

Industry Feedback on Budget 2021-22

Mr Avinder Singh, Managing Director & Chief Executive Officer at OSRAM Lighting, India provides his opinion of the Budget 2021



What are the key takeaways of the Union Budget of 2021?

It was the first-ever digital Union Budget in the Parliament which was very unique about this budget.

India's 2021 budget comes against the backdrop of a recession, with the economy expected to shrink by 7.5-8% in the current fiscal. In the last few months, the recovery has been faster than many expected but the economy is not out of the woods yet. There could be a second wave of infection (some of the states are already witnessing a surge in COVID cases); MSMEs remain under stress; Bank lending is still constrained, and the real investment cycle has not picked up meaningfully.

Given these circumstances, the Budget needed to support the current momentum while also keeping an eye on

the longer term. To an extent, the Budget did a respectable job – an intelligent & smart attempt to bridge the dangerously growing fiscal gap!

Is it a boon or a bane for the Indian Lighting Industry?

I believe that the budget is not focussing on the lighting industry sector. To that extent it is neutral!

With lighting not mentioned as a specific and focused sector we have to rely upon the growth and boon of the other sectors and likewise be cautious for the bane of other sectors. So, when it comes to focusing on sectors like infrastructure, agriculture, power, housing, healthcare, and automotive then indirectly lighting industry sees an opportunity. Our digitisation & intelligent does see an opportunity in the said sectors besides smart and dynamic

lights.

What more could the FM have done to promote the Lighting industry in India?

I did not find anything specific for the lighting industry per se. Of course, indirectly we get influenced by the budget's sectoral specific focus like on Infrastructure, Power, Housing, Agriculture, Automotive etc.

To be fair, we should have been treated like any other important sector to get focussed attention and booster to grow especially looking at our contribution to EESL's various national programs wherein we participated wholeheartedly.

Any other specific comment you would like to make regarding the budget?

The Budget is themed on 6 key pillars of building an Aatmanirbhar Bharat (self-reliant INDIA – localisation focus) and outlining a sense of overall development - Health and Well-being, Physical and Financial Capital and Infrastructure, Inclusive Development for aspirational India, Reinvigorating Human Capital, Innovation and R&D and Minimum government and Maximum governance.

On the other side, a few additional rules proposed to be imposed in customs, GST (some of them even retroactively) could have been avoided to reduce the complexity and dis-ease of doing business!