

First Budget in Amrit Kaal Paving Way for “Amrit Peedi”

Feb 23, 2023



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In our earlier article “Harnessing Yuva Shakti to Help India become a 5 trillion economy[1]” we had stated that the focus of Budget 2023 should be on education and youth who is the driving force of India’s future and yes, we can say that the Budget 2023-24 has prioritised the youth power and has classified it as one of the **‘Saptarishi’ that will be guiding us through the Amrit Kaal**.

The outlay for education has risen by 8% as compared to the earlier year. The school education department has been allocated INR 6,880.49 million while the higher education department has been granted INR 4,409.47 million – the highest ever budget allocation to education ministry till date. The Education Minister Mr. Dharmendra Pradhan tweeted that **“highest ever allocation will pave way to transform India into a technology driven knowledge-based economy”**. The economic agenda for achieving the vision for Amrit Kaal includes the following: -

- Facilitating ample opportunities for citizens, especially youth and their aspiration.
- Providing strong impetus to growth and job creation; and
- Strengthening macro-economic stability.

Budget 2023-24 draws a meticulous blueprint for India at 100 and includes a slew of measures to help revamp the education system which are as follows:

- Setting up of National Digital Library for children and adolescents, facilitating availability of quality books across geographies, languages, genres and levels, etc.
- States to be encouraged to set up physical libraries for children and adolescents at panchayat and ward levels also. National Book Trust and Children Book Trust will be encouraged to provide non-curricular titles in regional and English languages to these physical libraries to inculcate the culture of reading and to compensate for loss in learning caused by the pandemic.
- Recruitment of 38,800 teachers and support staffs to 740 Eklavya model schools which is currently serving 0.35 million tribal students.
- Teachers’ training to be reconceptualised through innovative techniques, curriculum transaction, continuous professional development, dipstick surveys, and Information and Communications Technology implementation.
- Setting up of three Artificial Intelligence Centres of Excellence in top three educational

institutions, along with the collaboration of leading industry players to make the vision of Make Artificial Intelligence ('AI') in India and Make AI work for India, a reality. This is aligned with the vision of National Education Policy 2020 for research in multiple sectors to transform research into quality saleable products and services.

- To boost the medical education, 157 new nursing colleges is proposed to be established, and new programmes is proposed to be introduced for training in medical equipment.
- 100 laboratories are proposed to be set up in engineering institutions for developing applications using 5G services like smart classrooms, precision farming, intelligent transport systems, and health care applications. This will provide a boost to employment, start-ups, businesses, and promote innovation and entrepreneurship in engineers.

The Youth of India are the future of India, as well as innovators, creators, and builders of our nation for tomorrow. To boost the youth empowerment, major initiatives are taken which is as follows:

- Pradhan Mantri Kaushal Vikas Yojana 4.0 to be launched to skill lakh of youths over the next three years. Emphasis would be given on alignment of 'on-job' trainings and practices with the needs of the industries and shall also include new age courses like coding, AI, robotics, mechatronics, IOT, 3D printing, drones etc.
- Direct Benefit Transfer under a pan-India National Apprenticeship Promotion Scheme to be rolled out to provide stipend support to 4.7 million youths in the next 3 years.
- The Government has launched an integrated online training platform, iGOT Karmayogi, under Mission Karma yogi to provide continuous learning opportunities for the Government employees and to upgrade their skills.
- The Hon'ble Finance Minister had stated that the **Deendayal Antyodaya Yojana National Rural Livelihood** has achieved a remarkable success by mobilizing the rural women and stated that measures will be taken to enable these groups to reach the next stage of economic empowerment.
- The Digital ecosystem for skilling to be further expanded with the launch of **Skill India Digital Platform**.
- The Budget 2023-24 is aimed to realise the objectives as set in the National Education Policy 2020 by skilling the youth and linking the education with the industry, to enable the students to face the challenges and opportunities.
- Increasing capital investment to enhance growth potential and job creation, crowd-in private investments, and provide a cushion against global headwinds.
- Research and development grant for indigenous production of Lab Grown Diamond (LGD) seeds and machines to be given to one of the IITs for 5 years, which may have a direct impact on employment generation.

At present, India is the third largest start-up ecosystem and second in innovation quality among middle-income countries. Budget 2023-24 has proposed multiple positive steps to foster innovation and growth in the start-up sector which will result in employment generation for the youth and becoming a global hub for the Start-up's which are summarised below:

- Set-up of Agriculture accelerator fund, to promote the agriculture amongst the youth and to encourage Agri Start-ups by the youths in rural areas.
- Formulation of National Data Governance policy for unleashing innovations & research by Start-up.
- Over next three years, the Government to set up 10,000 bio-input resource centres and enable 0.1 million farmers to adopt natural farming, which is likely to boost the Bio science Start-ups.
- To encourage the ease of doing business, it has directed the regulators to undertake a comprehensive review of the rules and compliance that govern investment ventures in India.
- Announcement of Permanent Account Number as common identifier for all the digital payments of the specified Government agencies and expansion of Digi lockers, which would ease the KYC compliances and reduce the compliance cost.
- Extending the date of incorporation for income tax benefits to Start-ups by a year from 31 March 2023 to 31 March 2024.
- Extension of benefit for carry forward of losses on change of shareholding of start-ups to 10 years of incorporation from the current 7 years.

A significant amendment in the budget relates to inclusion of fund raising from non-resident investor under the purview of fair valuation which may have far reaching impact on fund raising and valuations of startups. Generally, startups are technology driven enterprises whose valuation depends on the scalable ideas and hence its valuation mechanism should not be seen with same lens as valuation by other enterprises. The start-up industry is planning to make representations before the Government for reversal of the said proposed amendments.

Overall, the Budget 2023-24 is a step in the right direction for India to become a prosperous economy by considering the youths as the pillar of our economy and placing strong emphasis on talent developments, digital skill trainings, in-house research, developing AI institutes, incentivising the start-ups and encouraging the current workforce to be competitive in the global market which will enable India to dive itself to become the talent hub.

** Views expressed above are personal and may not reflect that of the organisation*

[\[11\] https://www.taxsutra.com/dt/experts-corner/harnessing-yuva-shakti-help-india-become-5-trillion-economy](https://www.taxsutra.com/dt/experts-corner/harnessing-yuva-shakti-help-india-become-5-trillion-economy)