

Panel Discussion on Implications of Union Budget 2021-22

India's Finance Minister Ms. Nirmala Sitharaman tabled Union Budget 2021-22 in the Parliament on February 1, 2021. On this occasion, Hon'ble Minister announced several economic reforms and outlined the government's renewed policy thrust on infrastructure, healthcare and education. Whether it is small and medium enterprises, start-up firms, large corporations, exporters or importers, the union budget had some policy measure for every segment of the economy. In order to discuss the implications of the budget on trade and industry, World Trade Center Jaipur, in association with Jaipur's leading management institute JIMS, organised a Panel Discussion **Implications of Union Budget 2021-22**.

The event was addressed by Ms. Shweta Agarwal, (FCA, FCS, CMA, LLB), Shweta Agarwal & Company, Mr. Arpit Airun, (CMA, CS, LLB), a SAP financial analyst, Mr. Inderpal Singh, Director, JIMS Jaipur and Mr. Manish Balani, CA, Business Head, Vayana Network.

In her remarks, Ms. Agarwal outlined the impact of the budget on Agriculture, Infrastructure and Auto sectors. She said, "It seems that the Government is reassuring commitment to MSP and APMCs. In FY22, Agriculture Credit is targeted at INR 16.5 Lac Crore, Agriculture Infrastructure Fund has been augmented to INR 40,000 Crore and Micro Irrigation corpus has been allocated INR 10,000 Crore. Also, the government intends to Develop five major fishery hubs across India. The government will also bring another 1000 mandis under the national digital agriculture marketing network E-NAMs."

Ms. Agarwal further mentioned that on the infrastructure and transportation front, the Government has an objective to complete a total of 11,000 km National Highway under Bharat mala for which INR 1,18,000 crore has been allotted to MORTH (The Ministry of Road Transport and Highways). There are also discussions on the Vehicle Scrappage Policy to phase out old and unfit vehicles. Under this proposed policy, the life for private vehicles has been set at 20 years, while for commercial vehicles the life is set at 15 years.

Mr. Airun, who is an expert on financial services sector, lauded the budget for raising FDI limit on insurance from 49% to 74% and proposing the setting up of a bad bank (in the form of ARC-AMC) for resolving the bad loans in the banking sector. Pointing out another salient feature of the budget, Mr. Airun said, "The loan size eligible for debt recovery under SARFAESI Act 2002 is reduced from Rs. 50 lakhs to Rs. 20 lakhs and FY22 disinvestment targets is set at INR 1.75 lakh crore compared to INR 2.2 lakh crore (Budget estimate) in FY21."

Speaking on this occasion, Mr. Singh lauded the Finance Minister for providing thrust on infrastructure and economic reforms in the budget.

Mr. Balani, who is an advisor on risk mitigation, informed that the incentives announced for the start-up sector in the budget are likely to stimulate entrepreneurial activities in the campuses of the country's premier engineering and management colleges. "Hon'ble Finance Minister proposed an extension of the tax holiday to start-up firms by another year i.e. till March 31, 2022. The minister also extended the period for claiming capital gains exemption against investment in start-up firms by one more year (i.e. till 31st March 2022)."

Mr. Navneet Agarwal, Assistant Director-WTC Jaipur proposed vote of thanks for the event.

The Panel Discussion was held on February 3, 2021



From (L-R) Mr. Navneet Agarwal, Assistant Director, WTC Jaipur, Mr. Inderpal Singh, Director, JIMS Jaipur, Mr. Manish Balani, CA, Business Head, Vayana Network, Mr. Puran Singh Shekhawat, Joint Secretary, Income Tax Gazetted Officer Association, Jaipur, Mrs. Shweta Agarwal, (FCA, FCS, CMA, LLB), Shweta Agarwal & Company, Mr. Arpit Airun, (CMA, CS, LLB), a SAP financial analyst.