p> <p>The financial support for digital payment ecosystem announced in the previous Budget will continue in 2022-23. The budget focuses to promote use of payment platforms that are economical and user friendly.</p>	The financial support for the digital payments ecosystem is a welcome move and further reaffirms the Government of India's digital banking push. This push on digitization will make way for more inclusion in the ecosystem. These measures would facilitate investments in distressed assets and will also ensure optimal value realization of those assets.
2	Insolvency and Bankruptcy Code	Necessary amendments in the Code will be carried out to enhance the efficacy of the resolution process and facilitate cross border insolvency resolution.	Cross border insolvency resolution framework would be a welcome step for foreign creditors. Indian creditors and investors lending or investing abroad will also benefit from a clearly defined resolution mechanism.
3	Accelerated Corporate Exit	The Centre for Processing Accelerated Corporate Exit (C-PACE) with process re-engineering, will be established to facilitate and speed up the voluntary winding-up of these companies from the currently required 2 years to less than 6 months.	This will ease the exit of enterprises that faced lengthy voluntary winding-up deadlines. If incorporation and departure procedures are streamlined it makes India a favourable jurisdiction for investment.
4	Government Procurement	To enhance transparency and to reduce delays in payments, a completely paperless, end-to-end online e-Bill System will be launched for use by all central	Suppliers and contractors will be able to submit their status online from anywhere using the new system.



		ministries for their procurements.	
		To reduce indirect cost for suppliers and work-contractors, the use of surety bonds as a substitute for bank guarantee will be made acceptable in government procurements.	The surety insurers to work alongside the banks and other financial institutions to share risk-related information and technical expertise will help foster a robust ecosystem and prevent contagion.
5	Public Capital Investment	Public investment must continue to take the lead and pump-prime the private investment and demand in 2022-23.	Private investments seem to require that support to rise to their potential and to the needs of the economy, which will create demand for industrial inputs like cement, steel and capital goods and generate jobs.
		Capital expenditure in the Union Budget is being stepped up sharply by 35.4% from Rs. 5.54 lakh crore (BE) in the current year to Rs. 7.50 lakh crore (BE) in 2022-23.	Capital investment helps in creating employment opportunities, inducing enhanced demand for manufactured inputs from large industries and MSMEs, services from professionals, and help farmers through better agri-infrastructure.
6	Green Bonds	Sovereign Green Bonds will be issued for mobilizing resources for green infrastructure. The proceeds will be deployed in public sector projects which help in reducing the carbon intensity of the economy.	The Budget proposed the issuance of Sovereign Green Bonds as a part of the Government's overall market borrowing in 2022-23. This move would go a long way to create green and clean economy, going ahead.
7	GIFT-IFSC	Offer courses in Financial Management, FinTech, Science, Technology, Engineering and Mathematics free from domestic regulations, except those by IFSCA to facilitate availability of high-end human resources for financial services and technology.	It is helpful to create a workforce with necessary skills in financial services as well as the latest technologies, which will be required for servicing and implementing the products and services GIFT IFSC seeks to offer. It will help in upskilling of employees or professionals who have shifted base to GIFT IFSC for employment or professional opportunities.

		<p>An International Arbitration Centre will be set up in the GIFT city for timely settlement of disputes under international jurisprudence.</p> <p>Services for global capital for sustainable &amp; climate finance in the country will be facilitated in the GIFT City.</p>	<p>A relevant step for providing necessary comfort to offshore investors venturing into IFSC, given the inherent fear and uncertainty with respect to the timelines which foreign investors have regarding litigation mechanisms.</p> <p>The government has sought to complete the spectrum of capital financing in GIFT IFSC by including these avenues, which have also gained popularity due to increased awareness towards climate change.</p>
8	<b>Venture Capital and Private Equity Investment</b>	Venture Capital and Private Equity invested more than Rs. 5.5 lakh crore last year. An expert committee will be set up to examine and suggest appropriate measures.	Venture Capital and Private Equity Investment facilitates one of the largest start-up and growth ecosystems in India.
9	<b>Blended Finance</b>	For encouraging important sunrise sectors such as Climate Action, Deep-Tech, Digital Economy, Pharma and Agri-Tech, the government will promote thematic funds for blended finance with the government share being limited to 20% and the funds being managed by private fund managers.	Blended finances mixes public capital with market based funds to essentially mobilise additional commercial funding towards sustainable development. It will ensure that these startups have more corpus funds. The initiatives will also push funds to invest more cash in these 'sunrise' sectors. This will lead to greater legroom for Indian startups and move towards growth.
10	<b>Digital Rupee</b>	The budget proposed to introduce Digital Rupee, using blockchain and other technologies, to be issued by the Reserve Bank of India starting 2022-23.	The introduction of a Central Bank Digital Currency (CBDC) will make the Rupee an attractive international currency. It will give a big boost to the digital economy. Digital currency will also lead to a more efficient and cheaper currency management system.

11	<b>Fiscal Management</b>	<p>The Budget Estimates the total expenditure in 2022-23 is estimated at Rs. 39.45 lakh crore, while the total receipts other than borrowings are estimated at Rs. 22.84 lakh crore.</p> <p>Fiscal Deficit in the current year is estimated at 6.9% of GDP as against 6.8% projected in the Budget Estimates. The Fiscal Deficit in 2022-23 is estimated at 6.4% of GDP, which is consistent with the broad path of fiscal consolidation announced last year to reach a fiscal deficit level below 4.5% by 2025-26.</p>	<p>The Budget shows fiscal consolidation, revenue targets look credible, and given the strong growth recovery and see limited risks of a slip-page next fiscal year.</p> <p>The Budget indicates its reliance on economic growth to drive fiscal consolidation. The government has projected a fiscal deficit of 6.4% of Gross Domestic Product (GDP) for financial year 2022-23 in line with the aim of fiscal consolidation, announced last year, to achieve a fiscal deficit of 4.5% by 2025-26.</p>
----	--------------------------	---	---

Source: PHD Research Bureau, PHD Chamber



PHD CHAMBER  
OF COMMERCE AND INDUSTRY

# E- Newsletters

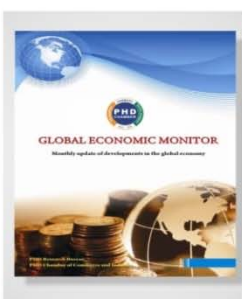
## Advertisement Opportunities

**Advertise  
your  
business**

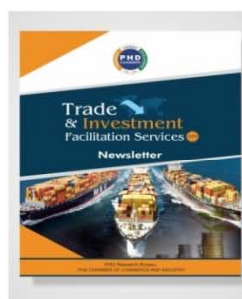
PHD Research Bureau of PHD Chamber of Commerce and Industry offers an opportunity to businesses to advertise in its well accepted four monthly e-newsletters: EAC, GEM, TIFS and SDM.



Economic Affairs Committee (EAC) issues a comprehensive newsletter on the economic and social developments in the economy in a particular month. The report provides a concise view of the movements in lead indicators in that month and in the coming times.



Global Economic Monitor (GEM) aims to disseminate information on latest updates on global macro-economic indicators including growth, inflation, trade, markets, commodities, unemployment, policy developments and publications of international organization



Trade and Investment Facilitation Services (TIFS) newsletter aims to provide information on recent developments in India's foreign trade, foreign investments, policy developments, bilateral economic relations, trade agreements, WTO among others.



State Development Monitor captures the developments on various fronts such as economic, health, infrastructure, rural economy and tourism in all the states of India.

## Features & Benefits

- Reaches to around 1,50,000 industry stakeholders across India and abroad including Government organizations, industry bodies, corporates, MSMEs, researchers, academicians, students, among others.
- High visibility placement of print advertisement
- Increase your business outreach in urban and rural segments across the country.

## PER MONTH CHARGES FOR A SINGLE PAGE ADVERTISEMENT IN A NEWSLETTER

Front Cover Inside :	Rs. 10,000/-
Inside Page :	Rs. 7,000/-
Back Cover Inside :	Rs. 5,000/-

Warm regards

**Dr. S. P. Sharma**

Chief Economist | DSG, PHDCCI

**For details please contact :**

**Ms. Bhavana Rai**, Research Officer, Tel. - 91-11-49545454 (Ext. 131), email: [bhavana.rai@phdcci.in](mailto:bhavana.rai@phdcci.in)

**PHD CHAMBER OF COMMERCE AND INDUSTRY**

PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India)

Tel. : +91-112686 3801-04, • Fax : +91-11-2685 5450 • Website : [www.phdcci.in](http://www.phdcci.in)

## 11. Changes in Direct Taxes and Indirect Taxes

The Hon'ble Finance Minister has reiterated the need for capital investments as it holds the key to speedy and sustainable revival of the economy. Like in the previous years, this year as well, the Hon'ble Finance Minister kept away from making too many changes in the tax rates and tax laws thus presenting to the world that India is inching towards a stable tax regime. The high growth in the tax collections both direct and indirect is an example of India moving towards the stable tax regime. The proposals are intended to simplify the tax system, encourage taxpayer voluntary compliance, and eliminate litigation.

Certain direct tax proposals were introduced, providing relaxation to individual taxpayers and startups to some extent. The individual and corporate tax rate for FY 2021-22 (AY 2022-23) was left unchanged. In a major move, the limit for tax audits under section 44AB has been increased from Rs 5 crore to Rs 10 crore (only where 95% of payments are digitised), providing relief to many corporate houses. The Budget has also provided a detailed set of rules for taxing virtual digital assets, which would include crypto currencies and Non Fungible Tokens (NFTs). Gains from their transfer have been subject to a flat tax rate of 30% with no deduction for any expenditure (other than cost) or any set off of losses.

There are no major policy changes expected from a GST perspective. However, proposals are likely to focus on issues of GST compliance, including one that would be extremely beneficial to taxpayers: permitting the use of input tax credit to pay the obligatory pre-deposit for submitting appeals.

S.No	Parameter	Budget Announcement	Impact
1	Introducing new 'Updated return'	Proposing a new provision permitting taxpayers to file an Updated Return on payment of additional tax. This updated return can be filed within two years from the end of the relevant assessment year.	It will facilitate ease of compliance to the taxpayer in a litigation free environment. It is an affirmative step in the direction of voluntary tax compliance.
2	Reduced Alternate minimum tax rate and Surcharge for Cooperatives	Propose lowering the Alternate Minimum Tax rate for cooperative societies from 18.5% to 15%.	It will provide a level playing field for co-operative societies and companies.
		Propose to reduce the surcharge on co-operative societies from 12% to 7% for those having total income of more than Rs 1 crore and up to Rs 10 crores	It will enhance the income of cooperative societies and its members who are mostly from rural and farming communities.
3	Tax relief to persons with disability	The parent or guardian of a differently abled person can take an insurance scheme for such person. Therefore	This is a step forward in the inclusion of people with disabilities, and it will bring



		proposed to allow the 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.	relief to parents and guardians who are worried.
5	<b>Parity between employees of State and Central Government</b>	Propose to increase the tax deduction limit from 10% to 14% on employer's contribution to the NPS account of State Government employees as well.	It will play a critical role in creating jobs and channelling the savings into the system.
6	<b>Incentives for Start-ups</b>	Propose to extend the period of incorporation of the eligible start-up by one more year, that is, up to 31.03.2023 for providing such tax incentive.	It will aid start-ups in maintaining cash flow and, as a result, fostering growth.
7	<b>Incentives for newly incorporated manufacturing entities under concessional tax regime</b>	Propose to extend the last date for commencement of manufacturing or production under section 115BAB by one year i.e. from 31st March, 2023 to 31st March, 2024.	This will help in establishing the globally competitive business environment for certain domestic companies
8	<b>Scheme for taxation of virtual digital assets</b>	<p>Propose to provide that any income from transfer of any virtual digital asset shall be taxed at the rate of 30%, wherein</p> <ul style="list-style-type: none"> <li>• No deduction in respect of any expenditure or allowance shall be allowed while computing such income except cost of acquisition.</li> <li>• loss from transfer of virtual digital asset cannot be set off against any other income.</li> <li>• Propose to provide for TDS on payment made in relation to transfer of virtual digital asset at the rate of 1 per cent of such consideration above a monetary threshold.</li> <li>• Gift of virtual digital asset is also proposed to be taxed in the hands of the recipient.</li> </ul>	It has provided the clarity on tax of digital assets and also removes the ambiguity from investing in virtual digital assets



## UNION BUDGET 2022-23

9	<b>Litigation management to avoid repetitive appeals by the Department</b>	Propose to provide that, if a question of law in the case of an assessee is identical to a question of law which is pending in appeal before the jurisdictional High Court or the Supreme Court in any case, the filing of further appeal in the case of this assessee by the department shall be deferred till such question of law is decided by the jurisdictional High Court or the Supreme Court	It will help in reducing the repeated litigation between taxpayers and the department
10	<b>Tax incentives to IFSC</b>	Propose to provide that income of a non-resident from offshore derivative instruments, or over the counter derivatives issued by an offshore banking unit, income from royalty and interest on account of lease of ship and income received from portfolio management services in IFSC shall be exempt from tax, subject to specified conditions	It would encourage the foreign investments in the financial services sector in India
11	<b>Rationalization of Surcharge</b>	Propose to cap the Surcharge of Association of Persons (AOP's) at 15%  Propose to cap the surcharge on long term capital gains arising on transfer of any type of assets at 15%.	This will help in boosting the start-up community and also expand the tax incentives to manufacturing companies and start-ups.
12	<b>Clarification in relation to 'Health and Education cess' as business expenditure</b>	The 'Health and Education Cess' is imposed as an additional surcharge on the taxpayer for funding specific government welfare programs. However, some courts have allowed 'Health and education 'cess' as business expenditure, which is against the legislative intent. To reiterate the legislative intent, I propose to clarify that any surcharge or cess on income and profits is not allowable as business expenditure.	The clarification has been provided and this puts an end to many long-standing disputes
13	<b>Deterrence against tax-evasion</b>	Propose to provide that no set off, of any loss shall be allowed against undisclosed income detected during search and survey operations.	It will bring the certainty and also increase the deterrence among tax evaders

14	<b>Rationalizing TDS Provisions</b>	Propose to provide the tax deduction by the person giving benefits, if the aggregate value of such benefits exceeds Rs 20,000 during the financial year	It will provide relief to the taxpayers of the essential compliance burden imposed by such provisions
	<b><u>INDIRECT TAXES</u></b>		
15	<b>Special Economic Zones</b>	Propose to undertake reforms in Customs Administration of SEZs and it shall henceforth be fully IT driven and function on the Customs National Portal with a focus on higher facilitation and with only risk-based checks	The announcement in the Budget for a re-drafted SEZ Act is most opportune and should permit utilization of the existing I.T./I.T.E.S. Assets by Domestic industries. These assets have attracted FDI and local investment of more than US\$ 60 billion till now. This will help SEZ Units to conduct the business in easier way.

