

MADANAPALLE INSTITUTE OF TECHNOLOGY AND SCIENCE

DEPARTMENT OF MANAGEMENT STUDIES

Report on Budget 2023 - Wednesday, 1st February 2023

Live telecast followed by seminars by the students

MADANAPALLE INSTITUTE OF TECHNOLOGY & SCIENCE
(UGC-AUTONOMOUS INSTITUTION)
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BUDGET 2023
on 1st February 2023
For MBA Students

Co-ordinators
Dr. K S Krishna Assistant Professor
Mr. Sreekanth Assistant Professor

Venue: Auditorium
Time: 11 : 00 AM to 1 : 15 PM

Live telecast followed by Seminars by the students

Department of Management Studies

Submitted by: **Dr.K.S.KRISHNA & B.Sreekanth** Assistant Professors, Department of Management Studies.

BUDGET 2023, Live telecast followed by seminars by the students

Budget 2023: Finance Minister Smt..Nirmala Sitharaman presented Budget at 11:00 AM in Parliament on 1st February 2023

Date: 1st February 2023

Participants: MBA I & II year MBA Students.

Attendance: 300 participants

Mode: Online

Venue: Auditorium

Department of Management Studies has organized live telecast session on Union Budget-2023, presented by the Union Minister of Finance and Corporate Affairs Smt. Nirmala Sitharaman in Parliament on 1st February 2023(Wednesday), from 11:00 AM to 1.15 PM.

Objective:

The general objective of the Union Budget is to bring about a rapid and balanced economic growth of our country coupled with social justice and equality. The budget is also utilised to avoid business fluctuations to accomplish the aim of financial stability. Policies such as deficit budget during deflation and excess budget during inflation assist in balancing the prices in the economy. For our Management Students, it is very important to understand National Budget, GDP, Fiscal deficit and direct as well as Indirect Taxation.

Dr.K.S..Krishna and Mr.B.Sreekanth acted as the coordinators of the Budget session and welcomed the students and explained how the budget influencing the distribution of income through subsidies and taxes. It helps to ensure that a high rate of tax is levied on the rich class, thereby reducing their disposable income. On the other hand, a lower rate of tax is charged on the lower income group to ensure they have sufficient income in hand and remind their responsibilities to make the observations on different sectors and the same can be presented at time slots allotted to them to their panel members.

Professor and Head of the Department, **Dr.Sremmant Basu** spoke about the importance of the Budget 2023 and how it aids in controlling the economic fluctuations as well. It ensures proper handling of inflation and deflation, thus bringing about economic stability. During inflation, surplus budget policies are implemented, while deficit budget policies are devised during deflation. and also useful to understand GDP, Fiscal deficit and Direct as well as Indirect Taxation. He has congratulated Dr.K.S..Krishna and Mr.B.Sreekanth for organizing the Budget session followed by presentation for students.

On 1st February 2023, the Finance Minister, Nirmala Sitharaman, outlined the budget for the upcoming fiscal year. The new budget serves as the blueprint for an inclusive and empowered economy. The budget listed seven main priorities, namely:

- Green Growth
- Youth Power
- Financial Sector
- Inclusive Development
- Reaching the Last Mile
- Infrastructure and Investment
- Unleashing the Potential

Budget and the Economy

- The Capital Expenditure (CapEx) outlay has increased by 33% to amount to 3.3% of the GDP at INR 10 lakh crore, while the effective CapEx will be 4.5% of the GDP that is INR 13.7 lakh crore.
- The budget aims to keep the fiscal deficit at 5.9%, while states are allowed a deficit of 3.5% of GSDP. Of this, 0.5% should be tied to power sector reforms.
- Infusion of INR 9,000 crore for MSMEs with an additional of INR 2 lakh crore credit guarantee for MSMEs and also reduce the cost of the credit by about 1 per cent
- A National Financial Information Registry will get set up to promote financial inclusion, foster financial stability, and ensure efficient credit flow.

Budget and Income Tax

- The new tax regime increases the rebate limit to INR 7 lakh.
- The number of slabs in the new regime is reduced to five and the tax exemption limit is increased to INR 3 lakh. Taxes under the new regime are as follows:

Net Annual Income Range	New Regime Tax Rate
Up to INR 3 lakhs	Nil
INR 3-6 lakh	5%
INR 6-9 lakh	10%
INR 9-12 lakh	15%
INR 12-15 lakh	20%
More than INR 15 lakhs	30%

- The standard deduction benefit is now extended to the salaried class and pensioners under the new regime.
- The new regime has become the default tax system. However, taxpayers can choose to continue to calculate and pay taxes as per the old regime.
- The highest surcharge levied on personal income tax has been reduced significantly from 37% to 25%.
- The leave encashment limit on retirement for non-governmental salaried employees has increased from INR 3 lakh to INR 25 lakh.
- Deduction from capital gains on investment in a residential house under sections 54 and 54F is now capped at INR 10 crore.

