

For immediate Release

Budget 2022 focusses on enabling energy transition through provisions for boosting domestic Industry: IEEMA

February 1, 2022: Indian Electrical and Electronics Manufacturers Association (IEEMA) welcomed the Union Budget announced by the Hon'ble Union Finance Minister Smt. Nirmala Sitharaman and termed it as progressive and growth oriented. Some of the welcome features of the Union Budget 2022 include a clear emphasis on energy transition through various measures viz: boost to solar energy, storage, battery and e-mobility. This will pave the way to achieving India's commitment on tackling clean energy and tackling climate change. This shows a pathway to the Government vision for India@2047.

Reacting on the budget Mr Vipul Ray, President – IEEMA, expressed, “IEEMA welcomes the Union Budget 2020. Its clear focus on transition on energy transition through various measures that give boost to solar energy, storage, battery and e-mobility will pave the way to achieving India's commitment on tackling clean energy and tackling climate change. The zero fossil fuel policy, Battery swapping policy and focus on charging infrastructure for EV ecosystem will provide the impetus to a future ready electrical and allied electronics sector”.

Mr Ray mentioned this in the IEEMA interaction on Union Budget with captains of the electrical industry. IEEMA welcomed the increased focus on Infrastructure through GatiShakti master plan and Atmanirbharata in Defence that will open up more business opportunities for electrical and allied electronics industry.

Mr Ray added “The introduction of e-Bill System for reducing delays in payments is a progressive step. IEEMA thanks the Hon'ble Finance Minister for her announcement allowing use of surety bonds as a substitute for bank guarantee as acceptable in Government procurements. This will improve the working capital of suppliers and work contractors. This has been IEEMA's long standing demand”

Mr Rohit Pathak, Senior Vice President, IEEMA stated “We are happy that the Union Budget maintains the continuity of focus on increased infrastructure spending coupled with Atma-Nirbharta. To facilitate domestic manufacturing and to meet the ambitious goal of 280 GW of installed solar capacity by 2030, the additional allocation of Rs 19,500 cr for Production Linked Incentive scheme (PLI) for manufacturing of high efficiency modules is very welcome step. The idea to facilitate funding for clean energy projects and further targeted PLIs for e-mobility and clean energy value chain have the potential to change the course of India's energy roadmap.”

Mr Hamza Arsiwala, Vice President, IEEMA, stated, “Battery swapping and support for distributed renewable energy projects are also critical announcements. Distribution sector is critical to achieving the vision of clean energy transition. Overall, this is a budget that we welcome with enthusiasm.”

Mr Supushpa Kaushal, Chairman, Economic & Taxation Cell – IEEMA said, “The budget is a fine balance to support economic recovery. The inclusion of green bonds in the borrowing plan is an interesting innovation. In terms of specific policy announcements, the move towards self-reliance through shield for domestic manufacturers i.e. calibration of custom rates to boost manufacturing of electronics, including smart meters supports the long-term goal of AatmNirbhar Bharat.”

Ms Charu Mathur, Director General – IEEMA cited, “This is a progressive budget with emphasis on Renewable sector, Digitalisation, EV and investment on infrastructure projects will create huge opportunities for our IEEMA members to scale up their Business.”

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Indian Electrical & Electronics Manufacturers' Association: IEEMA is the apex association of manufacturers of electrical, industrial electronics and allied equipment in India. Founded in 1948, IEEMA has a pan India presence with its corporate office at New Delhi, registered office at Mumbai and regional offices at Kolkata and Bangalore. IEEMA has its State representatives at Lucknow, Chandigarh, Jaipur, Srinagar, Guwahati, Raipur, Bhubaneswar, Gujarat and Hyderabad. IEEMA members encompasses of complete value chain in power generation, transmission and distribution equipment. Its membership base ranges from public sector enterprises, multinational companies to small, medium and large companies. IEEMA members have contributed to more than 95% of the power equipment installed in India. The Indian electrical equipment industry size in 2019-20 was in excess of USD 50 billion with exports of USD 6 billion.

IEEMA being the natural voice of Indian electrical industry, plays a crucial policy advocacy role with the government and its agencies. IEEMA facilitates a robust two-way flow of customized and value added information between the government and the industry by sensitizing all stakeholders on the future requirements for development of the power sector in the country. IEEMA also evolves and operates equitable and uniform Price Variation Clause (PVC) by circulating applicable monthly raw material prices and indices, which has gained recognition and credibility over the last three decades. IEEMA holds product specific conferences, seminars and large exhibitions like Distribuelec, Buildelec and E3. ELECRAMA, a biennial show, is world's largest standalone electricals exhibition and brings together the complete spectrum of solutions that powers the planet from source to socket and everything in between.