Source: PHD Research Bureau, PHD Chamber

## 12. Strategic Disinvestments

The government has set its revised estimates for disinvestment target at Rs78,000 crore from the previous year initial projection of Rs 1.75 lakh crore on the back of a strong pipeline of assets. The government was hopeful that by monetising assets like highways and transmission lines would generate revenues. However, with the daunting impact of pandemic Covid-19 and subsequent waves of mutating virus have derailed and delayed the process of privatization. According to the revised estimates for the year 2021-22 the proceeds from disinvestments amounted to Rs 78,000 crore only (vis-à-vis the budget Rs 1,75,000 crore). In the year 2021-22, the government has raised Rs 12029 crore from disinvestment of CPSE through offer for sale (OFS) route and sale of shares through the stock exchange and strategic disinvestment. Given the pace of disinvestment over the last two years, the disinvestment target for 2022-23 has been revised and reduced to Rs. 65000.

Disinvestment plan and the monetisation of assets has the great potential to help balance the fiscal equation as well as infrastructure creation, if carried out in an efficient and effective manner. At this juncture, Infrastructural investment in the country is crucial and provide a multiplier effect to boost demand and rejuvenate overall economic growth trajectory.

It is highly encouraging to see that this year budget one pillar is infrastructure development. This year there is no big announcement on disinvestment except with the conclusion of disinvestment of Life Insurance Corporation of India (LIC) is likely to happen before March. The government has shown intend toward privatisation, selling Air India and finding a buyer for Neelachal Ispat are on the list. The government has been very realistic in achieving the targets of the disinvestment, however, the targets has been lowered for this fiscal year. The size of the LIC IPO is not yet finalised.

Going ahead, the strategic sale process needs to be transparent and there should be accountability for the usage of proceeds from disinvestment and asset monetization.

**Government's Disinvestment Target and Achievements**

No.	Financial Year	Target (in Rs. Crore)	Achievement (in Rs. Crore)
1.	2022-23 (BE)	65000	-
2.	2021-22 (RE)	78000	9330
3.	2020-21	2,10,000	37897
4.	2019-20	1,05,000	50,298
5.	2018-19	80,000	84,972
6.	2017-18	1,00,000	1,00,056
7.	2016-17	56,500 <sup>1</sup>	46,246 <sup>2</sup>
8.	2015-16	41,000 <sup>3</sup>	23,997
9.	2014-15	43,425	24,349
<b>Total (2014-15 to 2021-22)</b>		<b>12,41,429</b>	<b>6,93,305</b>

Source: PHD Research Bureau, PHD Chamber, compiled from Department of Investment and Public Asset Management, Government of India.

Notes: <sup>1</sup> amount including Rs. 36,000 crore as disinvestment of CPSEs and Rs. 20,500 crore from strategic disinvestment; <sup>2</sup> amount including Rs. 35,467.87 crore from disinvestment of CPSEs and Rs. 10,778.71 crore from disinvestment of strategic holdings and income from management of SUUTI investment; <sup>3</sup> excluding strategic disinvestment of Rs. 28,500 crore.

### 13. Impact on Agriculture and Allied sector & Rural Economy

The Union Budget aims at driving agriculture sector on a higher growth trajectory. All the measures address the key issues of livelihood generation, enhancing farmer incomes and building climate resilient agriculture. The budget for the farm sector including agriculture research, animal husbandry and fisheries has been raised marginally from Rs 1.35 lakh crore in 2021-22 to Rs 1.38 lakh crore in 2022-23. Some new age reforms like delivery of digital and hi-tech services to farmers in PPP mode, use of Kisan drones to aid farmers have been announced. Similarly, proposal on steps for promotion of chemical-free natural farming, updating the syllabus of agricultural universities to meet the needs of natural, organic farming, modern day agriculture has been made. To increase domestic production of oilseeds and reduce dependence on imports, proposal to implement a rationalised and comprehensive scheme has been made.

S.No	Parameter	Budget Announcement	Impact
1	<b>Agriculture</b>	The procurement of wheat in Rabi 2021-22 and the estimated procurement of paddy in Kharif 2021-22 will cover 1208 lakh metric tonnes of wheat and paddy from 163 lakh farmers, and Rs 2.37 lakh crore direct payment of MSP value to their accounts.	This is expected to incentivize the farmers to produce more as the procurement has also continued to increase at a steady pace. It will result in increase in payment to farmers substantially.
2	<b>Chemical-free Natural Farming</b>	Chemical-free Natural Farming will be promoted throughout the country, with a focus on farmers' lands in 5-km wide corridors along river Ganga, at the first stage.	This will promote the practice based on new-age soil microbiology. Small and marginal farmers who spend a lot on chemical inputs are expected to benefit. Natural farming will promote higher net income for farmers. The announcement will also help in boosting exports.
3	<b>Support for millets</b>	2023 has been announced as the International Year of Millets.	Support will be provided for post-harvest value addition, enhancing domestic consumption, and for branding millet products nationally and internationally for integration with supply chains. Promoting this deficit-crop is integral to the practice of smart agriculture.
4	<b>Increased production of oilseeds</b>	A rationalised and comprehensive scheme to increase domestic production of oilseeds will be implemented.	This will reduce dependence on import of oilseeds. The budget has allocated Rs 1500 crore to promote the cultivation of oil palm and other native oilseeds.

5	<b>Agri-value chain</b>	For delivery of digital and hi-tech services to farmers with involvement of public sector research and extension institutions along with private agri-tech players and stakeholders of agri-value chain, a scheme in PPP mode will be launched.	<p>The announcement would take agriculture on a sustained higher growth trajectory with an emphasis on digital infrastructure and incentivising investments through public private partnership.</p> <p>The multi-dimensional interventions to usher in Next Generation Agriculture through digitalisation, R&amp;D, leveraging strengths of agri-techs and FPOs will transform the agriculture sector.</p> <p>The emphasis on digital infrastructure for infusion of agriculture technologies in a PPP mode will help combat the serious threat of climate change and could attract new opportunities for companies in agriculture sector.</p>
6	<b>Kisan drones</b>	Use of 'Kisan Drones' will be promoted for crop assessment, digitization of land records, spraying of insecticides, and nutrients.	<p>Stepping of the budget into smart agriculture is further galvanised by supplementing production technology with digital technology.</p> <p>This is a step to modernise agriculture sector. The usage of drones will enable the startups to try out new business models. Usage of drones is expected to increase agriculture GDP by 1-1.5%.</p>
7	<b>Syllabus of agricultural universities</b>	States will be encouraged to revise syllabi of agricultural universities to meet the needs of natural, zero-budget and organic farming, modern-day agriculture, value addition and management.	The agricultural universities have been given a directive to adapt their syllabi as per modern-day farming trends. The syllabus is expected to promote organic farming, zero-budget farming, and natural farming.

8	<b>Blended capital fund</b>	A fund with blended capital, raised under the co-investment model, will be facilitated through NABARD.	<p>This is to finance start-ups for agriculture &amp; rural enterprise, relevant for farm produce value chain.</p> <p>The activities for these start-ups will include, support for FPOs, machinery for farmers on rental basis at farm level, and technology including IT-based support.</p>
9	<b>Biomass pellets</b>	Five to seven per cent biomass pellets will be co-fired in thermal power plants resulting in CO2 savings of 38 MMT annually.	This will also provide extra income to farmers and job opportunities to locals and help avoid stubble burning in agriculture fields.
10	<b>Implementation of the Ken-Betwa Link Project</b>	<p>Implementation of the Ken-Betwa Link Project, at an estimated cost of Rs 44,605 crore will be taken up. Allocations of Rs 4,300 crore in RE 2021-22 and Rs 1,400 crore in 2022-23 have been made for this project.</p> <p>Draft Detailed Project Reports (DPRs) of five river links, namely Damanganga-Pinjal, Par-Tapi-Narmada, Godavari-Krishna, Krishna-Pennar and Pennar-Cauvery have been finalized.</p>	This will provide irrigation benefits to 9.08 lakh hectare of farmers' lands, drinking water supply for 62 lakh people, 103 MW of Hydro, and 27 MW of solar power.

Source: PHD Research Bureau, PHD Chamber



## 14. Impact on Socio-Economic Segments

Due to the COVID-19 pandemic, India's educational system has shifted away from traditional classrooms and toward digital platforms. After the second wave of Covid-19 hit the country, schools reopened in stages, but were closed again owing to the new variant and third wave of Covid-19. After a brief period of physical classes, schools have reverted to online classes. Therefore, the Government has allocated the budget for the education sector in the Union Budget 2022 is Rs 1,04,277.72 crore which is an increase of Rs 11,053.72 crore from FY2020-21. The Department of School Education and Literacy has been granted Rs 63,449.47 crore, while the Department of Higher Education has been allocated Rs 40,828.35 crore. The budget has rightly focused on education, technology, circular economy, among others for socioeconomic development in the country. Further, many aspects of the budget categorically focuses on energy transition and climate action that will have an impact on sustainable paths. The budget has also incited interest around climate finance and green bonds for green infrastructure.

S. No.	Parameter	Budget Announcement	Impact
1	<b>Education and Skill Development</b>	Skilling programmes and partnership with the industry will be reoriented. The National Skill Qualification Framework (NSQF) will be aligned with dynamic industry needs.	It will provide opportunities for continuing the skill development and employability. This will also ensure that students are market-ready for industry positions by the time they graduate and meet the demand for a skilled workforce.
		Startups will be promoted to facilitate 'Drone Shakti' through varied applications and for Drone-As-A-Service (DrAAS).	It is designed to boost local manufacturing and job creation. It will help small businesses in becoming more productive and help in reducing the time for completing the task.
		'One class-one TV channel' programme 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 1-12.	This will provide supplementary teaching and help to create a resilient mechanism for education delivery system. The eVIDYA will help the students across the country to a larger extent.
		750 virtual labs in science and mathematics, and 75 skilling e-labs for simulated learning environment, will be set-up in 2022-23.	This will aid in the development of critical thinking skills. This will also provide access to quality education for all children and encourage creative pedagogies that will improve children's learning outcomes in the long run.

		High-quality e-content in all spoken languages will be developed for delivery via internet, mobile phones, TV and radio through Digital Teachers.	This will create a favourable learning environment with sufficient resources, and digital teachers will be available in all spoken languages. The same content can be made simultaneously available through online, on TV and on radio.
		Competitive mechanism for development of quality e-content by the teachers will be set-up to empower and equip them with digital tools of teaching and facilitate better learning outcomes.	This will empower the teachers through technology, as well as prepare students in accordance with global standards.
		<b>Urban Planning Support to States</b> - Up to five existing academic institutions in different regions will be Establishing Centres of Excellence in urban planning. All India Council for Technical Education (AICTE) will take the lead to improve syllabi, quality and access of urban planning courses in other institutions.	It will aid in the development of specific expertise in the fields of urban planning and design, as well as the delivery of certified training in these fields.
	2. <b>Health</b>	<b>Ayushman Bharat Digital Mission</b> - An open platform, for the National Digital Health Ecosystem will be rolled out.  <b>National Tele Mental Health Programme</b> - To better the access to quality mental health counselling and care services, a 'National Tele Mental Health Programme' will be launched.	It will support the health ecosystem and open up new economic opportunities. This will aid telemedicine and enhance healthcare accessibility in rural areas.  This will help in improving the access to quality mental health counselling and care services which will consist of digital registries of health providers and health facilities, unique health identity, consent framework, and universal access to health facilities.
3.	<b>Environment</b>	<b>Clean &amp; Sustainable Mobility</b> - Use of public transport in urban areas that will be complemented	It will help in reducing the pollution as well as lower India's dependency on crude oil

