

# **SECTORAL BUDGET IMPACT**



# Agriculture

## Budget Proposals

- Chemical-free Natural Farming will be promoted throughout the country, with a focus on farmers' lands in 5-km wide corridors along river Ganga, at the first stage.
- The procurement of wheat in Rabi 2021-22 and the estimated procurement of paddy in Kharif 2021-22 will cover 1208 lakh metric tonnes of wheat and paddy from 163 lakh farmers, and Rs 2.37 lakh crore direct payment of MSP value to their accounts.

## Impact

- Chemical-free Natural Farming will likely help exports in the coming time, focus on start-ups and AgriTech in the budget will help develop a digital ecosystem and technology inclusion in the agri sector.
- Direct payment of MSP value of Rs 2.37 lakh crore to farmers will encourage farmers to produce more in the next year. And also help them to improve their standard of living.

# Automobile

## Budget Proposals

- Announced to promote a shift to use of public transport in urban areas. This will be complemented by clean tech and governance solutions, special mobility zones with zero fossil-fuel policy, and EV vehicles.

## Impact

- Public transport could benefit from lower operating costs along with a reduction in emissions with the focus on clean tech and EVs.

# Batteries

---

## Budget Proposals

- Considering the constraint of space in urban areas for setting up charging stations at scale.
- A battery swapping policy will be brought out and inter-operability standards will be formulated.

## Impact

- Setting up charging stations at scale will improve efficiency in the EV ecosystem.
- The announcement on battery policy will provide a big boost to the deployment of electrical mobility in the country. This will also improve the deployment of battery-led energy storage systems for complementing the green energy generation and decentralization of energy distribution.

# Chemical

---

## Budget Proposals

- Customs duty on certain critical chemicals namely methanol, acetic acid and heavy feed stocks for petroleum refining are being reduced.
- Duty is being raised on sodium cyanide for which adequate domestic capacity exists.

## Impact

- The reduction of Customs duty on certain critical chemicals and increase of customs duty on sodium cyanide will help in enhancing domestic value addition.

# Defence

---

## Budget Proposals

- 68% of the capital procurement budget for the Defence sector will be earmarked for domestic industry.
- Defence R&D will be opened up for industry, startups and academia with 25 per cent of defence R&D budget earmarked.

## Impact

- The capital procurement budget for domestic industry will promote Aatmanirbharta and also will reduce dependence on imports of defence equipment.
- Allocation of 25 per cent of defence R&D budget for startups and academia will encourage private players to take up design and development of military platforms and equipment

# Education

---

## Budget Proposals

- One class-one TV channel programme of PM eVIDYA will be expanded from 12 to 200 TV channels.
- 750 virtual labs in science and mathematics, and 75 skilling e-labs for simulated learning environment, will be set-up in 2022-23.
- High-quality e-content in all spoken languages will be developed for delivery via internet, mobile phones, TV and radio through Digital Teachers.

## Impact

- The program will help in creating a standard education which will be very helpful for student of any state and bring every states' student at one level.
- Setting up of virtual labs will promote crucial critical thinking skills, and will also give space for creativity to students.
- High-quality e-content through various digital modes help student to find study material very easily and these study material become more handy for the student.

# Gems & Jewellery

---

## Budget Proposals

- Customs duty on cut and polished diamonds and gemstones is being reduced to 5 per cent.
- To facilitate export of jewellery through e-commerce, a simplified regulatory framework shall be implemented by June this year.

## Impact

- The decrease in custom duty from 7.5% to 5% might help remove the blockages and tie-ups in the legalized channels of diamond imports.
- Simplified regulatory framework for export of jewellery through e-commerce will help Indian e-commerce brands to expand to overseas markets and cater to the vast and growing demand.

# Healthcare

---

## Budget Proposals

- National Digital Health Ecosystem will be rolled out.
- 'National Tele Mental Health Programme' will be launched.

## Impact

- National Digital Health Ecosystem will provide hospitals to maintain digital registries of health providers, consent framework, and universal access to health facilities.
- National Tele Mental Health Programme' will provide better access to quality mental health counselling and care services.

# Infrastructure

---

## Budget Proposals

- The National Highways network will be expanded by 25,000 km in 2022-23. Rs 20,000 crore will be mobilized through innovative ways of financing to complement the public resources.
- 100 cargo terminals will be developed during the next three years under the PM Gati Shakti master plan.

## Impact

- The expansion of National Highways will provide greater connectivity and will facilitate faster movement of people and goods.
- The development of 100 cargo terminals will ensure a more efficient logistics connectivity.

# Railways

---

## Budget Proposals

- Railways will develop new products and efficient logistics services for small farmers and Small and Medium Enterprises.
- 'One Station-One Product' concept will be popularized to help local businesses & supply chains.
- 400 new-generation Vande Bharat Trains with better energy efficiency and passenger riding experience will be developed and manufactured during the next three years.

## Impact

- The new products and efficient logistics services might help small farmers and SMEs shift their product in other states with minimum freight charges.
- 'One Station-One Product' will enhance the future opportunities for local businesses and supply chain ecosystem.
- The launch of 400 new-generation Vande Bharat Trains with better energy efficiency will help passenger with better riding experience and also provide various private players huge opportunity in the sector.

# Real Estate

---

## Budget Proposals

- Housing project has been allotted Rs 48000 crore for FY23

## Impact

- Allocation for housing project will provide houses to 80 lakh people under PM Awas Yojana, both rural and urban.

# Steel

---

## Budget Proposals

- Customs duty exemption given to steel scrap last year is being extended for another year to provide relief to MSME secondary steel producers.
- Certain Anti- dumping and CVD on stainless steel and coated steel flat products, bars of alloy steel and high-speed steel are being revoked.

## Impact

- Extension of customs duty exemption on steel scrap will provide relief to MSME secondary steel producers.
- Revocation of Anti- dumping and CVD on stainless steel etc. will help in bringing down the steel prices and prices of certain metal will decrease significantly.

## Budget Proposals

- Required spectrum auctions will be conducted in 2022 to facilitate rollout of 5G mobile services within 2022-23.
- The contracts for laying optical fibre in all villages, including remote areas, will be awarded under the Bharatnet project through PPP in 2022-23.
- Design-led initiatives for 5G under the PLI scheme and 5% of USOF for R&D purposes.

## Impact

- Telecommunication in general, and 5G technology in particular, can enable growth and offer job opportunities.
- 100 percent fiberisation with PPP model will provide the required impetus to build upon ubiquitous and reliable internet connectivity.
- Design-led initiatives for 5G under the PLI scheme will strengthen the 'Make in India' initiative, and contribute to making India a global manufacturing hub.