



PRS Capsule- February 2023

Key Highlights of PRS

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Governance

2023-24 Union Budget

What are the Key Highlights of the Budget?

- **Expenditure:** The government proposes to spend Rs 45,03,097 crore in 2023-24, which is **an increase** of 7.5% over the revised estimate for 2022-23.
- **Gross & Domestic Product (GDP) Growth:** The government has estimated a nominal GDP growth rate of 10.5% in 2023-24 (i.e., real growth plus **inflation**).
 - Nominal GDP is **estimated to grow at 15.4% in 2022-23**, as per the **First Advance Estimate**.
- **Deficits:** **Fiscal deficit** in 2023-24 is targeted at 5.9% of GDP, lower than the revised estimate of 6.4% in 2021-22.
 - The revenue deficit in 2023-24 is targeted at 2.9% of GDP, **lower than the revised estimate of 4.1% in 2022-23**.
- **Tax Proposals in the New Regime:** The number of tax slabs has been reduced from six to five, and income will be taxed at higher levels.
- **Policy Proposals:** The scheme providing **50-year interest-free loans** to state governments will also be available in 2023-24, with an outlay of Rs 1.3 lakh crore.
 - An **Agriculture Accelerator Fund** will be set up to encourage agri-startups in rural areas.

Approval of New Scheme

What is Vibrant Village Programme?

- Cabinet approves centrally sponsored scheme Vibrant Village Programme
 - The **Vibrant Village Programme** aims to provide comprehensive development of **villages on the northern border with China**.
 - Under the scheme, **funds will be provided for the development of essential infrastructure and the creation of livelihood opportunities**.

What are the Key Features of the Scheme?

- **Outcomes:**
 - improving connectivity with all-weather roads
 - ensuring access to drinking water
 - focusing on solar and wind energy
 - improving access to the internet and mobile connectivity
 - setting up Health and Wellness Centres.
- **Vibrant Village Action Plan:** The district administration, with the help of the [Gram Panchayat](#), shall create action plans for the village.
 - The scheme **shall not overlap with the [Border Area Development Programme](#).**
- **Growth Centres:** The scheme will identify and develop local economic drivers and growth centres. These growth centres shall promote social entrepreneurship, skill development for youth and women, traditional knowledge systems, and the **“one village-one product” through community-based organisations.**
 - Such organisations include [Self Help Groups \(SHGs\)](#), cooperatives, and [Non-Governmental Organisations \(NGOs\)](#).

Discontinuation of Schemes

What are Naya Svaera and Nayi Udaan Schemes?

- **[Naya Saveri Scheme:](#)**
 - ‘Free Coaching and Allied Schemes’ (Naya Saveri) aimed to empower students from minority communities to prepare for competitive examinations.
- **Nayi Udaan Scheme:**
 - The second scheme is the ‘Support for Students Clearing Prelims Conducted by UPSC, SSC, State Public Service Commissions’ (Nayi Udaan) **provided financial support for students who had cleared preliminary examinations** for the mentioned examinations.
- **Reason:**
 - Two schemes that provided students from **minority communities assistance with competitive examinations have been discontinued.** They have been discontinued to keep in line with the [National Education Policy, 2022 \(NEP\)](#).
 - The NEP states that **the existing structure of examinations will be reformed to eliminate the need for coaching classes.**

Law and Justice

What was the Reason to Extend the Term of the Law Commission?

- The Cabinet approved the **extension of the 22nd [Law Commission](#)’s term up to **August 31, 2024.****
- The reason for the extension was due to the **[recent appointment of the Chairperson and members of the 22nd Law Commission](#)** in November 2022.

Economy

Macroeconomic Development

- The [Monetary Policy Committee \(MPC\)](#) of the [Reserve Bank of India \(RBI\)](#) increased the **[policy repo rate](#)** (the rate at which RBI lends money to banks) from 6.25 to 6.5%.

UPI Facility Extended to International Travellers

- The RBI has announced a facility to **[enable international travellers to make local payments using the Unified Payments Interface \(UPI\)](#)** while they are in India.
 - Initially, the facility will be **extended to travellers from [G-20 countries](#)** arriving at select international airports.

- Real-time [payment linkage between UPI and PayNow](#) (Singapore's fund transfer service) was also launched.
 - UPI PayNow is an **instant cross-border person-to-person payment facility**.

Biodiversity & Environment

Mining

Draft Amendments to the Offshore Areas Mineral Act, 2002

- The draft amendments **seek to encourage private participation to explore and mine mineral resources** and harness the full potential of these resources.

Environment

Draft Rules for Utilising Crop Residue in Power Generation

- The Ministry of Environment, Forest, and Climate Change **released the draft Agro Residue Utilisation by Thermal Power Plants Rules, 2023**.
- The Rules **will apply to all thermal power plants** which fall within the jurisdiction of the [Commission for Air Quality Management](#) in the National Capital Region and Adjoining Areas (Uttar Pradesh, Haryana, Rajasthan, and Punjab).

PDF Reference URL: <https://www.drishtiias.com/printpdf/prs-capsule-february-2023>