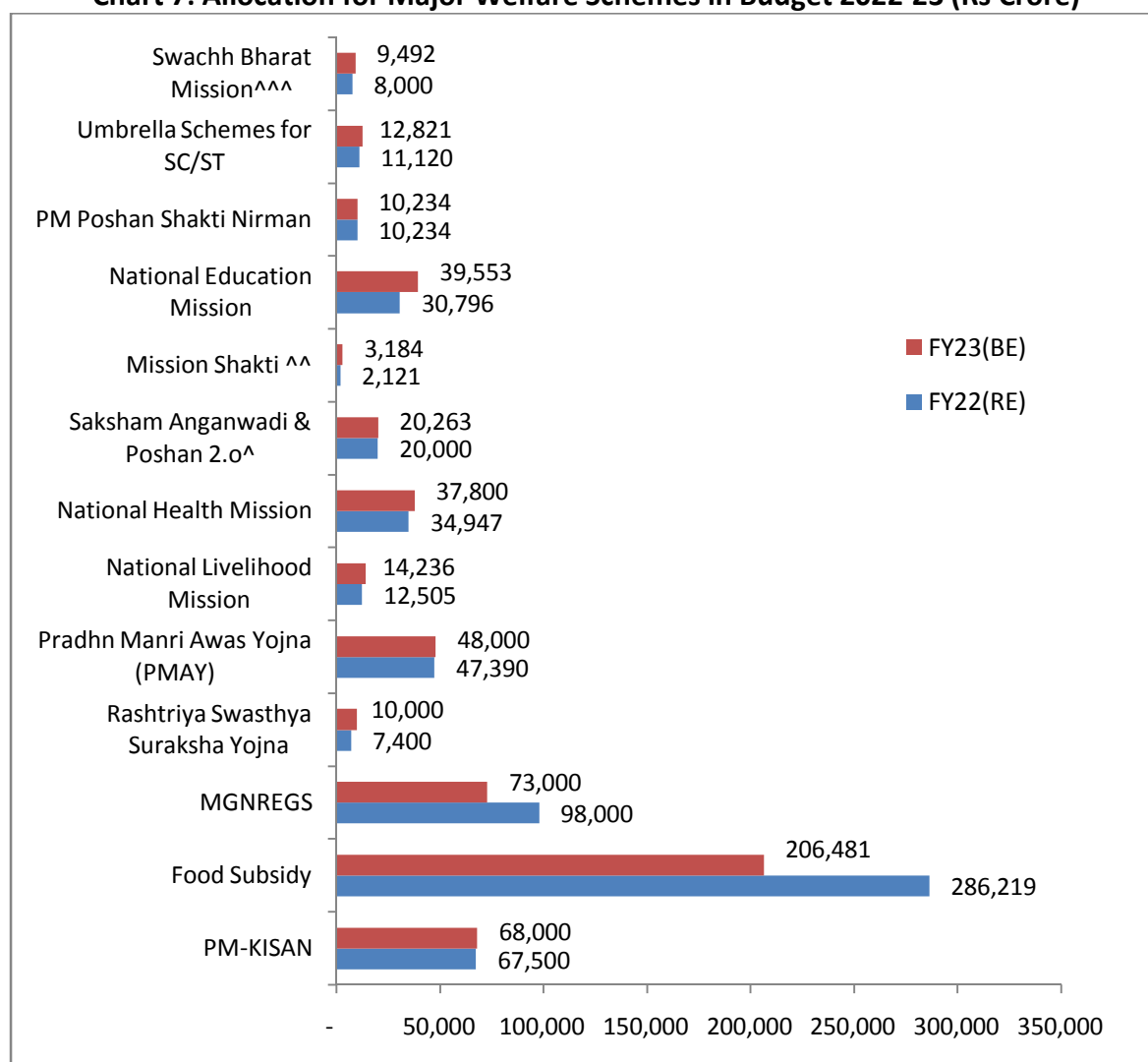
	<p>by clean tech and governance solutions, special mobility zones with zero fossil-fuel policy and EV vehicles.</p> <p><b>Energy Transition and Climate Action</b> - The low carbon development strategy as enunciated in the 'Panchamrit' is an important reflection of Government's strong commitment towards sustainable development.</p> <p><b>Solar Power</b> - An additional allocation of Rs 19,500 crore for Production Linked Incentive for manufacture of high efficiency modules, with priority to fully integrated manufacturing units from polysilicon to solar PV modules, will be made.</p> <p><b>Transition to Carbon Neutral Economy</b> - Five to seven per cent biomass pellets will be co-fired in thermal power plants resulting in CO2 savings of 38 MMT annually</p> <p>Energy efficiency and savings measures will be promoted. This will be done in large commercial buildings through the Energy Service Company (ESCO) business model.</p> <p>Four pilot projects for coal gasification and conversion of coal into chemicals required for the industry.</p>	<p>imports.</p> <p>'Panchamrit' strategy opens up huge employment opportunities and will take the country on a sustainable development path.</p> <p>The additional allocation will strengthen the domestic solar manufacturing ecosystem, thereby reduce the import dependence, create jobs, attract investments and enable the Make in India vision.</p> <p>It can help in cutting the emissions from combustion of fossil fuels. This will provide extra income to farmers and job opportunities to locals and will also combat the problem of air pollution.</p> <p>ESCO's will be providing the designing and implementation services for energy-efficiency projects after doing energy audits. It will also help create capacity and raise knowledge about energy audits, performance contracts, and a consistent measurement and verification process.</p> <p>It will help in cutting the carbon emissions, lower coal transportation costs, and ensure coal's long-term viability to meet the country's increasing energy demands.</p>
--	---	---

4.	<b>Digitisation</b>	The policies and required legislative changes to promote agro forestry and private forestry will be brought in.	It will improve the farm incomes and add to the tree cover through plantations.
		A Digital University will be established for world-class quality universal education. The best public universities and institutions in the country will collaborate as a network of hub-spokes.	The digital university would be beneficial to students coming from the economically poor, marginalised and rural backgrounds. It will provide the student-friendly digital platforms and digital content using modern technologies. It will provide personalised anytime, anywhere education to students in India and across the globe.
		Digital Ecosystem for Skilling and Livelihood – the DESH-Stack e-portal – will be launched.	This portal will support many people to adapt and leverage the technological infrastructure to skill, reskill or upskill themselves and to gain a sustainable livelihood. It also provide the secure storage location for their skill and experience certificates in Digi Locker, which can be accessed by employers to verify skilled professionals' profiles.
		<b>e-Passport-</b> Issuance of e-Passports using embedded chip and futuristic technology will be rolled out in 2022-23.	The e-Passports will provide improved protection for the personal data as well as smoother immigration processes. It will also boost the travel and add a level of convenience for international travellers.
5.	<b>Mission Shakti, Mission Vatsalya, SakshamAnganwadi &amp;Poshan 2.0</b>	The three schemes, namely, Mission Shakti, Mission Vatsalya, SakshamAnganwadi and Poshan 2.0 were launched recently to provide integrated benefits to women and children.	The Mission Shakti and Mission Vatsalya, schemes would help to improve and empower millions of women across the country and also provide the benefit to those women who are living in rural areas with impoverished backgrounds. The Saksham Anganwadi and Poshan 2.0 scheme will improve

			the infrastructure and audio-visual assistance, as well as a cleaner environment for early childhood development.
6.	<b>HarGhar, Nal Se Jal</b>	Current coverage of HarGhar, Nal Se Jal is Rs 8.7 crores. Out Of this Rs 5.5 crore households were provided tap water in last 2 years itself. Allocation of Rs 60,000 crore has been made with an aim to cover 3.8 crore households in 2022-23.	It will provide huge number of households to have a functional household tap connection (FHTC) and sustainable water supply connectivity for the provision of safe drinking water.

Source: PHD Research Bureau, PHD Chamber

**Chart 7: Allocation for Major Welfare Schemes in Budget 2022-23 (Rs Crore)**



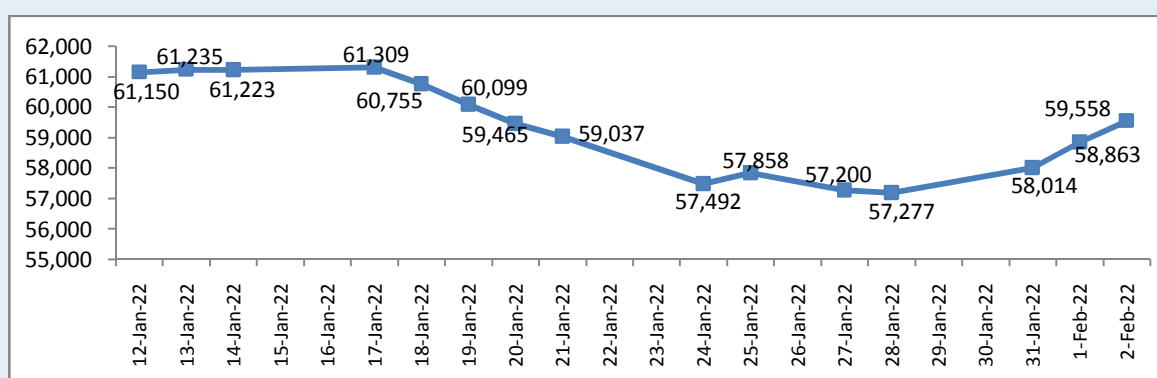
Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23

Note: \*to FCI +for procurement, under NFSA; ^Umbrella ICDS-Anganwadi Services, Poshan Abhiyan, Scheme for Adolescent Girls; ^^ women empowerment; ^^including SBM (gramin); #mid-day meal scheme

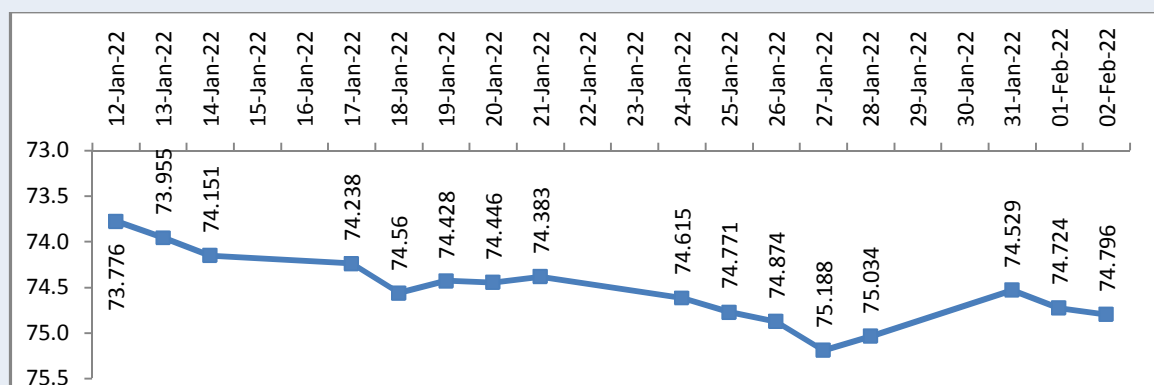
## 15. Trends in Stock Markets and Exchange Rate amid Union Budget 2022-23

The Union Budget 2022-23 presented by Hon'ble Finance Minister Smt. Nirmala Sitharaman exceeded the expectations of the Stock Market Participants. The Budget continued to focus on 'quality' expenditure and increased the capex by 35.4% from Rs 5.54 lakh crore (BE) in the current year to Rs 7.50 lakh crore (BE) in 2022-23. This would benefit the key sectors like Infra, housing, defence and agriculture etc., which is ought to have a multiplier effect on the economy. The Government announced that 68% of capital for the defence sector will be earmarked for the local industry in 2022-23, up from 58% in 2021-22 which rallied up the shares of defence stocks amid the government's move to increase sourcing locally.

**Chart 8: Movement of SENSEX**



**Chart 9: Exchange Rate (USD/INR)**



Source: PHD Research Bureau, PHD Chamber, compiled from BSE India Sensex.

Moreover, the government also proposed to extend the customs duty exemption on steel scrap by one year, this would have benefitted the metal and associated stocks. Since the announcement of Union Budget 2022-23, markets are making new and new highs on the back of reforms announced by the government in the various growth promising sector in the economy. At this backdrop, the S&P BSE Sensex rises from 58,014 points on 31<sup>st</sup> January 2022 to 58,863 points on 1<sup>st</sup> February 2022 which indicates an increase of 849 points (approximately). On 1st February 2022, the rupee opened at 74.53 against the American dollar, then inched higher to quote 74.41 in early trade. The exchange rate (Rs/\$) increased from 74.53 on 31st January 2022 to 74.72 on 1st February 2022 which indicates that the value of rupee depreciated by 19 paise after the announcement of Union Budget 2022-23 by Hon'ble Finance Minister Smt. Nirmala Sitharaman. Forex traders were cautious after Finance Minister said that the fiscal deficit in 2021-22 will be 6.9% of GDP and 6.4% in 2022-23.



## 16. Support to States

The Union Budget 2022-23, has created an enabling atmosphere for States to catalyse growth and investments. The budget has tried to actively involve the States in the process of development be it infrastructure development or Ease of Doing Business 2.0 or Ease of Living. The Budget has reached out to States on capital expenditure, asset creation and infrastructure development.

The government raised the outlay for 'Scheme for Financial Assistance to States for Capital Investment', decreased the time needed for approvals to push affordable housing; and moved to include infrastructure developed by State Government under the PM GatiShakti National Master Plan. Reflecting the true spirit of cooperative federalism, the Central Government is committed to bolstering the hands of the States in enhancing their capital investments towards creating productive assets and generating remunerative employment.

The Government also launched a new scheme, Prime Minister's Development Initiative for NorthEast (PM-DevINE), which will be implemented through the North-Eastern Council for funding infrastructure with an initial allocation of Rs 1,500 crore.

S.No	Parameter	Budget Announcement	Impact
1	<b>Prime Minister's Development Initiative for North East Region (PM-DevINE)</b>	The budget proposed a new scheme, Prime Minister's Development Initiative for North-East, PM-DevINE, will be implemented through the North-Eastern Council. An initial allocation of Rs 1,500 crore will be made.	<p>The announcement will fund infrastructure, in the spirit of PM GatiShakti, and social development projects based on felt needs of the North-East.</p> <p>This will enable livelihood activities for youth and women, filling the gaps in various sectors. The scheme will not be a substitute for existing central or State schemes.</p>
2	<b>Aspirational Blocks Programme</b>	Aspirational Districts Programme in 2022-23, will focus on blocks that continue to lag in certain districts.	This will improve the quality of life of citizens in the most backward districts of the country. Districts are expected to make significant progress in key sectors such as health, nutrition, financial inclusion and basic infrastructure and surpass the state average values.

