



THE YULE

OBSERVER

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दि यूल अबजर्वर

SPECIAL BUDGET EDITION 2021-22



Shri Narendra Modi
Hon'ble Prime Minister



Smt. Nirmala Sitaraman
Hon'ble Finance Minister



Shri Prakash Javadekar
Hon'ble Minister of Heavy Industries and
Public Enterprises



Shri A. R. Meghwal
Hon'ble Minister of State (HI&PE)



Shri Arun Goel
Secretary
Dept. of Heavy Industry



Shri Sanjoy Bhattacharya
CMD, AYCL

From the Chairman's Desk :

Dear Colleagues,

It gives me immense pleasure to communicate with you through this medium for the first time, since my assuming the charge of Chairman & Managing Director of the company. This is a Special Edition of the Yule Observer which is predominantly focussed on the Union Budget 2021-22.

Considering the dismal and grim background of the Covid – 19 pandemic, the need of the hour was to give priority to growth over fiscal prudence, encourage start ups and make some balanced capital investment so as to revive the economy.

The Budget has lived up to its expectations which is evident from a positive rally in the stock markets with NIFTY 50 registering one of the highest single day gains in the past two decades. In a nutshell, the Budget has laid emphasis on capital expenditure and infrastructure projects. A production-linked incentive scheme has also been announced to create manufacturing global champions in the automobile sector under AatmaNirbhar Bharat policy with a view to enhancing the country's manufacturing capabilities and exports in the automobile and automobile component sectors. This will also stimulate the investment cycle and boost sustainable growth.

It appears from the Budget that the following 5 strategic objectives are being pursued by the Government :

- ❖ Strong focus on "AatmaNirbhar Bharat" and Domestic Manufacturing ;
- ❖ Providing a major boost to Healthcare ;
- ❖ Acceleration of infrastructure development;
- ❖ Principle of minimum Government, Maximum Governance;
- ❖ Stability in and simplicity of tax structure.

This special edition of the Yule Observer dwells on the impact of the Union Budget on the various Divisions/Units of the Company. I sincerely hope that our Company under the able leadership of Shri Prakash Javadekar, Hon'ble Minister (HI&PE), Shri A. R. Meghwal, Hon'ble Minister of State (HI&PE) and Shri Arun Goel, Hon'ble Secretary (Dept. of Heavy Industry) can avail of the benefits provided by this progressive Budget and prosper further.

I wish Yule Family Members all the very best.

(Sanjoy Bhattacharya)



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Union Budget 2021 & Its Impact On Yule Tea

Near about 12 lakh tea workers of tea estates of Assam & Dooars as well as the economy of its surroundings will be immensely benefitted by the different schemes announced by Union Finance Minister Smt. Nirmala Sitharaman during presentation of Union Budget 2021. Andrew Yule & Co Ltd. & its 14500 plantation workers will also be benefitted accordingly. Direct & indirect impact of these various schemes Yule Tea likely to be through various ways.



Shri K. Mohan

Shri K. Mohan, Director (Personnel) of our Company is taking active interest so that benefit of the schemes may percolate to the targeted employees.

Special Package for the Workers :

The Rs. 1000 crore special package as announced by Hon'ble Finance Minister for the welfare of the tea industry workers will boost the lifestyle & overall health of the tea plantation workers as they will receive more comprehensive welfare schemes related to housing, sanitation, medical facilities, education etc. which will not only motivate the workers for better productivity but also create quality work culture.

Pradhan Mantri AtmaNirbhar Swasthya Bharat Yojana :

The Pradhan Mantri AtmaNirbhar Swasthya Bharat Yojana operating with the existing National Health Mission with an allocation of Rs 64,180 crore will boost up the Primary, Secondary & Tertiary healthcare systems. Due to the nature of the geographical locations, Tea Estates lack quality healthcare facilities. With the help of Pradhan Mantri AtmaNirbhar Swasthya Bharat Yojana, quality healthcare facilities can be catered to the tea workers. This will improve the average health of the workforce which in turn will lead to better productivity & work culture in tea industry.

Transportation :

As the Tea Gardens are geographically located in remote areas, suffer transportation bottlenecks. The allocation of Rs 59000 crore for developing 1975 km of road infrastructure will boost up faster communications from tea gardens to destinations.

Tea Board Schemes :

The increase in the budget of Tea Board to Rs 375 crore from Rs 175 crore will facilitate quick disbursal of subsidies against different schemes which will help to sustain the tea estates. More uprooting & replantation will be done which will boost the sustainability of the tea estates in terms of quality as well as quantity.

Union Budget 2021 & Its Impact On Engineering & Electrical Division :

Like all other Capital Goods Industry, Engineering & Electrical Divisions of Andrew Yule & Company Limited will be benefitted by the proposals of Union Budget 2021.

Enhanced Capital Expenditure :

To augment the country's infrastructure, the Budget proposed a significant enhancement in capital expenditure to Rs 5.54 lakh crore for the next fiscal. Further, the Finance Ministry would also be providing more than 2 lakh crores to States & Autonomous Bodies for their Capital Expenditure. This will open up new avenues in regard to business of Engineering & Electrical Division as demand for capital goods manufactured by these Divisions will definitely go up.

Assistance to DISCOMS :

A reform-based result-linked scheme with Capital Outlay of Rs. 3tn over next 5 years to be launched to assist DISCOMS for various infrastructure creation like up gradation of systems, prepaid smart metering, feeder separation etc. This will be substantially beneficial to Electrical Division of AYCL.

Infrastructure Development :

Emphasis on augmentation of road infrastructure and more economic corridors in various states stands to be a

key feature of Union Budget 2021. Rs 59000 crore allocation for road development in Assam & West Bengal will boost up cement, steel and power requirement which in turn will increase demand from these sectors in regard to Industrial Fans, Transformers etc. manufactured by AYCL. Besides, the logistic cost will be considerably reduced due to dedicated freight corridor projects. This will help to reduce transport cost and benefit the Company. Increased capex in the infrastructure sector, including the healthcare sector, will have a multiplier effect to all sector of industry which in turn will boost business for all Capital Goods Manufacturers.

Rationalization of Duty Structure of Iron & Steel, Inputs of CRGO :

Proposal for reduction of the customs duty to 7.5 % on imports of semi, flat and long products of non-alloy, alloy and stainless steel was announced during presentation of Union Budget 2021.

The impact of reduction in duty on input material to CRGO will encourage increased production of electrical steel in India, while reduced duty on HR coil will make locally-produced HR coils more competitive in the market against imported ones. This will immensely benefit our Electrical Division.

In a nutshell, Budget 2021-22 has initiated the chain reaction of all round growth to make the mission "Sabka Saath, Sabka Vikas" to be translated into reality and for India to regain its place of pride in world economy with \$5 trillion GDP in next few years.

"Faith is the bird that feels the light and sings when the dawn is still dark."

– Rabindranath Tagore