

Union Budget 2023 Gets Applause Across Sectors

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The Union Budget 2023 continues to get applauded across sectors. While the Finance Minister Nirmala Sitharaman laid out 7 priority sectors, the budget has been praised across the industry. Here's what the industry says -

Rajeev Yadav, MD & CEO at Fincare SFB says :

"The Union Budget 2023 is a sign of the government's commitment to supporting the growth and development of inclusion focused institutions like small finance banks. With measures aimed at increasing access to capital, reducing regulatory burden and promoting financial inclusion, this budget helps small finance banks reach their full potential and make a positive impact on the lives of millions of underserved citizens".

Ruchir Shukla, MD-India, SafeHouse Tech says: "We welcome the Union Budget 2023 and the Government's move to allocate over Rs 600 crore to improve India's cybersecurity infrastructure. This significant allocation of funds demonstrates the pressing need for enhanced cybersecurity measures and the government's commitment to addressing the issue as India has experienced numerous cyber attacks over the past year. At SafeHouse, we aim to work in collaboration with the Government to secure the digital identities of all individuals who use the internet and contribute to the efforts to secure India's digital future."

Somya Srivastava, the CEO, of Pratayna Microfinance says: "Nirmala Sitharaman, the finance minister, commenced the presentation of the final comprehensive budget of the Modi administration with the phrase "This is the first Budget of Amrit Kaal." India's economy has been hailed as a global success, according to the FM. India has the greatest growth rate among major economies in the current fiscal year at 7%. Sitharaman stated in her budget statement that the Indian economy is on the right course and is poised for a bright future. The financial services ecosystem will focus on financial stability with technology-driven innovation in the future because it is one of the main pillars of growth during Amrit Kaal. The 10 lakh crore capital investment will boost the GDP and provide opportunities for wealth building for Indians of all income levels, improving the prospects for asset management funds in India."

Varun Gupta, Founder & CEO, of Boulton Audio, said, "Budget 2023-24 seems promising for the consumer electronics sector. As the Indian government plans to set up three Centres of Excellence for Artificial Intelligence with the goal of research and development of practical AI applications in various sectors. Realizing the vision of "Make AI in India" and "Make AI Work in India" will enhance the paths towards success for the consumer electronics sector, thereby increasing opportunities and production with cutting-edge technology. Enhanced limits for micro-enterprises and professionals to take advantage of presumptive taxation have opened many opportunities for the industry. Also, the key point that a deduction on payment made to an MSME will be allowed if the payment is actually made has clarified many obstacles. Considering the fact that the Indian consumer electronics market size is expected to expand at a compound annual growth rate, the country provides a global opportunity for average consumer spending. And with the budget announcement regarding the new tax regime to be extended to INR 7 Lakh instead of 5 Lakh as the previous year; middle-class consumers will increase spending on electronics and gadgets. The extended cash withdrawal for co-operative societies - up to INR 3 Crores is an addition to the set of relief aids for the industry.

Ajay Lakhotia, Founder and CEO, Stockgro said: "With Budget 2023, the government has played a masterstroke by leveraging Agritech & Fintech as economy boosters, infrastructure & startup ecosystems as growth catalysts, and tax reforms as an impetus to increase disposable income. The creation of digital public infrastructure & an accelerator fund provides much-needed support to the agri-sector. Exemption of customs duty on lithium-ion batteries will also propel India forward on its green energy goals. Indian fintech ecosystem is becoming the government's ambassador for global UPI adoption.

Accordingly, startups have received tremendous support in the form of extension of income tax & loss carry-forward benefits. We can expect more on LTCG in the fine print.

Additionally, empowering SEBI to build capacity in the securities market will drive grassroots impact on the safety & education of investors. The government has also delivered great relief by changing personal tax policies to boost consumer spending. Indian economy is all set to be light years ahead."

Vidit Aatrey, Founder and CEO – Meesho said: "It is heartening to see the government's continued thrust on supporting the MSME sector. The infusion of Rs 9,000 crore in the revamped Credit

Guarantee Scheme, enabling collateral-free guaranteed credit of Rs 2 lakh crore, will help address working capital issues of small businesses. Our 6.3 crore MSMEs, which collectively employ nearly 11 crore people, have been able to bounce back from the pandemic on the back of similar proactive interventions in the past and this step will further hasten their recovery. As India's only true online marketplace, Meesho is committed to working closely with the government towards making our MSMEs competitive and self-reliant."

Pankaj Kalra, CEO and Director, EOGEP said: "The Union Budget 2023 is progressive and futuristic, rightly focusing on Sustainability, Green Growth and on India's net zero targets. Customs duty relief on chemicals to boost ethanol blending is a step in the right direction and will give a major push towards energy transition. Provisions made under the GOBARdhan scheme will promote and steer a circular economy on the sustainable development path. Our Hon'ble FM has ticked all the right boxes with a vision for India's future and has taken a number of well-intentioned steps aimed at keeping the domestic macro-fundamentals strong amidst the ongoing global uncertainty."