3	<b>Vibrant Villages Programme</b>	The budget announced development gains for Border villages with sparse population, limited connectivity and infrastructure. Such villages on the northern border will be covered under the new Vibrant Villages Programme. Additional funding for these activities will be provided. Existing schemes will be converged.	<p>The programme will include activities such as construction of village infrastructure, housing, tourist centres, road connectivity, provisioning of decentralized renewable energy, direct to home access for Doordarshan and educational channels, and support for livelihood generation.</p> <p>Such activities are expected to generate employment opportunities, enhance growth and development and border security.</p>
4	<b>Urban Planning Support to States</b>	<p>For urban capacity building, support will be provided to the States. Modernization of building byelaws, Town Planning Schemes (TPS), and Transit Oriented Development (TOD) will be implemented.</p> <p>The Central Government's financial support for mass transit projects and AMRUT scheme will be leveraged for formulation of action plans and their implementation for facilitating TOD and TPS by the states.</p>	<p>This will facilitate reforms for people to live and work closer to mass transit systems.</p>
5	<b>Financial Assistance to States for Capital Investment</b>	<p>The budget announced the outlay for the 'Scheme for Financial Assistance to States for Capital Investment' being enhanced from Rs 10,000 crore in the Budget Estimates to Rs 15,000 crore in the Revised Estimates for the current year.</p> <p>For 2022-23, the allocation is Rs 1 lakh crore to assist the States in catalysing overall investments in the economy. These fifty-year interest free loans are over and above the normal borrowings allowed to the States.</p>	<p>This has reflected the true spirit of cooperative federalism. The announcement will bolster States in enhancing their capital investments towards creating productive assets and generating remunerative employment.</p> <p>The allocation is aimed for PM GatiShakti related and other productive capital investment of the States. It will also include components for:</p> <ul style="list-style-type: none"> <li>• Supplemental funding for priority segments of PM Gram SadakYojana, including support for the States' share</li> <li>• Digitisation of the economy,</li> </ul>

		<p>including digital payments and completion of Fiber Optic Cables (OFC) network, and</p> <ul style="list-style-type: none"> <li>Reforms related to building byelaws, town planning schemes, transit-oriented development, and transferable development rights.</li> </ul> <p>Such activities would lead to employment generation in the States and aid their overall economic growth and development.</p>
	<p>The budget announcements also included that in 2022-23, in accordance with the recommendations of the 15<sup>th</sup> Finance Commission, the States will be allowed a fiscal deficit of 4% of GSDP of which 0.5% will be tied to power sector reforms.</p>	<p>The States can go above 3.5% of fiscal deficit and they need to commit to the power sector reforms. The other 0.5% is contingent upon reforms such as progressive assumption of responsibility for losses of power distribution companies, transparency in accounting of subsidies and liabilities.</p>

Source: PHD Research Bureau, PHD Chamber

## Transfer of Resources to States and Union Territories with Legislature

The total transfers to States and UTs has increased by 0.5% to Rs. 16.1 lakh crore in 2022-23, against Rs 16.03 lakh crore in revised estimates of financial year 2021-22. The devolution of States' share in taxes has the highest share in the composition of transfers to States & UTs and has increased to around Rs 8.16 lakh crore in 2022-23 from Rs 7.4 lakh crore in financial year 2021-22, with the growth rate of 9.6%.

## Transfer of Resources to States and Union Territories with Legislature

(in Rs. Crore)

	2021-22 ( Revised Estimates )	2022-23 (Budget Estimates )	% Growth
Devolution of States share in taxes	744785	816649	9.6%
Scheme related and Other Transfers	221200	163710	(-)26.0%
Finance Commission Grants	211065	192108	(-)9.0%
Total Transfer to States	372829	383682	2.9%
Total Transfer to Delhi and Puducherry	53476	55631	4.0%
Total Transfer to States/UTs	1603356	1611781	0.5%

Sources: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23

## Initiative for North-East

The budget proposed a new scheme, Prime Minister's Development Initiative for North-East, PM-DevINE, will be implemented through the North-Eastern Council. An initial allocation of Rs 1,500 crore will be made.

### Initial List Of Projects Under PM DevINE

S. No.	Name of the Project	Total tentative cost (Rs in crore)
1.	Establishment of Dedicated Services for the Management of Paediatric and Adult Haemotolymphoid Cancers in North East India, Guwahati (Multi-State)	129
2.	NECTAR Livelihood Improvement Project (Multi-State)	67
3.	Promoting Scientific Organic Agriculture in North East Indian (Multi-State)	45
4.	Construction of Aizawl By-pass on Western Side	500
5.	Gap funding for Passenger Ropeway system for Pelling to Sanga-Choeling in West Sikkim	64
6.	Gap funding for Eco-friendly Ropeway (Cable Car) from Dhapper to Bhaleydhunga in South Sikkim	58
7.	Pilot Project for Construction of Bamboo Link Road at Different Locations in Various Districts in the State of Mizoram	100
8.	Others (to be identified)	537
	<b>Total</b>	<b>1500</b>

Source: PHD Research Bureau, PHD Chamber, compiled from Union Budget 2022-23

## 17. Programme on Shadow Budget: 2022-23

Economic Affairs Committee of PHD Chamber of Commerce and Industry organized a Virtual Programme on “Shadow Budget 2022-23” in collaboration with EGROW (Foundation of Economic Growth and Welfare) on 11th January 2022. The eminent speakers at the programme were Dr Arvind Virmani, Renowned Economist, and Chairman, EGROW, Dr. Ashok Vishandass, Director, EGROW, Col M P Singh, Director, EGROW, Shri Pradeep Multani, President, PHD Chamber and **Shri Alok B. Shriram**, Former President, PHD Chamber. **Shri Ashok Khanna**, Former President, PHD Chamber and **Shri Sanjay Bhatia**, Former President, PHD Chamber also graced the programme with their participation and viewpoints on the economic scenario and issues faced by the industry. **Shri Vikram Singh Mehta**, Co-Chair, Economic Affairs Committee, PHD Chamber provided his expert reactions on the subject. **Shri Ashish Ghosh**, Co-Chair, Economic Affairs Committee, PHD Chamber, graced the webinar with his presence. **Shri Saurabh Sanyal**, Secretary General, PHD Chamber gave the opening remarks and formal vote of thanks to the esteemed speakers and **Dr. S P Sharma**, Chief Economist | DSG, PHD Chamber, moderated the programme.

**Dr Arvind Virmani, Renowned Economist, and Chairman, EGROW**, stated that the MSME sector is critical for job creation and income distribution, so to make them more competitive, the Government needs to reduce the regulatory burdens on them. He stated that the last two years have seen most reforms, which were not seen since 1990 as the Government has changed its policy approach towards being a facilitator. Dr Virmani explained that systematic efforts have been taken to reform and liberalise production and service sectors like agriculture, space, geo-mapping, and infrastructure by the Government. He added that the Government has now focussed its attention on institutional reforms to provide access to better quality of public services. According to Dr Virmani, the Government needs to focus on reducing the logistics costs in the country as these are significantly high as compared with many economies. He stated that though the investment inflows and the export markets have recovered, private consumption is yet to recover fully. He further informed that consumption recovery can be accelerated through tax reforms, which will in turn accelerate job creation. He stated that the GST council needs to focus its attention on long term income maximisation rather than short term which it is doing so now.

**Shri Pradeep Multani, President, PHD Chamber**, stated that the Union Budget 2022-23 is being presented at a very crucial juncture now, with the economy facing the third wave of the pandemic. He stated that the industry expects easing of compliance and a level playing field to become more competitive. He said that the focus of the Union Budget needs to be on measures to refuel the consumption demand, creation of employment avenues and hassle-free credit to the MSME sector. He stated that there needs to be greater momentum on the exports sector through tax free export income for MSMEs for 3 years, which will compensate for the higher logistics cost. He explained that they expect an increase in the health care expenditure with the rising number of COVID cases in the country. To increase tax compliance in the country and to increase the tax base, Shri Multani suggested that the Government needs to introduce lucrative tax paying benefits such as providing a threshold of pension (after their retirement above the age of 60 years) to incentivise regular taxpayers. He informed that a reduction in the Basic Custom Duty for the manufacturing inputs will make it more competitive and help business sentiments. He added that through these measures, India would be able to achieve a 7 percent growth rate in the next financial year FY2023, which will help it achieve the \$5 trillion economy target in the future.

**Shri Alok B. Shriram, Former President, PHD Chamber**, stated that the Indian Government has taken several bold steps since April 2020 to revive the economy, which has benefitted the marginalised sections of the society. Some measures like the direct bank transfer of the benefits have helped the

economically challenged sections of the society. He explained that some sectors like construction and tourism still need a lot of help as they have not yet recovered completely. He added that along with providing support to the start-ups, there is also a need to support the existing industries as they are the job and wealth creators of the economy.

**Dr. Ashok Vishandass, Director, EGROW**, revealed that sustainable annual growth to the tune of 6% in the agriculture sector for around ten years can turbo charge the economy. He stated that the Government needs to focus its attention on agri- exports and private investments in the agriculture sector. He added that the global trade in organic products has touched \$90 billion. India in the year 2019-20 exported \$689 million worth of organic products, so a large potential is yet to be tapped. He added that States like Goa, Madhya Pradesh, Maharashtra, Sikkim, Rajasthan and Uttarakhand, which are the major producers of organic products can be the focus areas for the Central Government. There is a need to create Zones with common infrastructure for processing, with connectivity to ports and airports, he explained. Dr Vishandass also stated that the entire production of all commodities from all the corners of the country can be monetised. For achieving this the Government needs to construct fast track rail cargo centers for perishables in the mission mode where farmers can store their produce and new technology can be incorporated into Indian agriculture.

**Col M P Singh, Director, EGROW**, stated that India spends 2.5% of its GDP on defence which is not much as compared to other countries. However, the country can save a lot of costs, if it focuses its attention on localising the manufacturing of defence equipment. He stated that the Hon'ble Prime Minister, Shri Narendra Modi, in his address at the COP26 summit spoke about the reduction of greenhouse gases and we need to have a similar target for the reduction of the imports of the defence equipment in the country. So, for the year 2030, we need to keep a target of reducing the defence equipment imports by at least 50% and by the year 2050, a 100% reduction in the imports is needed, he stated. This would reduce the expenditure on the modernisation of the defence forces and also give a boost to the Aatmanirbhar Bharat initiative of the Government of India.

**Former Presidents of PHD Chamber, Shri Ashok Khanna and Shri Sanjay Bhatia**, interacted with Dr Arvind Virmani in the Q & A Session and stated that filing an income tax return should be simplified and that the Direct Tax Code needs further simplification. There is a need to focus on ease of filing returns. Dedicated fund is needed for MSMEs across all industries to help them achieve size scale and indigenization. At this juncture, the funds of funds created for MSMEs needs implementation. As the compliances for listed MSMEs is same as for the large companies, the compliances need to be simplified for MSMEs. Amid COVID-19, MSMEs have been passing through difficult times and affected by the rising prices of raw materials. Therefore, the MSMEs should get additional working capital to keep their businesses going.

**Shri Vikram Singh Mehta, Co-Chair, Economic Affairs Committee, PHD Chamber**, stated that there is a lot of scope for additional spending as the budget allocated for CAPEX last year is not yet fully utilised. He explained that additional spending on CAPEX will give a boost to a lot of sectors which have been negatively impacted during the pandemic. He stated that the revenue receipt for April to November are at about 13.6 lakh crores which is 75% of the budget estimate which is much higher than the 40% that had been collected during this period last year. The Government has received just Rs 9,000 crore from disinvestment in April-November 2021 against its divestment target of Rs 1.75 lakh crore for FY 2022.



**Shri Saurabh Sanyal, Secretary General, PHD Chamber**, gave the opening remarks in the programme and welcomed all the dignitaries. He said that the Union Budget for 2022-23 will be pivotal in defining the way forward for the Indian economy and fulfilling the aspirations of more than 138 crore people of India. While proposing the vote of thanks, he appreciated the valuable viewpoints of the esteemed speakers, thanked all the members of PHD Chamber and industry stakeholders for participating in the programme and thanked the sponsors.

**Dr. S P Sharma, Chief Economist | DSG, PHD Chamber**, welcomed all the dignitaries and then he moderated the programme. While moderating he reiterated the role of PHD Chamber in growth and development of the nation and in employment generation. He further stated that gross capital formation is important for infrastructure and agriculture is very important.

### Glimpse of Programme on Shadow Budget 2022-23



From Left to Right- First Row: **Dr Arvind Virmani**, Renowned Economist, and Chairman, EGROW, **Shri Pradeep Multani**, President, PHD Chamber, **Dr. Ashok Vishandass**, Director, EGROW, **Col M P Singh**, Director, EGROW.

Second Row: **Shri Alok B. Shriram**, Former President, PHD Chamber, **Shri Ashok Khanna**, Former President, PHD Chamber and **Shri Sanjay Bhatia**, Former President, PHD Chamber, **Shri Vikram Singh Mehta**, Co-Chair, Economic Affairs Committee, PHD Chamber

Third Row: **Shri Ashish Ghosh**, Co-Chair, Economic Affairs Committee, PHD Chamber, **Shri Saurabh Sanyal**, Secretary General, PHD Chamber, **Dr. S P Sharma**, Chief Economist | DSG, PHD Chamber, **Shri Nanda Gangadhar Mishra**, Joint Secretary, PHD Chamber

Forth Row: **Ms Kritika Bhasin**, Senior Research Officer, PHD Chamber; **Ms Shivani Mehrotra**, Research Officer, PHD Chamber

The programme concluded with an extensive discussion of around 2 hours, with more than 600 participants.