- Income from insurance policies (other than ULIP) having premium or aggregate of premium above Rs.5,00,000 in a year will be taxed. This income shall be taxable under the head “income from other sources”. Deduction shall be allowed for premium paid if such deduction is not claimed earlier under any other provisions of the Act. The new rule shall apply for policies issued on or after 1st April, 2023. However, the income is proposed to be exempt if received on the death of the insured person.
- Conversion of gold into electronic gold receipt and vice versa not to be treated as capital gain.
- TDS rate to be reduced from 30 per cent to 20 per cent on taxable portion of EPF withdrawal in non-PAN cases.
- Enhanced limits for micro enterprises INR 3 crore and for certain professionals INR 75 lakhs for availing the benefit of presumptive taxation. Increased limit to apply only in case the amount or aggregate of the amounts received during the year, in cash, does not exceed five per cent of the total gross receipts/turnover.

Budget and Indirect Taxes

- As part of the Green Growth priority, the Government proposes to exempt excise duty on GST-paid compressed biogas.
- The budget aims to reduce the customs duty on the import of certain mobile phone parts.
- The basic customs duty on parts of open cells for TV panels will be reduced to 2.5%.
- The customs duty for electric kitchen chimneys will increase from 7.5% to 15%.
- The customs duty on chimney heat coils will decrease from 20% to 15%.
- A new exemption is introduced for the basic customs duty on chemicals and petrochemicals.
- Basic customs duty on acid-grade fluorspar (containing by weight more than 97 per cent of calcium fluoride) and crude glycerine will reduce to 2.5%.
- Custom duties to increase on items made from gold and platinum.
- Increased import duty for silver.
- Taxes on cigarettes hiked by 16%.

Budget and Senior Citizens

- The maximum deposit limit in the Senior Citizen Savings Scheme was revised upwards from INR 15 lakh to INR 30 lakh.
- The maximum deposit limit for the Monthly Income Account Scheme increased from INR 4.5 lakh to INR 9 lakh for a single account and INR 9 lakh to INR 15 lakh for a joint account.

Budget and Youth

- Introduction of a National Apprenticeship Promotion Scheme to provide a stipend to support 47 lakh youth over three years.
- Pradhan Mantri Kaushal Vikas Yojana 4.0 to offer on-job training, industry partnerships, and new-age courses.
- Expansion of a digital ecosystem to enable demand-based formal skill training, link youth to employers and facilitate access to entrepreneurship schemes.
- Recruitment of 38,800 teachers and support staff across 749 Eklavya Model Residential Schools that can reach 3.5 lakh tribal students over the next three years

Budget and the Future

- Three centres of excellence for AI are to be established in top educational institutions across the country.
- 100 laboratories across engineering institutions will use 5G services to develop applications.
- Creation of a national digital library for children and adolescents to facilitate the availability of quality books across genres, languages and geographies.
- 50 additional airports, helipads, water aero drones and landing grounds will be revived to boost regional air connectivity.
- 48% increase in allocation for the renewable energy sector.

OUTCOMES OF THE SESSION

After presenting the facts on Budget- 2023 on different sectors the students have good hold on the following areas:

- Inclusive Development.
- Reaching the last mile.
- Infrastructure & Investment.
- Unleashing the potential.
- Green Growth.
- Youth Power.
- Financial Sector.

Session conclusion: The session was concluded at 1:15 p.m followed by the schedule for giving the presentations by the students on the observation they made on Budget-2023 has been announced by **Dr. Krishna and Mr.B.Sreekanth** , Assistant Professors and the coordinators of the program, Department of Management Studies.

Budget-2023 Live Session Glimpses



Students Presentation

Schedule has been prepared to take the presentations from the students on different areas like Inclusive Development, Reaching the last mile, Infrastructure & Investment, Unleashing the potential., Green Growth., Youth Power, Financial Sector.32 students allotted to each team faculty. The team of the faulty members need to divide three students per batch and conduct seminars on the given topic.

The sample presentation taken from the students by of Dr. Krishna and Mr. B. Sreekanth, Mr. Venkat Rao and Dr. Saira Khatoon has been appended here.



Team No.	Roll. No.	Name of the Student	Name of the Topic	Name of the faculty members
1	21691E00H0 21691E00J2 21691E00J7	Shaik Irfan Basha Vikas Kumar Yaswanth Kumar N	Inclusive Development	Mr.V.Venkata Rao & Dr.Saira Khatoon
2	21691E00G8 21691E00G9 21691E00I3	Sravani N Sravani T Swathi A	Financial Sector	
3	21691E00G7 21691E00I0 21691E00I7	Somasekhar A Suresh B Syed Reddy Ahammad	Infrastructure and Investment	
4	21691E00H3 21691E00H4 21691E00H7	Srikanya D Srilatha V Suma B	Green Growth	
5	21691E00H8 21691E00H9 21691E00I2	Suneetha D Supraja B Swapna D	Green growth	
6	21691E00H1 21691E00I1 21691E00J5	Sreenivasulu B Suresh M Vishnu P	Green Growth	
7	21691E00J8 21691E00J1 21691E00H5	Naveen Kumar G Venkata Harish K Srinivasulu S	Financial Sector	
8	21691E00I6 21691E00I5 21691E00H2	Syed Malik Basha Syed Javeed Hussain Srikanth Royal	Infrastructure and Investment	
9	21691E00H6 21691E00I8 21691E00I9	Suleman M Vamsidhar Reddya R Vani J	Infrastructure and Investment	
10	21691E00I4 21691E00J3 21691E00J4 21691E00J0	Swetha S Vineetha C Vinitha G Vani V	Green Growth	