Arvind Subramanian, MD & CEO, Mahindra Lifespaces said, "This year's budget highlights the importance of infrastructure development, urban planning, affordable housing, domestic manufacturing, ease of doing business, and energy transition with a focus on sustainability.

The increased allocation of Rs 79,000 Crores towards Pradhan Mantri Awas Yojana (PMAY), is expected to provide the supply-side stimulus that will not only aid real estate developers but will also boost end-user demand for affordable homes. Moreover, the revision in income tax slabs and rates will provide more disposable income, further accelerating the demand for homes. We believe the increased outlay of Rs 10,00,000 Crores towards infrastructure development, including the creation of urban infrastructure in Tier 2 and 3 cities will support industrial activity, create new employment opportunities and fuel demand for housing. There is a continued focus on supporting domestic manufacturing, which bodes well for the industrial parks.

Sanjay Palve, Senior Managing Director, Essar Capital said: "The Union Budget 2023 has encompassed almost all critical sectors and holds a lot of promise for the economy. The Budget witnesses some of the biggest updates for the finance and infra sector which will be a transformative approach for economic growth and sustainable development in India. Clear emphasis on Green growth will certainly pave the way toward clean energy transition. We are also happy to note the Government's efforts in propelling areas such as Youth power and Women, Inclusive development and Unleashing the potential, all of which envision a prosperous, inclusive India in which the fruits of development will benefit all sections of the society."

Dr. Ashvini Jakhar, Founder & CEO, Prozo said: "The Indian startup ecosystem has flourished in the past decade and it is encouraging to see the government rolling out initiatives to promote innovation, ease-of-doing business, and entrepreneurship in the Union Budget 2023-2024. The steps taken towards ease of doing business including the move to reduce compliances and decriminalize legal provisions are welcome. It will also help in a rise in the number of startups across India and this is going to augur well for the national economy. We also feel that the announcements related to logistics and infrastructure are encouraging. An investment of 75,000 crores, including 15,000 crores from private sources will be crucial for transport infrastructure projects. However, with the number of D2C startups that have flourished in India, we were hoping to see more allocation toward improving warehousing infrastructure and logistics.

Another promising announcement was the usage of 5G services in applications such as intelligent transport systems. As one of India's fastest-growing full-stack supply chain, warehousing, and logistics companies, we at Prozo are hopeful that these initiatives, if properly implemented, will facilitate the growth of the industry.

Chetan Jain, Director, Rajdhani Foods said: "The Union Budget FY 2023-24, doesn't announce anything specific to the FMCG business, but an increased focus on improving the technology and agricultural infrastructure will serve as a boon for the industry. A concentrated focus on the difficulties encountered by farmers, would undoubtedly, assist the agricultural community to achieve more momentum than they are now achieving. The announcement of setting up an

agricultural accelerator fund will not only help the agri startups by young entrepreneurs in rural areas, to take concrete initiatives to come up with innovative and affordable solutions, for the challenges faced by the farmers but it will also help bringing in modern technologies to transform agricultural practices to increase both the productivity and profits. Furthermore, the increase in agriculture credit to Rs. 20 lakhs crore with a focus on animal husbandry, dairy and fisheries will further help in the enhancement of activities.

Pratik Agarwal, Managing Director, Sterlite Power said: “The budget has laid down a promising path for the nation’s green growth, clearly identified as one of the seven pillars, with a sizable outlay of Rs 35,000 crore. India is among the few developing countries focusing on green growth in addition to meeting the basic needs of power for the masses. The finance minister has taken proactive steps to promote battery storage and pumped storage projects to ensure stable and round the clock supplies from renewable resources like solar and wind power. Focus on discoms is key to achieve any real progress in the power sector, commend the measure of tying 0.5% of the state deficit to power sector reforms. This is an added incentive for the states to reform the DISCOMs. However, along with this a major incentive and disincentive package for the discoms would prove beneficial. Overall, the budget has pushed all the right buttons and is well in line with the macroeconomic goals of the country.”

RPV Prasad, CEO, Envision Wind Power Technologies India said: “The FY24 budget has reaffirmed India’s focus on Green Growth by delineating it as one of the seven major priorities. The budgetary commitment of Rs. 35,000 crore to support energy transition and net zero objectives would strengthen the nation's journey towards energy security as India seeks to decarbonise its economy. The budget specifically spells out measures to usher in stability in renewable energy supplies by introducing viability gap funding for battery energy storage systems. The budget also plans to introduce a detailed framework on pumped storage projects. Both these measures are expected to boost the setting up of hybrid renewable projects and will certainly raise the share of renewable power in the overall energy mix.”