## 18. India Inc. Speaks: Union Budget 2022-23

PHD Chamber of Commerce and Industry (PHDCCI) organized its **Flagship Event- India Inc. Speaks: Union Budget 2022-23, on 1st February 2022 in Hybrid Mode**. President, Shri Pradeep Multani presented the Welcome Address in the Inaugural session. Immediate Former President, Shri Sanjay Aggarwal and Former Presidents including **Dr. Ashok Khanna, Shri K S Mehta, Shri Sanjay Bhatia, Shri Ashok Kajaria, Shri Sandip Somany, Shri Suman Jyoti Khaitan, Dr. Mahesh Gupta, Shri Rajeev Talwar, and Dr. D K Aggarwal** shared their viewpoints on pre-budget expectations and budget announcements. **Dr NR Bhanumurthy**, Renowned Economist and Vice Chancellor, BASE University, Bengaluru, also graced the event and share his budget expectations. Chairs and Co-Chairs of Expert Committees of PHD Chamber provided their expert insights on budget announcements. **Shri Mukul Bagla**, Chair, Direct Taxes Committee and **Shri Bimal Jain**, Chair, Indirect Taxes Committee, shared their perspective on the Union Budget. **Shri Sandeep Aggarwal**, Chair, Industry Affairs Committee, **Shri Vipin Vohra**, Chair, Civil Aviation Committee, **Shri Atantra Das Gupta**, Chair, Medical Devices Committee, **Shri Ajay Beri**, Chair Agri Food Processing Committee, **Shri Dev Goyal**, Co-Chair, MSME Committee, **Shri Vikram Singh Mehta**, Co-Chair, Economic Affairs Committee, **Shri Ranjan Sehgal**, Co-Chair, Tourism and Hospitality Committee, **Shri Mahendra Kumar Rustagi**, Co-Chair, Environment Committee, shared their viewpoint on the Union Budget. **Shri Rupinder Singh Sachdeva**, Chair, Punjab Chapter, **Shri Amit Kumar Choudhary**, Co-Chair, Rajasthan Chapter, and **Shri B K Sabarwal**, Managing Committee Member and **Shri Saurabh Sanyal**, Secretary General, PHD Chamber, provided their insights. **Dr. S P Sharma**, Chief Economist | DSG, PHD Chamber, moderated the inaugural session and **Ms. Smriti Rastogi**, moderated the Panel discussion session.

### PHD Chamber's Viewpoint



**Shri Pradeep  
Multani,  
President**

The Economic Survey 2021-22 has projected a growth rate of 8-8.5% in FY2023 on the back of macro-economic stability and well-placed effective reforms undertaken by the Government. In reference to the Budget expectations, the budget should focus on refuelling the consumption demand, private investments and employment creation through ensuring hassle free credit availability to industry, particularly for MSMEs, improving ease of doing business for the MSMEs, reducing costs of doing business, creating a level playing field for the industry and timely justice for people and industry.

The reforms should be undertaken to bolster the MSME sector given its significant contribution to the economic and social development of the country. The focus should be on easing the compliance for MSMEs as well as easing the availability and access to finance for MSMEs. To attract private investments in the area of agri-business and reduce the agri wastages, it is suggested to increase the public investments in agriculture infrastructure from the current level of 6% of the total Gross Capital Formation to atleast 10% in the next 3 years with an enhancement of 1.5 percentage points every year.

The enhancement of health expenditure by 137% in the Budget 2021-22 is appreciable, further the focus should be continued on expenditure on health infrastructure as new variants of Coronavirus are hitting the country again and again. To increase the tax base, there is a need to encourage people to pay the taxes with lucrative tax paying benefits such as providing a threshold of pension (after their retirement above the age of 60 years) for those who pay taxes continuously and honestly. This will increase the tax base in the country. On the socio-economic front, focus on twin merit goods of education with skill

## UNION BUDGET 2022-23

	<p>development and basic health with safety must continue with a longer-term vision.</p> <p>On the Union Budget, he said that the budget is a very pragmatic and promising budget for Aatmanirbhar Bharat. This year budget has laid a strong emphasis on PM Gati Shakti Scheme, which is a positive step. Rs 7.5 lakh crore Capex which is 30% higher than previous year is a good step. The extension of ECLGS scheme is a welcome step. It is suggested that the manufacturing sector especially the MSMEs needs relief on high commodity prices though relaxations and welcome the announcement on steel commodities. Announcement of 80 lakh houses for poor is a good step and will lead to multiplier effect and will provide a fillip to associated industries. 65% procurement of defence by domestic industry mandated by the government is a good step.</p>
 <p><b>Shri Sanjay Aggarwal,</b> Immediate Former President</p>	<p>The economic survey 2020-21 has been a sentiment booster with encouraging numbers. The introduction of National Infrastructure Pipeline and Gati Shakti scheme in the last few years requires investments from both government and public sector. The scheme will give much-needed legs to infrastructure development and logistics across India. The K-shaped recovery from COVID-19 wherein the large corporates and producers are doing well but it is those at the bottom need handholding. The focus of budget on sectors like pharmaceuticals, housing, MSMEs and automobiles, creates employment and economic growth and build a New India. High commodity prices need to be addressed for bolstering MSMEs. It is also important to remove customs duties to zero on certain commodities. ECLGS for MSMEs has been a big support and it should be extended to repeal the brunt faced by MSMEs during covid-19.</p>
 <p><b>Dr NR Bhanumurthy</b> Renowned Economist and Vice Chancellor, BASE University</p>	<p>It is expected that the Union Budget 2022-23 is going to be growth oriented and will continue to do good work. The budget is expected to focus on fiscal consolidation by putting the money where the government could get better returns and employment opportunities. The Budget should focus on capital expenditure and particularly the capital expenditure in the agriculture sector. The agriculture sector needs investment. The government has laid the roadmap and that National Infrastructure Pipeline and National Monetisation Pipeline, which are extremely important for growth in mid-term. The budget is going to be opportune and will focus on potential GDP of the country. It is important to focus on US 5 trillion economy as a medium term target. Further, the implementation of urban employment guarantees like rural programmes is important and that the government should come out with sectoral interventions. A V-shaped recovery is expected in the coming period.</p>

## UNION BUDGET 2022-23



**Dr. Ashok  
Khanna, Former  
President**

The Union Budget will boost economic growth in the coming times as the Hon'ble Finance Minister has presented Growth-oriented Budget with a special focus on Housing for all and infrastructure development, which is a major instrument for growth. The encouraging point to note is that stock markets have responded positively with the budget announcements. The Government has given a lot of emphasis on MSMEs, which is very encouraging. A lot of announcement has been made in terms of highways projects, reducing compliances to make life easier and digitalization..



**Shri K S Mehta,  
Former President**

The announcements made in the Union Budget are praiseworthy and forward looking. Both Manufacturing and Service sectors are encouraged to participate in the growth trajectory of the country. The budget will lead to a flow of credit into major sectors, especially SMEs. The budget will lead to a revival in the sectors which have been worst affected by the pandemic.



**Shri Sanjay  
Bhatia, Former  
President**

The four pillars of the Union Budget 2022-23 are highly appreciable and laid vision for Atmanirbharat. The Hon'ble Finance Minister gave special emphasis on digitalization and Fintech, which would play a crucial role in building new India. The step taken by the government for MSMEs, ECLGS extension and CGTMSE schemes are highly laudable. Railway to develop projects for MSMEs and defence will help India to become Aatmanirbhar Bharat. 100 new cargo terminals are focusing on building infrastructure is a good step.



**Shri Ashok  
Kajaria, Former  
President**

The Union Budget 2021-22 has been visionary in nature, with its focus on economic, infrastructure development and start-up. The announcements related to infrastructure and capital investments would give roadmap for next 2-3 years is highly appreciable. The announcement on the digital Rupee to be issued by RBI is a significant step of the government. The incentives for new companies and start-ups, which have been extended, are a positive step.



**Shri Sandip  
Somany, Former  
President**

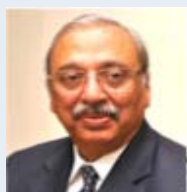
The announcements made in the Union Budget 2022-23 are strategic and bold from the fundamental point of view. The best part of this year is its continuity and directionality of the budget. The efforts of the Government for the growth and development of the infrastructure are visible. Expansion of ECLGS scheme is a very good move because it will increase Line of credit to businesses with enough amount of capital; especially it will help small scale businesses to continue forward.





**Shri Suman Jyoti  
Khaitan, Former  
President**

The government has announced a positive and long-term Union Budget 2022-23 with a long term vision but the real test for the government would be implementation of the Plan. This year budget will be path-breaking if there would be no further outbreak of the mutating virus. The only need for an hour is to focus on the implementation path.



**Dr. Mahesh  
Gupta, Former  
President**

The Hon'ble Finance Minister, Smt Nirmala Sitharaman has presented a historic budget during the pandemic. The focus of the budget is to create job in the post pandemic era. Infrastructure development and capital expenditure announced by the government would help India to position to be the next Investment destination globally. The announcement of increasing capital expenditure from Rs 5.5 lakh crore to Rs7.5 lakh crore (i.e. almost 50 %) is a quantum jump compared to last year. In case, state expenses are included then it will be near Rs 10.68 lakh crores, which will be more than 4% of India's GDP.



**Shri Rajeev  
Talwar, Former  
President**

Over the years the government has done well and tackled the pandemic and its impact on the economy. India will need 8 crore homes of this size in urban cities alone by 2040-50, if it is estimated that 80 crore citizens will be living in cities by the middle of the century. The "allocations in Infrastructure and Affordable Housing" along with vast initiatives in PMLI & PM's GATI SHAKTI programs are indeed goal-setting and unprecedented. The Budget of 2022 is an epoch-making Budget which will forever impact the direction of the Indian economy. Besides housing sector, PLI schemes have been recommended in 14 sectors is highly impressive move. In a nutshell, this budget will put India's economic growth trajectory in the right direction.



**Dr D K Aggarwal,  
Former President**

Disinvestment and strategic sale of assets of government have been another highlight of the growth-oriented Union Budget 2021-22. The strategic sell of Air India is a good step. The disinvestment target of the Government and proposed IPO of LIC is a very positive and forward looking measure. This would not only improve access to the capital market but also enhance financial inclusion. Further, the announcement on Capex is the need of a day that would boost start-up ecosystem as well as facilitate economic growth. Privatization and venture capital would help in reducing the fiscal deficit so spending so much is a very bold step by the government.



**Shri Mukul  
Bagla, Chair,  
Direct Taxes  
Committee**

The Budget presented by the Honourable Finance Minister is a positive and forward looking budget in these extremely tough times. It is highly encouraging that Government emphasized on settling disputes of taxpayers and give more clarify to the tax payers. Announcement of allowing assesses to revise their return for a period of 2 years for the end of the relevant assessment year is very much welcomed by the industry and people. Incentivizing start-ups is extended by one more year is a path breaking Budget for the future. More clarity related to crypto currencies would help investors and common people.

## UNION BUDGET 2022-23



**Shri Bimal Jain,**  
Chair, Indirect  
Taxes  
Committee

There are some big announcements by the Hon'ble Finance Minister in the Union Budget 2022-23 under the GST regime. It is very encouraging to see that the GST revenue collection was growing during the last 2 years. A GST roadmap was expected for petroleum products in the Budget. Going ahead, simpler mode of taxation is crucial for promoting the ease of doing business in the country. SEZ act going to be repealed for inclusive growth and it will be engine for growth and development and provide boost to the exports and will create the jobs.



**Shri Sandeep Aggarwal,** Chair,  
Industry Affairs  
Committee

The government has launched the PLI Scheme with only one sector but gradually it is increased to 14 sectors. The efforts of the Government for the growth and development of the manufacturing sector are visible from its focus on the PLI scheme. However, there is a huge scope for expanding the PLI scheme to those products which are not included but remain important for international trade and holistic development of the country. It is proud moment that the government has accepted the recommendation of the PHD Chamber to make Performance Bank Guarantees into Insurance linked schemes.



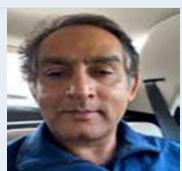
**Shri Vipin Vohra,**  
Chair, Civil Aviation  
Committee

The Budget announcement reflects the intention of the government to strengthen the infrastructure and reduce logistics cost. The government in this Union budget has placed infrastructure under the prime objectives. Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure all seven engines will work together to propel the economy ahead. The move of development of 100 cargo terminals and skilling the logistic sector is welcoming and it will boost the civil aviation sector.



**Shri Atantra Das Gupta,** Chair,  
Medical Devices  
Committee

The announcements made in Union Budget 2022-23 laid foundation of good healthcare. India's healthcare sector has expanded and India is not just excelling in manufacturing but also in a position to export. The budgetary announcement for E-health and tele-consultation are the much needed step, since the pandemic has taken its toll on the mental health of people. The announcements for digital healthcare will encourage more people seek medical help and ensure economic well-being of the country.



**Shri Ajay Beri**  
Chair Agri Food  
Processing  
Committee

This budget will encourage agricultural growth and organic farming, and the industries expect to see fruits and vegetables free of pesticides and insecticides in the near future. The step of procurement of fruits and vegetables is welcoming and it will enhance the capability of the food processing industry. The initiative of digital payment in agriculture sector will end the mandi system and will ease the MSME sector.



