

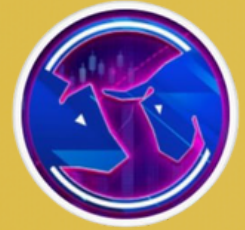
AMITY BUSINESS SCHOOL



# MUDRA

FINANCE NEWSLETTER

**BUDGET SPECIAL**



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## “STOP INNER CONTRADICTIONS AND CONFLICT”

Be clear about your thoughts and goals. Times are changing and requirements are plenty. Irrespective of insinuating role of rising competitive work life and transformed social life, the secret to a fulfilled achievement can be derived when state is 'mindful', and which leads to conscious deliberations. With rising expectations and surmounting challenges attaining clarity, purpose and outcome of every decision must be realized. Since 'management' is a purposive outcome and outward looking proactive and strategic process, it is important to that as sustainable organizations with a futuristic looking perspective, being mindful helps in maintaining psychological wellbeing for being healthy and contented.

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**FROM THE EDITORIAL DESK**

Dear Readers,

**"FINANCE IS AN INTEGRAL PART OF OUR LIVES."**

With an educative purpose, we are coming forth with our monthly financial newsletter "MUDRA" to help our readers regarding insights to specific news and facts about the financial world. 'MUDRA' serves as a gist of the news happening in the financial ecosphere. It indeed gives me pleasure to share that the newsletter is designed and compiled by the students. My special accolades go to all those who have worked behind this.

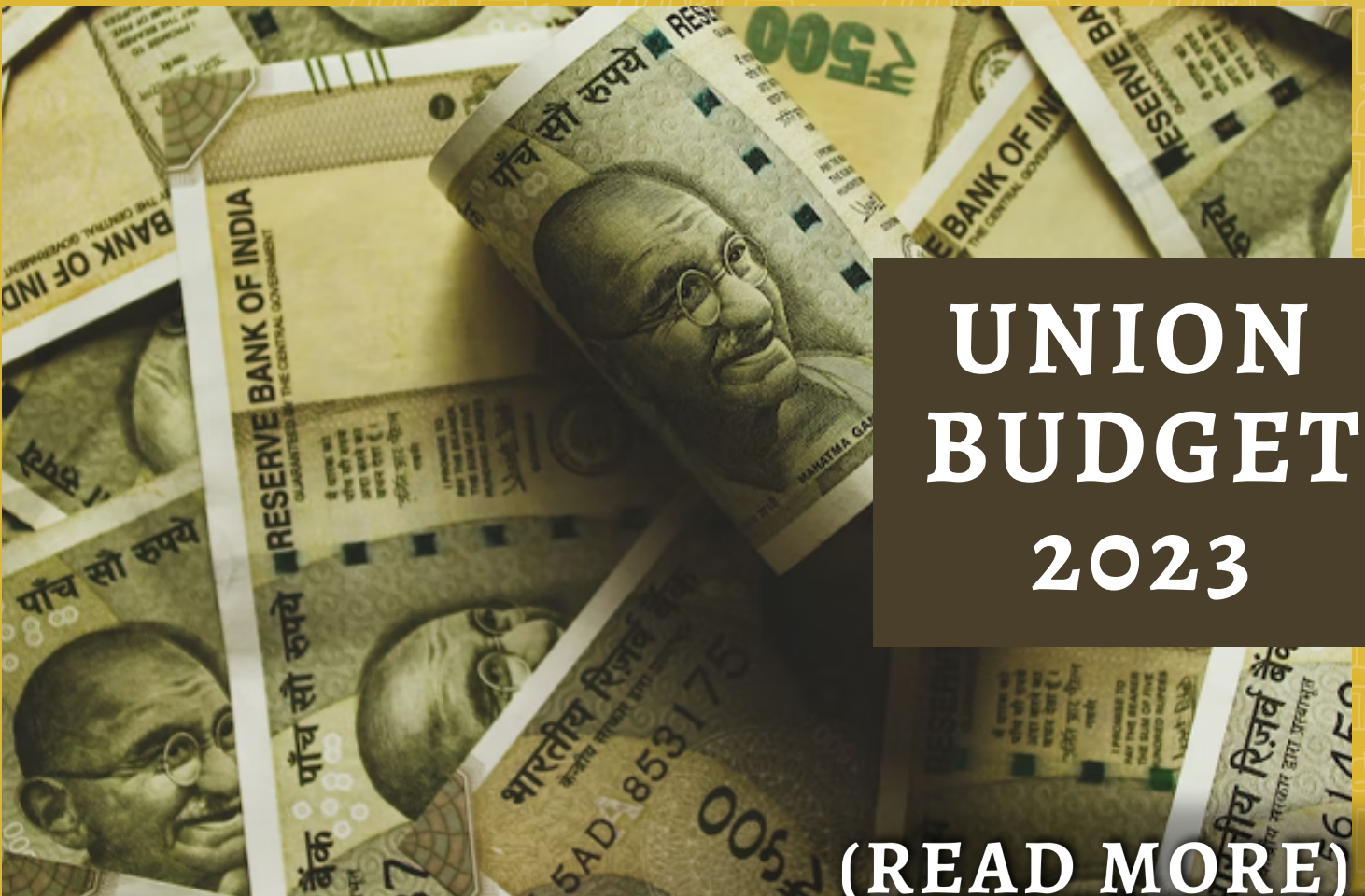
I hope you enjoy going through the newsletter and we look forward to receiving your opinions and suggestions.