Anil Chaudhry, Zone President, India and CEO & MD, Schneider Electric India said: “The FY24 budget lays a strong foundation for sustainable development of India in the Amrit Kaal. With the goal of achieving net-zero emissions by 2070, it focuses on energy transition and decarbonization of the economy with a sizeable allocation of Rs 35,000 crore. The vision for ‘LiFE - Lifestyle for Environment’, is deeply ingrained in the budget and reaffirms the government's commitment to tackle the climate crisis. Globally, India ranks fourth in installed renewable energy capacity and the budget will give a further fillip to the addition of capacities in areas like wind and solar. Key measures are being taken to support green growth, including viability gap funding for battery storage, renewable energy evacuation, National Green Hydrogen Mission, and green credit policy. With an investment of Rs. 10,000 crore, the budget also underlines the need for embracing a circular economy through the GOBARdhan scheme. Furthermore, setting up three centres of excellence for Artificial Intelligence is a welcome step from the government as it bridges the skill gap in the AI space and nurtures talent to develop tech of the future”

Dr. Satish Kumar, President & Executive Director, Alliance for an Energy Efficient Economy (AEEE) said: “The FY24 Budget appears to usher in a phase of 'green transition', guiding the economy toward a sustainable development pathway. By focusing on implementing various initiatives to increase energy efficiency and lower carbon intensity, it demonstrates a commitment to foster green growth in the nation. The proposed budget places a strong emphasis on the creation of large-scale green job opportunities to prepare young people for mitigating the effects of climate change. The National Green Hydrogen Mission's outlay of INR 19,000 crore would also support and contribute to green growth and a net zero carbon future. The provision of INR 35,000 crore for energy transformation and net zero emissions would indeed help the nation in achieving its goal of net zero emissions by 2070. India will become a responsible and energy-secure country owing to the Honourable Prime Minister's vision for Lifestyle for Environment (LiFE), which will accelerate the country's transition to a low-carbon economy and lessen dependency on fossil fuels.”

Gauri Shankar Nagabhushanam, CEO, India Business Parks, CapitalLand Investment said: "The capital expenditure outlay of 10 lakh crores and the added focus on urban infrastructure in the Union Budget 2023 will have a positive impact on the real estate sector. The welcoming of private investment in public and urban infrastructure will increase the pace of development. Further, this will emerge as a critical component in addressing the infrastructure needs of the future."

Yawer Ali Shah, Co-founder and CEO of AMA Herbal said: "The 2023 Union Budget announced by Finance Minister Nirmala Sitharaman is commendable and focuses on promoting growth, sustainability across various sectors and net zero carbon by 2070. The agriculture sector is a major focus with an agriculture accelerator fund, increased agriculture credit target and support for natural farming and setting up of bio input resource centres. Green credit is a great thought. The textile industry is expected to benefit from increased cotton crop productivity. The MSME sector will benefit from a revamped credit guarantee scheme, reduced compliances and decriminalisation of laws, and a trust-based governance system. These measures aim to create a favourable business environment and drive economic growth and job creation."

Meet Patel, Founder, Rise Hydroponics said: "With the Union Budget 2023, the Center continued to place a strong emphasis on increasing farmer incomes. The precise financial initiatives that would aid agritech firms are heartily appreciated. The agritech entrepreneurs from India's rural regions stand to gain a lot from the projected Agricultural Accelerator Fund."

Manit Rastogi, Co-Founding Partner, Morphogenesis said: "The real estate sector urgently needs conducive policies and reforms. Granting Industry Status to the sector would boost economic growth and development. Many existing government initiatives, like the AMRUT Mission, PMAY-U, RERA, and environmental pledges, should be incorporated into this industry and implemented in synchronicity so that they become a part of a broader, more cohesive development agenda. A strong and vision-led industry must head this convergence of governance initiatives. Funds should be earmarked to enable the real estate sector to take stewardship of the economy as an industry."

Pankaj Jathar, VP & Country Head India, Etsy said: "At Etsy, we are focussed on helping small sellers and artisans to sell to global audiences, and we appreciate the Union Budget's focus on supporting this sector with the announcement of the Pradhan Mantri Vishwakarma Kaushal Samman scheme."

"There is growing appreciation for unique Indian items and the financial and digital support extended to them will go a long way in uplifting this sector. This will help in retaining and growing the country's centuries old indigenous art and craft forms. This will create market linkages for artisans both internationally as well as for domestic buyers, and will act as a driving force for artisans and small sellers in the true spirit of becoming Aatmanirbhar."

"As the Government is embarking on massive infrastructure development in the medium and long term, a broad-based Infrastructure Value Addition Index should be explored – the aim of such an index should be to help the respective depts gauge the efficiency of existing infrastructure and make interventions accordingly. Such an index may be conceptualized by Niti Aayog and can be integrated with the Gati Shakti Portal which is streamlining development of infrastructure in the country. said Vinod Grover, Managing Director – South Asia and Africa, Kaizen Institute"

The CEO of Pratayna Microfinance, Somya Srivastava, stated: "According to the FM, India's economy has been hailed as a global success. India has the greatest growth rate among major economies in the current fiscal year at 7 per cent. The financial services ecosystem will put more emphasis on financial stability in the future alongside technology-driven innovation because it is one of the key pillars of growth during Amrit Kaal."

"With the overall global and domestic macro-economic scenario in mind, cost-of-capital is expected to be on an upwards trajectory, and therefore, while capex continues to be a priority, utilizing available resources better (read efficiency & productivity) and pushing existing Manufacturing units & Supply Chains to become Lean, Agile & Efficient will now become even

more important than ever.” said Jayanth Murthy, Joint Managing Director-South Asia and Africa, Kaizen Institute”