## UNION BUDGET 2022-23

 <b>Shri Dev Goyal,</b> <b>Co-Chair, MSME</b> <b>Committee</b>	<p>The Hon'ble Finance Minister has presented an inclusive budget as there is something for every segment of the economy. The budget focus on aspirational India and four pillars of budget such as PM GatiShakti; Inclusive Development; Productivity Enhancement &amp; Investment, Sunrise Opportunities, Energy Transition, and Climate Action and Financing of Investments are exemplary.</p>
 <b>Shri Vikram Singh</b> <b>Mehta Co-Chair,</b> <b>Economic Affairs</b> <b>Committee</b>	<p>This budget is a bit of a mixed bag, with some reforms and announcements needed in the health, MSME, manufacturing, and education sectors. Start-ups have emerged as drivers of growth for our economy. The extension provided for one more year to will give a boost to the start-up community re affirms the commitment to Atma Nirbhar Bharat. It is highly encouraging to note that the Budget aims to focus on infrastructure, connectivity, enhancing productivity and inclusive development. These initiatives are critical to India's growth trajectory.</p>
 <b>Shri Ranjan Sehgal,</b> <b>Co-Chair, Tourism &amp;</b> <b>Hospitality</b> <b>Committee</b>	<p>The Union Budget announcement to improve infrastructure for trade and industry is quite positive. Roads, Railways, Airports, Ports, Mass Transportation, Waterways, and Logistics Infrastructure are the seven engines that would work together to propel the economy to the new heights. All of these initiatives will help to promote the travel and tourism sector, which is one the most important contributors to the country's GDP and create various employment opportunities for the people.</p>
 <b>Shri Mahendra</b> <b>Kumar Rustagi, Co-</b> <b>Chair, Environment</b> <b>Committee</b>	<p>The environmental aspects are also taken into account in the budget. This budget will serve as a cornerstone for long-term development. The announcement in this budget of a Green Bond with a sovereign guarantee is a huge step forward in terms of reducing carbon footprints and combating climate change. PLI scheme related decisions would encourage investment in solar-related manufacturing sector and allowing agro waste pallets of 5% to 7% as co-fired in thermal power plants will reduce the pollution and also encourage attract investors in this area.</p>
 <b>Shri Rupinder Singh</b> <b>Sachdeva, Chair,</b> <b>Punjab Chapter</b>	<p>The announcements made in the Union Budget 2022-23 are highly appreciable. This budget addresses a number of positive features, including the allocation of funds to the MSME sector. ECGLS plan extension until March 2023 and Rs. 50,000 crore guarantee cover, revoked custom duty on alloys and bars, PLI for solar power, and defence production for domestic industry kept at 68 percent are some of the budget's highlights.</p>



**Shri Amit Kumar  
Choudhary, Co-Chair  
Rajasthan Chapter**

The union budget 2022-23 includes some noteworthy announcements, such as the PM Gati Shakti scheme, which will promote the infrastructure industry, and housing for all will help to boost the real estate sector. This budget's announcement of submitting a revised tax return for taxpayers who made errors or omissions in last two years tax filing will be a game-changer and increase tax collections.



**Shri B K Sabarwal  
Managing  
Committee Member**

The Government has provided a good number of incentives to startups even for the MSME. LIC issued would be coming shortly and other public sector disinvestments would be followed which is a positive sign. The GIFT City in which world-class foreign universities would come and establish themselves and would allow setting up of an international arbitration centre at GIFT City, which is a welcome step.



**Shri Saurabh Sanyal  
Secretary General**

The Union budget 2022-23 provides an impetus for growth. The Government has placed modernisation and infrastructure development of the Armed Forces at the centre stage of the National Security and Defence Planning process. We are delighted that the Government has greatly acknowledged and amplified the development of defence sector in Budget 2022 through some great initiatives to increase the defence capital procurement from 58% to 68% and more provisions for the private sector in Research & Development, testing and certification and establishment of centres of excellence in defence and also towards achieving the objectives of 'Aatmanirbhar Bharat'.



**Dr S P Sharma  
Chief Economist |  
DSG**

The Union Budget is a balanced and growth oriented budget with a strong emphasis on long term growth. The Budget has rightly refrained from undertaking aggressive fiscal consolidation at this early stage of economic recovery. The government is firmly on its way to build a strong economic and social foundation for strong and sustainable growth trajectory and moving towards a \$5 trillion size of the economy. Various announcements related to support MSMEs through PBG and ECGLS scheme, EODB, reducing cost of compliances, among others would expedite the economic growth to make India become more and more visible in the global charts.

### Glimpse of Programme on India Inc. Speaks: Union Budget 2022-23



In First photo From Left to Right- **Ms. Smriti Rastogi**, Moderator, **Dr. S P Sharma**, Chief Economist | DSG, PHD Chamber, **Shri Rajeev Talwar** Former President, PHD Chamber, **Shri Pradeep Multani**, President, PHD Chamber, **Shri Sanjay Aggarwal**, Immediate Former President, PHD Chamber; **Shri Saurabh Sanyal**, Secretary General, PHD Chamber

The programme concluded with an extensive discussion of around 4 hours, with more than 600 participants.

## 19. Post Budget Interactive Session on "Implications of Union Budget 2022-23"

PHD Chamber of Commerce and Industry (PHDCCI) organized an **Interactive Session on "Implications of Union Budget 2022-23" Monday, 7<sup>th</sup> February 2022**. **Hon'ble Finance Minister, Smt Nirmala Sitharaman** was the chief guest at the session. President, Shri Pradeep Multani presented the Welcome Address in the session. **Shri Saket Dalmia**, Senior Vice President, PHD Chamber gave concluding remarks and **Shri Sanjeev Aggarwal**, Vice President, PHD Chamber gave a formal vote of thanks to the Hon'ble Finance Minister. Former Presidents including **Shri K S Mehta, Shri PK Jain, Shri Sanjay Bhatia, Shri Ashok Kajaria, Shri Sandip Somany, Shri Suman Jyoti Khaitan, Dr. Mahesh Gupta, Shri Gopal Jiwarajka, Shri Anil Khaitan, Shri Rajeev Talwar, and Dr. D K Aggarwal** graced the Session with their presence and participation. Chairs and Co-Chairs of Expert Committees of PHD Chamber were also present at the session.

**Shri Pradeep Multani**, President, PHDCCI said the Union Budget 2022-23 is highly promising, pragmatic, transforming, and progressive. The budget looks into the future while keeping a close eye on the ground. It reflects consistency in the government's approach in making India a modern, developed and inclusive nation. The President lauded the Union Finance Minister **Smt Nirmala Sitharaman**, who was also present at the event, for this year's Post Union Budget Interactive Session on "Implications of Union Budget 2022-23. He said, "We are highly encouraged to see the focus of the budget on four priorities, which includes PM GatiShakti; Inclusive Development; Productivity Enhancement & Investment; Sunrise Opportunities; Energy Transition, and Climate Action; and Financing of Investments. He added, "We, at PHDCCI, are totally committed with the aim of our Hon'ble Prime Minister, Shri Narendra Modi to achieve the goal of a US\$5 trillion economy. We strongly feel that each one of us—government, industry, and bureaucrats need to work as a powerful team to achieve these goals."

**Hon'ble Finance and Corporate Affairs Minister Smt. Nirmala Sitharaman** in her keynote address gave an insight into the thought that went into preparing this year's Union Budget. "Much has been spoken and said about the Budget," she said, elaborating. India is at a stage where despite the pandemic we have to work on a two-track path - one is by rail, which has a multimodal approach and is guided by *PM Gati Shakti* to ensure that there is a synergy with every mode of transport and linkages with logistics and ensuring that products reach their destination inside this country or outside. The other track is the opportunities with startups and the sunrise sector. The young generation is coming up with various unicorns, this has given us new returns and a mind to invest in these new minds. Compliances have been made easy and this will inspire the coming generation who want to do business."

Finance Minister asked the private sector to join 'Team India' and step up their investments in line with the government's Capex push and help the country retain the tag of the world's fastest-growing major economy in the years to come. She also said that a lot of emphasis on public investment and infrastructure has been done with a lot of consideration with other stakeholders, and this will only result in crowding in of private investment. This is an opportune time to invest as the corporate tax rate has been reduced and the industry can expand their horizons.

**Shri Saket Dalmia**, Senior Vice President, PHDCCI provided the concluding remarks and mentioned that the Budget is structured with a fine balance between fiscal expansion and economic growth. There are announcements for each and every segment of the society to strengthen the economic



fundamentals and to make India one of the strongest economies in the world. He added this budget will turbo charge the economy with the forward looking approach for making India a developed economy. It is highly encouraging to note that the Budget aims to focus on infrastructure, connectivity, enhancing productivity and inclusive development. The private sector Capex cycle will catch momentum once the demand in economy improves, leading to higher capacity utilization, enhanced production possibilities and more employment opportunities in the factories.

**Shri Sanjeev Agrawal, Vice President, PHDCCI** deliver the formal vote of thanks to the Hon'ble Minister for gracing the event. He said that the budget has very rightly touched each and every segment of the economy. The government has undertaken structural reform measures to boost economic growth and make the country an Aatmanirbhar Bharat. The qualitative change that our nation has witnessed in the last few years has become a model of sustainable development for many countries; as a result, India has a lot to offer to the world in the coming times.

The session was moderated by **Shri Saurabh Sanyal, Secretary General, PHDCCI**. During the Q&A session, Some of the Former Presidents of PHD Chamber has raised questions regarding the contemporary issues of the industries. **Shri Ashok Kajaria**, Former President, PHDCCI has raised pertinent questions were related to hike in prices of Natural Gases, which has increased to 75% from August till November 2021. He also requested the government to bring it under the ambit of GST as the prices are continuously increasing. Another important question was raised by **Shri Sanjay Bhatia**, Former President, PHDCCI, related to the packaging of food processing industry which is not covered under the PLI scheme. He urged the Government to bring packaging industry under PLI scheme and reduce the compliance related to TDS and TCS, which create hindrance to EODB. **Shri Rajeev Talwar**, Former President, PHDCCI, provided his suggestion for a rental housing scheme for broader coverage at affordable housing for all. He also urged the government to reconsider the decision on SEZ Act, which has been already announced in the budget. He also highlighted that the draft paper on rental housing has been submitted to your office for your consideration. **Shri D K Aggarwal**, Former President, PHDCCI has requested the government to come up with crypto currency regulations at the earliest.

### A glimpse of Post Budget Interactive Session on "Implications of Union Budget 2022-23"



From left to right: Dr. SP Sharma, Chief Economist|DSG PHD Chamber, Mr. Saurabh Sanyal Secretary General, PHD Chamber, Mr. Pradeep Multani, President, PHD Chamber, Hon'ble Finance and Corporate Minister Smt. Nirmala Sitharaman, Mr. Saket Dalmia, Senior Vice President, PHD Chamber and Mr. Sanjeev Agrawal, Vice President, PHD Chamber.

The programme was attended by more than 100 eminent members of PHDCCI including respected former Presidents, Chairs and Co-Chairs of the Expert Committees. More than 100 Members and Industry Stakeholders participated in virtual mode.



**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY

# Trade & Investment Facilitation Services

## Trade and Investment Facilitation Services (TIFS)

**Trade and Investment Facilitation Services (TIFS)** is a vital component for international trade and investment community. It is envisioned to facilitate business firms across the globe for trade and investments in India while simultaneously meeting India's rapidly growing appetite for new markets to enhance trade and investments.

Considering the thirst of the Nation to place India at the forefront of Global Economic Architecture, PHD Chamber of Commerce and Industry launched a specialized desk on Trade and Investment Facilitation Services (TIFS) on 31st March 2017. TIFS is an information and advisory hub to provide requisite and detailed information to facilitate national and international business firms to invest in India; advising them on prospective business opportunities in India in general and in States and promising sectors in particular.



## Three role dimensions

### 1. Information role:

Serving as a key link to all information centres on all national and regional/local regulations and clearances. This includes maintaining or having direct and easy access to such information. This also means constant updating of such information.

### 2. Catalyst role:

Providing facilitative advisory services to help overcome key obstacles and strengthen key positive enablers for enhanced trade and investments. This includes providing information or “leads” on opportunities that would benefit international business community to invest in India.

### 3. Networking role:

Effective networking with relevant Indian and overseas agencies and leveraging of such networks in the direction of risk mitigation and enhancing trade and investments.

## Strategic Collaborators of TIFS

TIFS work in close coordination with Trade Consulars of different countries as well as international trade and business community and international chambers of commerce. Further, for facilitating and providing information on procedural requirements, TIFS also work in close coordination with the government both at the central and the state level as well as industry associations in India.



## How TIFS work in assisting investors?

It is envisaged to be the first-point-one-stop reference for potential investors from around the world. Our team of domain and functional experts provides sector-and state-specific inputs, and hand- holding support to investors. We assist with location identification, expediting regulatory approvals, facilitating meetings with relevant government and corporate officials among others.

For instance, if an investor A from Germany wants to invest USD 100 million in a textile business in India.

- A team of trained staff will be associated with the task for maintaining a physical helpdesk and provide the investor with all the help required regarding the relevant approvals to set up a business and information related to investment areas across India.
- Facility to set up meetings of the investors with Government officials for specific investor queries, both at the state government and central government level.
- Regular updates on various economic developments in India in general and sector specific in particular.
- Updates on state level developments related to policy amendments, sectoral developments, taxation mechanism, infrastructural, etc.
- Updates on Foreign Direct Investment norms, Foreign Trade Policy, etc.

## **TIFS undertakes the following activities**

- i. Through regular research and networking with Government bodies, Entrepreneurs, Industry associations, Embassies/Consulates, Investment delegations, etc., the TIFS gather information on possible trade and investment opportunities in various sectors of the Indian economy.
- ii. TIFS advises prospective traders and investors, national and international, in their process of filing applications and helping them meet other procedural and regulatory requirements. For this purpose, information on specific trade and investment guidelines at the state and central level is provided by TIFS.
- iii. TIFS provides information at a broad level to international investors about possible potential joint venture partners in India. If TIFS is aware of any Indian parties interested in formation of Joint Ventures (JVs) with some global partners, such information is made available to interested investors.
- iv. In case of requests made by individual investors to undertake specific research assignments, financial analysis or due diligence of any specific joint venture partner or Mergers & Acquisitions (M&A) targets, TIFS provides adequate resources to carry out such requests on an agreed cost.
- v. In a nutshell, TIFS increases understanding amongst national and international investors on the promising investment areas and requirements and regulations for making investments. Facilitates in dealing with the Government in application procedures amongst the national and international Investors. Reduce lead time in investment processes and procedural transactions.

### **For details, contact:**

**Dr. S P Sharma**, Chief Economist | DSG

**PHD Chamber of Commerce and Industry**

PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016

Ph.: + 91-11-26863801-04, 49545454; Fax: +91- 26855450, 49545451

Email: [tifs@phdcci.in](mailto:tifs@phdcci.in) / [spsharma@phdcci.in](mailto:spsharma@phdcci.in)

Website: <https://www.phdcci.in>



## 20. Conclusions

The Budget of 2022-23 is an epoch-making Budget which will forever impact the direction of the Indian economy. The budget has been conceptualised to attain the India@100 vision of complementing the macro-economic level growth focus with a micro-economic level all-inclusive welfare focus; promoting digital economy & fintech, technology enabled development, energy transition, and climate action and; relying on virtuous cycle starting from private investment with public capital investment helping to crowd-in private investment. The budget has strikingly focussed on four priorities areas to achieve futuristic and inclusive growth, which includes PM GatiShakti; inclusive development; productivity enhancement & investment, sunrise opportunities, energy transition, and climate action and; financing of investments.

