



**PHD Research Bureau**  
PHD Chamber of Commerce and Industry



## Union Budget 2023-24 Highlights

### PHD Chamber Viewpoint

#### **Demand Sustaining, Investment Inducing and Growth-Oriented Union Budget 2023-24: PHD Chamber**

PHD Chamber of Commerce and Industry has congratulated Mrs Nirmala Sitharaman, Honourable Finance Minister, for presenting demand sustaining, investment inducing and growth-oriented union budget 2023-24.

Budget 2023-24 has been announced at a time when India finds itself in the bright spot as the growth of Indian economy is highest among the leading economies.

Inflation has come down with the calibrated efforts of the government. Domestic demand is showing sound signs of recovery. The credit for MSMEs sector has shown around 30% growth.

The Honourable Finance Minister, Smt Nirmala Sitharaman should be praised for reducing tax slabs and furthering economic growth by increasing the budget for infrastructure. The government has presented an ambitious budget that is expected to have a significant impact on various sectors.

The Prime Minister Awas Yojana has seen a remarkable 66% increase in its funding, from 47,500 crores in the previous year to 79,000 crores. This is a major highlight of the budget, as it provides much-needed financial assistance to countless low-income households. The generous fund allotment will allow for the improvement of existing resources and provide improved urban housing options to a large portion of the population.

The Union Finance Minister, Smt Niramala Sitharaman has made a strong commitment to capital expenditure, which will have a positive effect on the Indian industry and create employment opportunities. In terms of investments, the central capital expenditure has been raised by a remarkable 33% - a total of Rs 10 lakh crore.

To further encourage infrastructure investment and support local industries, the Centre has provided 50-year interest-free loans to state governments for an additional year, totalling ₹1.3 lakh crore.

Additionally, the central government has raised the income tax rebate for salaried class earnings up to Rs 7 lakhs from its previous limit of Rs 5 lakhs, providing substantial relief to millions of individuals. Furthermore, the finance minister has reduced tax rates on all other applicable tax brackets, which is a step in the right direction.

This budget is also striving for inclusive growth, establishing an Agriculture Accelerator Fund to nurture agri-start-ups and promoting digital public infrastructure. This will provide farmer-centric solutions for crop planning and storage.

In addition, ambitious agricultural credit target of up to ₹20 lakh crore by 2024 prioritize animal husbandry, dairy, and fisheries, which has the potential to significantly boost the economy.

Furthermore, the government has introduced a brand-new Rs 9,000 crore loan guarantee plan to assist the MSME sector. According to her budget speech, this revision will bring down the cost of credit by 1% and offer MSMEs an extra Rs 2 lakh crore in collateral-free loans.

As tourism sector holds enough potential to generate revenue for the government and also employment creation for the youth of our economy. So, establishment of new airports and new schemes in this sector are highly appreciable. Dekho Apna Desh Scheme for Tourism has been announced. 50 New Airports will be established in the economy.

It is encouraging that the focus on infrastructure is continued in the present budget. Sufficient financial funds of 2.40 lakh crores have been earmarked for railways. This is nine times more than what was earmarked in 2014. Urban Infra Fund has been announced to ramp up cities. 100 critical infrastructure projects will also be undertaken.

As sustainable energy is the focus for our economy, so, for the energy sector, 19,700 crore outlay has been announced for National Green Hydrogen Mission. Gowardhan Scheme for promoting circular economy with total investment of Rs 10,000 crore is also announced. 10,000 Bio input research centres are also announced.

It is encouraging that the budget 2023-24 has announced number of provisions for the education sector. National digital library for Children and adolescents will be opened to cover-up the reading loss of children during pandemic times. 30 Skill India Centres will be established to make our youth more competitive and ready for market needs. New courses on medical devices will be launched. 157 New nursing colleges will be opened in India. National Educational policy will focus more on job creation and skilling of the youth through Pradhan Mantri Kaushal Vikas Yojna. This will train them to work in Industry 4.0 via training them in AI, robotics and other new age courses.

## Union Budget 2023-24 highlights prepared by PHD Chamber and speech by Hon'ble Finance Minister Smt Nirmala Sitharaman attached.

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Warm Regards,

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