

Union Budget 2021-22 – Is it 1991 again?

With the Union Budget 2021-22 out now, various measures have been implemented, improved and amplified from the 2020-21 Budget. The Viewpoint gathers insights from various prominent spokespersons from healthcare, manufacturing, start-ups, MSME & industry associations, etc and finds out if the Budget is really the best budget presented in the last 100 years, as proclaimed, or if there are any shortfalls and the overall impact on the future of businesses in India.

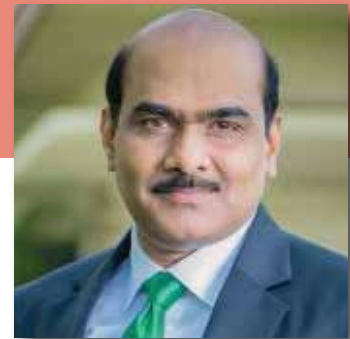


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“Budget provides an opportunity for state & centre to rebuild the future together”

This Budget has the ingredients to deliver long-term growth, and we are encouraged by it. The infrastructure boost will give a much-needed benefit to heavy- and medium-commercial vehicle segments. Keeping in mind the environment and auto industry at large, the voluntary scrappage policy is a step in the right direction. The PLI scheme investments will encourage global manufacturing firms, provide incentives for local manufacturing to expand and will create massive jobs & opportunities for the youth. This Budget has been very progressive for the railways too. The push for additional investment towards MetroLite and MetroNeo for smaller cities bode well in the long run. Also, the commissioning of dedicated freight corridors will improve the overall movement of goods and spur economic activities. The only caution here is to look at the inflating fiscal deficit. Overall, the Budget provides an opportunity for the state & central governments to come together and rebuild for the future, and we must seize these growth opportunities.

Harsha Kadam,
Managing Director
& CEO,
Schaeffler India



Vikas Khanvelkar,
Managing Director,
DesignTech Systems

“Extending the already announced PLI schemes will increase domestic manufacturing”

As mentioned by the FM, Nirmala Sitharaman, this year’s Budget has been presented during unprecedented times. It aims to give a boost to the economy by increasing expenditure in many sectors. Hence, 6.8% fiscal deficit looks difficult but is achievable through ambitious divestment programmes announced. Focus on health by providing ₹64,000 crore for ‘Swastha Bharat’ and ₹35,000 crore for vaccination is an excellent move. On the industrial front, extending the already announced PLI scheme for the electronics sector to 13 more sectors by providing ₹1.97 lakh crore over five years is a great move to support the ‘Aatmanirbhar Bharat’ initiative too. It will give a strong push to grow the manufacturing sector and will create job opportunities. Mitra scheme for creating world-class companies in the textile field will help boost textile exports. The long-awaited voluntary vehicles scrapping scheme is also perfect for the automotive sector. Overall, the Budget is in the right direction to get our economy back on track to reach the \$5 trillion economy.”