The strategy of Investment-led growth and stability of Tax Rates for this year has been supported by all economic Pundits. The allocations in infrastructure and affordable housing along with vast initiatives in PLI & PM's Gati Shakti programs are indeed goal-setting and unprecedented. The Provision of Rupees 48,000 crores for 80 lakh homes of 300 square feet is indeed the next big idea for the growth of the Indian economy purely by its impact on employment, 200 associated industries as also the MSME Sector.

The budget has strived for sustainable economic growth, creation of huge job and entrepreneurial opportunities for all through PM GatiShakti Approach. The approach is driven by seven engines, namely, Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. These engines are supported by the complementary roles of Energy Transmission, IT Communication, Bulk Water & Sewerage, and Social Infrastructure. The approach is powered by Clean Energy and joint efforts of the Central Government, the state governments, and the private sector together. This whole idea has the potential to bring the economy on one tandem of higher growth trajectory.

Public Private Partnership (PPP) has been omnipresent in the budget announcements this year. This strategic approach will enhance the private sector participation and crowding-in effect would create demand and employment creation in the country. This will also bring in higher efficiency, increased transparency, raise the access to finance and contract uncertainties.

Escalated focus has been put on digitisation in the areas of healthcare, education, banking, payments, taxation, land, agriculture, among others, to provide a big boost to the digital economy. This shows the intent of the Government to proliferate the benefits of digitisation to every nook and corner of the country in a consumer-friendly manner. Announcements related to ease of doing business 2.0, single window portal, integration of central and state-level systems, ease in Government procurement, capital spending, youth employment opportunities, opening up of defence R&D, green bonds, climate change, circular economy, energy transition, among others indicates the Government's accentuated emphasis on holistic and sustainable development in the country.

Overall, the Union Budget 2022-23 has provided a great push to the actual growth vehicles for long term growth trajectory of Indian economy. The budget has strengthened the vision to become AatmaNirbhar Bharat and accelerated the promotion of higher socio-economic growth and development in the country in the coming times.

## **Team, PHD Research Bureau**



**Dr S P Sharma, Chief Economist | DSG**

**Educational Qualification: MA (Economics), PGDBM, M. Phil (Industrial Economics) and PhD. (International Economics)**

Dr S P Sharma has around 25 years of diverse experience in the various areas of the economy, trade and industry. He started his career with Government of Punjab and subsequently moved to Government of India, ASSOCHAM, PwC, ILFS, TATAs. Currently, he is working with the prestigious industry body, PHD Chamber of Commerce & Industry as Chief Economist | DSG. He has conducted more than 100 research studies/ papers/ projects etc. with prestigious organizations such as Government of India, State Governments, UNCTAD, European Commission, Industry Chambers/ Associations and corporates. Recently he addressed International Research Conference on India-UK Economic and Regulatory Perspective organized by University of Portsmouth, UK, Seminar on Global Value Chains, Industry @75 at IIM Trichy and Virtual Forum on Access Opportunities- US India Partners for Growth organised by New Jersey SBDC in partnership with Entry India. He has developed Economy GPS Index, which is a combination of 3 lead economic indicators including GST collections, passenger vehicle sales and SENSEX, indexed at 100.



**Mr Nanda Gangadhar Mishra, Joint Secretary**

**Educational Qualification: MBA (Finance), M. Com and B.Com (H)**

Mr Nanda Gangadhar Mishra is working as a Joint Secretary at the PHD Chamber of Commerce and Industry, New Delhi. He has more than twenty years of varied experience in direct and indirect taxes. He plays a key role in the communications within outside of the company. He works closely with public affairs, government relations and internal stakeholders, corporate communication. Liaison and coordination with central and state Govt. ministries, departments for approvals, high level meetings, Policy Advocacy, Representation, Conduct and Moderate Seminars & Webinars.



**Ms Prativa Shaw, Economist**

**Educational Qualification: MA Economics**

Ms. Prativa Shaw is an economist at the PHD Chamber of Commerce and Industry, New Delhi. Previously, she was a member of the research faculty at the Research and Information System for Developing Countries (RIS), New Delhi. She has over 9 years of research experience and has previously been associated with the Ministry of Finance, Government of India, as a Research Consultant under the Tax Administration Reform Commission. Her areas of research interest include trade and investment and sustainable development. She has published and contributed to numerous research reports, academic papers and working papers on the aforementioned themes.



**Mr MH Khan, Associate Economist**

**Educational Qualification: M.Phil (Development Studies) and PhD. (Business Economics) Thesis Submitted**

Mohd Hashim Khan is an Associate Economist at the PHD Chamber of Commerce and Industry, New Delhi. Prior to this role he has worked with Ministry of Commerce and Industry and served in trade policy division for 2 years and taught economics in Jamia Millia Islamia as an Assistant Professor. He has a specialization in international trade and his areas of interest are Foreign Trade Agreements, Tariff analysis and trade policy related issues. He has published several research papers in national and international journal and contributed book chapters in various edited books and recently submitted his doctorate thesis in University of Delhi.



**Ms Sakshi Verma, Deputy Secretary**

**Educational Qualification: Post Graduate in Finance and Marketing**

Ms. Sakshi Verma is Post Graduate in Finance and Marketing and has work experience of around 9 years. She started her career as a Management Trainee in HR department and Operations department of Bajaj Allianz Life Insurance Co. In her career she has worked with HDFC Bank Ltd, ICICI Securities Ltd, Financial Planning Standard Board, India, AXIS Mutual Fund, SBI Mutual Fund. Currently she is working as a Deputy Secretary in Banking, Financial Services and Insurance Committee of PHD Chamber of Commerce and Industry. She has experience in various sectors of financial industry including Banking Services and Insurance, Corporate Sales and Marketing, Counseling and Trainings, Team management, Financial Operations, Mutual Funds also Organise and Coordinate Events and Workshops related to education and financial vertical.





**Ms Kritika Bhasin, Senior Research Officer**  
**Educational Qualification: MA Economics**

Ms. Kritika Bhasin has more than 6 years of work experience in economic research, policy advocacy and market research. As a Senior Research Officer with PHD Research Bureau, PHD Chamber, she works across various domains, including macroeconomic developments in the national and international arena, State developments and macro development in banking, sector. She has worked on several thematic research reports, research papers/ notes, representations, newsletters, articles, speeches, presentations, etc., related to economy, industry and trade. She has worked on various government awarded studies and possess experience of preparing research proposals and presentations for national and international projects. Her works have been published in leading newspapers, magazines and bulletins. She has experience in organizing events, scheduling meetings, preparing highlights and formulating action plans for the meetings organized.



**Ms Bhavana Rai, Research Officer**  
**Educational Qualification: MA Economics, B.Ed**

Ms Bhavana Rai is having more than 7 years of work experience in the field of Policy advocacy, government liaising, Economic and Business Research, Knowledge Dissemination and Academia focusing around diverse domains like Industry issues, socio-economic. She is working as a Research Officer in PHD Research Bureau. Having diversified experience of working in institutions like National Institute of Health and Family Welfare, Institute of Economic Growth (IEG) - Delhi University, Pestle weed college, rural litigation and entitlement Kendra Dehradun. Well versed with market research and reports. Successfully organized mega events, seminars and press conferences including Economic Conclave 2018, 2019, 2021 on different cross temporal issues such as on Rural India: Road to US \$5 Trillion Economy by 2025, Flagship Programme on Analysis of union budget, Shadow. Presently pursuing PhD from Kumaun University.



**Ms Shivani Mehrotra, Research Officer**  
**Educational Qualification: MA Economics**

Ms Shivani Mehrotra has 5 years of work experience in economic & market research and policy advocacy. She is working as a Research Officer with PHD Research Bureau, PHD Chamber on macroeconomic and State affairs of Indian economy. Beside this, she has worked on several thematic reports, representations, newsletters, and research notes relating to Indian economy, Indian states, International trade and FDI. She has also attended brainstorming sessions on Brexit and its impact on India with renowned Economists. Previously she has worked in market and industry research.



**Mr Rishabh, Research Associate**  
**Educational Qualification: MA Economics**

Mr. Rishabh has around three years of work experience in economic research and policy advocacy. He is working as a Research Associate with PHD Research Bureau, PHD Chamber on economy and taxation. Previously he worked as a Subject Matter Expert - Economics in Trivium Education Services Pvt. Ltd. for almost two years. He has qualified U.G.C NET examination in December 2019. He has accomplished various research projects related to international economics during his internship at Centre for Regional Trade (CRT), IIFT. During his post-graduation, he prepared reports on "Technical barriers to trade (TBT) and Sanitary & Phytosanitary measures (SPS) notifications of Thailand", "Determinants of Intra-Industry Trade between China and its APEC Nations", and empirical research study on "Impact of various variables on Infant mortality rate".



**Ms Abhi Tomar, Research Associate**  
**Educational Qualification: PGDM**

Ms Abhi Tomar has around three years of work experience in economics & financial research. She is working as a Research Associate with PHD Research Bureau, PHD Chamber on economy and taxation. She has worked with Moody's Analytics and Wipro Ltd on the projects related to trading & transaction comparable, industry or market analysis, company reports, ad-hoc requests and financial analysis through in depth secondary research and also evaluates, analyze and upload data in unified work tools as per Bloomberg specified guidelines. She has completed her graduation from Amity University, Noida and Post Graduation in Finance and Marketing from Jaipuria Institute of Management. She has accomplished various research projects related to economics and finance during her post-graduation.



**Ms. Manpreet Kaur, Research Assistant**  
**Qualification: B. Com, B. ED**

Ms. Manpreet Kaur is working as a Research Assistant with PHD Research Bureau in PHD Chamber of Commerce and Industry, a National Apex Chamber. She has completed B. Com and B. Ed from Punjab University, Chandigarh and is pursuing M.A in Economics from IGNOU. She has 2 years of work experience in teaching, worked In Delhi Public School. She prepared report on "Achieving a Higher Exports Trajectory: 75 Potential Products and Markets", during internship with PHD Research Bureau in PHD Chamber of Commerce and Industry.

### Disclaimer

**“Union Budget 2022-23: Steady strides into the futuristic growth”** is prepared by PHD Chamber of Commerce and Industry to provide a broad view of the announcements made in the Union Budget 2022-23 and its likely impact. This report may not be reproduced, wholly or partly in any material form, or modified, without prior approval from PHD Chamber of Commerce and Industry.

It may please be noted that this report is for guidance and information purposes only. Though due care has been taken to ensure accuracy of the information to the best of the PHD Chamber's knowledge and belief, it is strongly recommended that readers should seek specific professional advice before making any decisions.

Please note that the PHD Chamber of Commerce and Industry does not take any responsibility for outcome of decisions taken as a result of relying on the content of this report. PHD Chamber of Commerce and Industry shall in no way, be liable for any direct or indirect damages that may arise due to any act or omission on the part of the reader or user due to any reliance placed or guidance taken from any portion of this publication.

Copyright 2022

PHD Chamber of Commerce and Industry

ALL RIGHTS RESERVED.

No part of this publication including the cover, shall be reproduced, stored in a retrieval system, or transmitted by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of, and acknowledgement of the publisher (PHD Chamber of Commerce and Industry).



## PHD Research Bureau

PHD Research Bureau; the research arm of the PHD Chamber of Commerce and Industry was constituted in 2010 with the objective to review the economic situation and policy developments at subnational, national and international levels and comment on them in order to update the members from time to time, to present suitable memoranda to the Government as and when required, to prepare State Profiles and to conduct thematic research studies on various socio-economic and business developments.

The Research Bureau has been instrumental in forecasting various lead economic indicators national and sub-national. Many of its research reports have been widely covered by media and leading newspapers. The Research Bureau has undertaken various policy studies for Government of India and State Governments.

