



**POSITIVE IMPACT**



**ROADS & CONSTRUCTION**  
Higher budgetary allocation of ₹2 lakh crore for development of road network, focus on multi-modal logistics facilities and connectivity systems under the PM Gati Shakti, increased financial assistance to states to undertake capital expenditure on regional's speed construction, greater employment opportunities and improved for the road sector.



**RENEWABLES**  
Focus on climate action and energy transition is central theme of the Budget. Additional allocation under the solar PUI scheme, inclusion of battery storage systems in the list of infrastructure sectors, apart from support for green financing through sovereign green bonds are expected to support financing and provide the much needed impetus to reach the target of a carbon neutral economy.

**CEMENT & STEEL**  
Growth of steel manufacturers will benefit from the increased budgetary spend towards infrastructure. In addition, under the Pradhan Mantri Awas



Yojna, additional allocation of 140,000 crore to build 50 lakh affordable homes in 2022-23 is expected to support demand for these commodities. Further, continued investments in the road sector will continue to spur demand.

In addition, a decision towards the Yoddha Shakti, 14 seven missions are expected to benefit steel manufacturers. While customs duty exemption on steel scrap is expected to benefit secondary steel producers, revoking of anti-dumping duty on stainless steel and coated steel products could likely lead to threat of imports in the long run.

**CAPITAL GOODS**  
Higher allocation for capital outlay and planned development of transportation and logistics infrastructure will result in increased demand for capital goods. Phase-out of concessional rates on capital goods targets will increase domestic procurement.



**FERTILISERS**  
Allocation of higher subsidy to support increased prices, enhancing agriculture



credit and development reforms are expected to provide a fillip to fertilizer demand and promote usage of more organic and organic fertilizers.

**SUGAR & ETHANOL**  
Lay of additional duty on unblended fuel will encourage increased ethanol blending and would play a key role in emissions reduction.



**HOSPITALITY & TOURISM**  
As one of the most affected sectors due to the pandemic, extension of the Emergency Credit Line Guarantee Scheme, the increase in the scheme's guarantee cover of ₹30,000 crore exclusively for the hospitality industry will ensure sustained capital support to the sector.



**NEUTRAL IMPACT**



**REAL ESTATE**  
The increased allocation under the PM Awas Yojna is in line with steady focus of the government on affordable housing since past few years towards its initiative of housing for all. While this supports improved supply, demand will be driven by overall macro-economic scenario.



**TELECOM**  
India is set to become 5G ready in 2022-23 with the announced spectrum auctions. Investments in network upgradation and development of 5G ecosystem will benefit the sector. Push for PPF under the BharatNet for fibre optic pipelining in rural areas will help improve the reach of telecom services in the rural areas.

**TEXTILE**  
Significant increase in allocation towards Cotton Corporation of India, particularly towards the price support scheme, is expected to benefit the farmers and provide the needed price stability to the textiles sector. In addition, introduction of import



duty for certain textile items is expected to support domestic manufacturing.

**PHARMA & HEALTHCARE**  
Increased allocation towards central schemes such as Ayushman Bharat and Pradhan Mantri Swasthya Yojana will increase the coverage under these schemes, and provide much needed boost to investments in infrastructure, R&D, and setting up of the National Digital Health Ecosystem would nudge the sector towards digitalisation. Further allocation under PUI is expected to support increased domestic manufacturing for the pharma sector.



**AUTO & AUTO COMPONENTS**  
Extension of the auto sector was clearly focused on climate action. Battery-swapping policy, zero-emission standards, push towards battery as a service are expected to develop the EV ecosystem and spur EV demand. In addition, additional excise duty on unblended fuel from October 2022 is a step



towards reduction of carbon emissions.

**BSFI**  
Introduction of a 'Digital Rupee' is a key measure incentivising blockchain tech and development of digital payment systems. Further allocation towards the National Investment and Infrastructure Fund (NIIF) including blended finance to various sectors through thematic funds, issuance of sovereign green bonds, operationalisation of National Bank for Financing Infrastructure and Development aligned with the Govt's priorities on infrastructure development. In addition, measures to improve efficacy of JRC are expected to improve the overall banking business further.

After several years, fresh infusion of central government funds for PUI banks is not envisaged, indicating government's confidence on the turnaround of the PUI banks and their capital adequacy.

Acceptance of treasury bonds as a substitute for performance guarantees will help reduce the dependence on the banking system while bringing in business opportunities for insurance companies.