HAPPY LEARNING!



DR. ASHIMA AGARWAL  
FINANCE DEPARTMENT,  
AMITY BUSINESS  
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# UNION BUDGET 2023: HIGHLIGHTS





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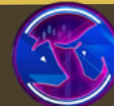
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## FINANCIAL FACTS

- The Budget Act, of 1914 lays down the legal framework for the preparation, presentation, and approval of the budget in India. It provides for the submission of the budget to the Parliament and the procedures for its consideration and approval.
- The major components of government expenditure include defence, interest payments, subsidies, and social services such as education and healthcare.
- The first budget of independent India was presented by R. K. Shanmukham Chetty on November 26, 1947. It was the first budget of the government of India after gaining independence from British rule on August 15, 1947.
- Mr Morarji Desai holds the record for presenting the maximum number of budgets during his tenure. He presented a total of 10 budgets.
- The 1973-74 Budget presented by Yashwantrao B Chavan in the Indira Gandhi government was called the Black Budget as the fiscal deficit during that year was Rs 550 crore. It was a time when India was going through acute financial distress.
- The ministries prepare annual reports after the close of the budget year. The reports look back at the plans presented in the central government budget and the Budget Memorandum and the government accounts for their implementation.

## RBI MONETARY POLICY

**Repo and Reverse Repo:** The RBI's current repo rate is 6.25% and it may increase to 6.5% in February 2023. During its meeting, MPC decided to keep the reverse repo rate unchanged at 3.35%. The real GDP will be 7.1 per cent in the first quarter of the financial year 2023-24 and 5.9 per cent in the next quarter. But the GDP growth forecast for FY23 has been lowered to 6.8% from 7%.

**Fiscal and Revenue Deficit:** Fiscal deficit is an indicator of borrowings by the government for financing its expenditure. The estimated fiscal deficit for 2023-24 is 5.9% of GDP. A revenue deficit is the excess of revenue expenditure over revenue receipts. Such a deficit implies that the government needs to borrow funds to meet the expenses that may not provide future returns. The estimated revenue deficit for 2023-24 is 2.9% of GDP.

**CPI Inflation:** The RBI kept the CPI inflation forecast for FY23 at 6.7 per cent. However, the forecast for Q3FY23 is 6.6 per cent and for Q4FY23 it is 5.9 per cent, with risks broadly balanced.