Research Activities	Comments on Economic Developments	Newsletters	Consultancy
<ul style="list-style-type: none"> <li>Research Studies</li> </ul>	<ul style="list-style-type: none"> <li>Global Economic Developments</li> </ul>	<ul style="list-style-type: none"> <li>Economic Affairs Newsletter (EAC)</li> </ul>	<ul style="list-style-type: none"> <li>Trade and Investment Facilitation Services (TIFS)</li> </ul>
<ul style="list-style-type: none"> <li>State Profiles</li> </ul>	<ul style="list-style-type: none"> <li>India's Economic Developments</li> </ul>	<ul style="list-style-type: none"> <li>Global Economic Monitor (GEM)</li> </ul>	
<ul style="list-style-type: none"> <li>Impact Assessments</li> </ul>	<ul style="list-style-type: none"> <li>States' Economic Developments</li> </ul>	<ul style="list-style-type: none"> <li>Trade &amp; Investment Facilitation Services (TIFS) Newsletter</li> </ul>	
<ul style="list-style-type: none"> <li>Thematic Research Reports</li> </ul>	<ul style="list-style-type: none"> <li>International Developments</li> </ul>	<ul style="list-style-type: none"> <li>State Development Monitor (SDM)</li> </ul>	
<ul style="list-style-type: none"> <li>Releases on Economic Developments</li> </ul>	<ul style="list-style-type: none"> <li>Financial Markets</li> </ul>		
	<ul style="list-style-type: none"> <li>Foreign Exchange Market</li> </ul>		
	<ul style="list-style-type: none"> <li>Developments in International Trade</li> </ul>		

## Studies Undertaken by PHD Research Bureau

### A: Thematic research reports

1. Comparative study on power situation in Northern and Central States of India (September 2011)
2. Economic Analysis of State (October 2011)
3. Growth Prospects of the Indian Economy, Vision 2021 (December 2011)
4. Budget 2012-13: Move Towards Consolidation (March 2012)
5. Emerging Trends in Exchange Rate Volatility (April 2012)
6. The Indian Direct Selling Industry Annual Survey 2010-11 (May 2012)
7. Global Economic Challenges: Implications for India (May 2012)
8. India Agronomics: An Agriculture Economy Update (August 2012)
9. Reforms to Push Growth on High Road (September 2012)
10. The Indian Direct Selling Industry Annual Survey 2011-12: Beating Slowdown (March 2013)
11. Budget 2013-14: Moving on reforms (March 2013)
12. India- Africa Promise Diverse Opportunities (November 2013)
13. India- Africa Promise Diverse Opportunities: Suggestions Report (November 2013)
14. Annual survey of Indian Direct Selling Industry-2012-13 (December 2013)
15. Imperatives for Double Digit Growth (December 2013)
16. Women Safety in Delhi: Issues and Challenges to Employment (March 2014)
17. Emerging Contours in the MSME sector of Uttarakhand (April 2014)
18. Roadmap for New Government (May 2014)
19. Youth Economics (May 2014)
20. Economy on the Eve of Union Budget 2014-15 (July 2014)
21. Budget 2014-15: Promise of Progress (July 2014)
22. Agronomics 2014: Impact on economic growth and inflation (August 2014)
23. 100 Days of new Government (September 2014)
24. Make in India: Bolstering Manufacturing Sector (October 2014)
25. The Indian Direct Selling Industry Annual Survey 2013-14 (November 2014)
26. Participated in a survey to audit SEZs in India with CAG Office of India (November 2014)
27. Role of MSMEs in Make in India with reference to Ease of Doing Business in Ghaziabad (Nov 2014)
28. Exploring Prospects for Make in India and Made in India: A Study (January 2015)
29. SEZs in India: Criss-Cross Concerns (February 2015)
30. Socio-Economic Impact of Check Dams in Sikar District of Rajasthan (February 2015)
31. India - USA Economic Relations (February 2015)
32. Economy on the Eve of Union Budget 2015-16 (February 2015)
33. Budget Analysis (2015-16)
34. Druzhba-Dosti: India's Trade Opportunities with Russia (April 2015)
35. Impact of Labour Reforms on Industry in Rajasthan: A survey study (July 2015)
36. Progress of Make in India (September 2015)
37. Grown Diamonds, A Sunrise Industry in India: Prospects for Economic Growth (November 2015)
38. Annual survey of Indian Direct Selling Industry 2014-15 (December 2015)
39. India's Foreign Trade Policy Environment Past, Present and Future (December 2015)
40. Revisiting the emerging economic powers as drivers in promoting global economic growth (February 2016)
41. Bolstering MSMEs for Make in India with special focus on CSR (March 2016)
42. BREXIT impact on Indian Economy (July 2016)
43. India's Exports Outlook (August 2016)
44. Ease of Doing Business : Suggestive Measures for States (October 2016)
45. Transforming India through Make in India, Skill India and Digital India (November 2016)
46. Impact of Demonetization on Economy, Businesses and People (January 2017)
47. Economy on the eve of Budget 2017-18 (January 2017)
48. Union Budget 2017-18: A budget for all-inclusive development (January 2017)
49. Annual Survey of Indian Direct Selling Industry 2015-16 (February 2017)
50. Worklife Balance and Health Concerns of Women: A Survey (March 2017)
51. Special Economic Zones: Performance, Problems and Opportunities (April 2017)
52. Feasibility Study (socio-Economic Survey) of Ambala and Rohtak Districts in Haryana (March 2017)
53. Goods and Services (GST): So far (July 2017)
54. Reshaping India-Africa Trade: Dynamics and Export Potentiality of Indian Products in Africa (July 2017)
55. Industry Perspective on Bitcoins (July 2017)
56. Senior Housing: A sunrise sector in India (August 2017)
57. Current State of the economy (October 2017)
58. Equitable finance to fulfill funding requirements of Indian Economy (October 2017)
59. The Wall of Protectionism: : Rise and Rise of Protectionist Policies in the Global Arena, (November 2017)
60. India-Israel Relations: Building Bridges of Dynamic Trade (October 2017)
61. Role of Trade Infrastructure for Export Scheme (TIES) in Improving Export Competitiveness (November 2017)
62. India - China Trade Relationship: The Trade Giants of Past, Present and Future (January 2018)

## UNION BUDGET 2022-23

63. Analysis of Trade Pattern between India and ASEAN(January 2018)
  64. Union Budget 2018-19 – (February 2018)
  65. Ease of Doing Work for Women: A survey of Delhi NCR (February 2018)
  66. Restraining Wilful Defaults: Need of the hour for Indian Banking System (March 2018)
  67. Impact of GST on Business, Industry and Exporters (April 2018)
  68. India – Sri Lanka Bilateral Relations: Reinforcing trade and investment prospects (May 2018)
  69. Growth Prospects of the Indian Economy: Road to US \$5 Trillion Economy(May 2018)
  70. India's Free Trade Agreements Dynamics and Diagnostics of Trade Prospects(May 2018)
  71. India – UK Trade Relations and Societal Links: Way Forward (June 2018)
  72. Rural Economy: Road to US \$5 Trillion Economy(September 2018)
  73. Indian Economy on the Eve of Union Budget 2019-20 (Interim): Steady...strong...fastest moving economy (January 2019)
  74. Interim Budget 2019-2020: A Dynamic, Inclusive & Pragmatic Budget (February 2019)
  75. Women Entrepreneurship: Transforming from Domestic Households to Financial Independence (March 2019)
  76. Prospects for Exports from India: Five Pronged Strategy to Achieve USD700 Billion Merchandise Exports by 2025 (March 2019)
  77. India Towards Shared Prosperity: Economic Agenda for the Next five Years (March 2019)
  78. Job Creation: A Pan India Survey of Households (March 2019)
  79. India Inc. Speaks Live: Wish List for the Next Five Years (May 2019)
  80. Suggestive Roadmap for Revitalizing Economic Growth (June 2019)
  81. Indian Economy on the Eve of Union Budget 2019-20 (July 2019)
  82. Union Budget 2019-20: Road to US\$ 5 trillion economy (July 2019)
  83. Ease of Doing Business for MSMEs (September 2019)
  84. Report Emerging contours in the defence and homeland security
  85. Framework of University-Industry Linkages in Research DSIR
  86. India's Trade and Investment opportunities with ASEAN Economies (November 2019)
  87. Indian Economy on the Eve of Union Budget 2020-21 (February 2020)
  88. Union Budget 2020-21: Aspirational, Caring and Developmental Budget (February 2020)
  89. Macroeconomic Indicators and Pandemic COVID-19 Stimulus provided by Select Economies (April 2020)
  90. Analysis on Relief Measures -Salaries wages by pandemic COVID-19 impacted countries (April 2020)
  91. Report on impact of Pandemic COVID-19 by PHDCCI (April 2020)
  92. Tax relief measures provided by Pandemic COVID-19 impacted Countries (April 2020)
  93. Impact of Pandemic COVID-19 : PHD Chamber's detailed representation on short term and long term measures submitted to the Government (April 2020)
  94. Mitigating the Impact of Pandemic COVID-19 on Trade & Industry: PHDCCI Representations to Government of India and State Governments (April 2020)
  95. Compendium of various relief measures provided by the States to mitigate the impact of pandemic COVID-19 (April 2020)
  96. Calibrated Approach to Exit from Lockdown (April 2020)
  97. Compendium on Relief Measures provided by the Govt. under Direct & Indirect Taxes to mitigate the impact of pandemic COVID (April 2020)
  98. Relief Measures provided by Ministry of Finance, Ministry of Commerce & others (April 2020)
  99. Relief measures provided by various countries to mitigate the daunting impact of pandemic COVID-19 on economy, trade and industry
  100. Analysis of COVID at International and Sub-national Level- Speed of Spread, Mortality and Recovery.
  101. Supplement of Recent Notifications by the Central Government, State Governments and Tax Authorities to Mitigate the Impact of Pandemic COVID-19
  102. PHDCCI COVID-19 Updates
  103. PHDCCI Quick Survey on Post Lockdown Business Scenario May 29th 2020
  104. Impact of GST on Economy and Businesses (Aug 2020)
  105. India's Imports from China: Strategy for Domestic Capacity Building (Sept 2020)
  106. PHDCCI Economic and Business Momentum (EBM) Index (October 2020)
  107. The Future of Expanding India-USA Bilateral Relations: Strengthening bilateral ties through FTA (November 2020)
  108. New Year Economics – Growth Story Continues (January 2021)
  109. PHDCCI Economy GPS Index (January 2021)
  110. PHD Chamber Analysis on the Union Budget 2021-22 (February 2021)
  111. Analysis of State Budgets FY2021-2022 (April 2021)
  112. Impact of Coronavirus 2. 0 on Economy and Businesses
  113. Achieving a higher export growth trajectory 75 potential products and 75 focused markets (September 2021)
- B: State profiles**
114. Rajasthan: The State Profile (April 2011)
  115. Uttarakhand: The State Profile (June 2011)
  116. Punjab: The State Profile (November 2011)
  117. J&K: The State Profile (December 2011)
  118. Uttar Pradesh: The State Profile (December 2011)
  119. Bihar: The State Profile (June 2012)
  120. Himachal Pradesh: The State Profile (June 2012)
  121. Madhya Pradesh: The State Profile (August 2012)
  122. Resurgent Bihar (April 2013)

## UNION BUDGET 2022-23

123. Life ahead for Uttarakhand (August 2013)
124. Punjab: The State Profile (February 2014)
125. Haryana: Bolstering Industrialization (May 2015)
126. Progressive Uttar Pradesh: Building Uttar Pradesh of Tomorrow (August 2015),
127. Suggestions for Progressive Uttar Pradesh (August 2015)
128. State profile of Telangana- The dynamic State of India (April 2016)
129. Smart Infrastructure Summit 2016- Transforming Uttar Pradesh (August 2016)
130. Smart Infrastructure Summit 2016-Transforming Uttar Pradesh : Suggestions for the State Government (August 2016)
131. Rising Jharkhand: An Emerging Investment Hub (February 2017)
132. Punjab: Roadmap for the New Government Suggestions for the Industrial and Socio-Economic Development – Focus MSMEs ease of doing business (May 2017)
133. Prospering Himachal Pradesh: A Mountain of Opportunities (August 2017)
134. Kashmir: The way forward (February 2018)
135. Analysis of State Budgets for 2018-19: Select Sates (March 2018)
136. Rising Uttar Pradesh One District One Product Summit (August 2018)
137. Rajasthan: Steady Strides into the Future- Emerging Growth Dynamics and the Way Forward (September 2018)
138. Rising Jharkhand: Economic Profile (January 2019)
139. Rising Jharkhand: Skill Development to Spur Socio-Economic Growth (January 2019)
140. Progressive Haryana: Economic Profile (February 2019)
141. Progressive Haryana: The Agricultural Hub of India (February 2019)
142. Progressive Haryana Steady Growth Strides into the Future (June 2020)
143. States Policy Conclave 2021: Role of States (December 2021)

## This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.





**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY

# CONFERENCE FACILITIES

PHD HOUSE, NEW DELHI

PHD House, New Delhi is a prestigious, most conveniently, approachable, as located in the heart of South Delhi and suitably equipped venue for corporate and business events. It provides facilities to suit specific requirements, backed-up by excellent infrastructure with 100% power backup such as latest public address system, audio-visual facilities, etc. Our meeting rooms provide a bespoke setting and serene atmosphere that are ideal for exclusive business networking events, conferences, seminars, Board Meetings, Interviews, Annual General Meetings, Academic Discussions, exhibitions, panel discussions, cultural programmes, training programmes, Audio – Video presentations, etc. Our meeting rooms tend to make a difference in the way you do your business.

- Lakshmipat Singhania Auditorium: (Capacity: 300)**  
 A newly designed, aesthetically architected fully air-conditioned Auditorium with well-designed soothing interiors, excellent acoustics, modern & professional audio visual facilities has a seating capacity of more than 300 people. The Auditorium is ideal for conducting large meetings, seminars, conferences and cultural & social programmes.
- Modi Exhibition Hall (Capacity: 60 to 90)**  
 Well designed especially for Exhibitions / display of products and for conducting Training Programmes / Workshops / Audio-visual presentations.
- Radico Room (Capacity: 70)**  
 Well designed Conference Room for Seminars, Panel Discussions and High Profile Corporate Meetings.
- Shriram Hall (Capacity: 90)**  
 Well designed for conducting Training Programmes/ workshops/Audio-Visual Presentations.
- Mohta Room (Capacity: 25)**  
 Ideal for Board Meetings and Small Meetings.
- Arbitration Hall (Capacity: 12-15)**  
 Arbitration Hall which will enable the members to hold small Conferences, Arbitration hearings for max 12-15 paxs at competitive rates.
- The RE Walker & JC Chandiok Library**  
 The Library' Lounge & Café shall provide an exclusive and elegant ambience with gourmet catering and a well-stocked bar at reasonable prices for our members to conduct their business meetings, for hospitality or simply as a tranquil place to relax.

PHDCCI approved Caterers at the rates/menus provide catering facilities in PHD House, New Delhi.

For Conference Facilities, please contact: Mr. Abhishek Pandey, E-mail: [abhishek.pandey@phdcci.in](mailto:abhishek.pandey@phdcci.in) Tel.: 91-11-49545454





**PHD CHAMBER**  
OF COMMERCE AND INDUSTRY

## **PHD CHAMBER OF COMMERCE AND INDUSTRY**

PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016

Tel. : +91-91-11-2686 3801-04, 49545454 • Fax : +91-11-2685 5450

E-mail : [research@phdcci.in](mailto:research@phdcci.in) • Website : [www.phdcci.in](http://www.phdcci.in)