



The Union Minister of Finance and Corporate Affairs Shri Arun Jaitley holds his 3rd Pre-Budget Consultation Meeting with representatives of Indian Trade and Industry in Delhi today; Asks the Business Leaders for making investments in infrastructure sector to build a stronger India; Private investment along with Public and Foreign Investment are the key to boost growth and create job opportunities.

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The Union Minister of Finance and Corporate Affairs Shri Arun Jaitley asked business leaders for making investments in infrastructure sector to build a stronger India. The Finance Minister said that private investment along with public and foreign investment are the key to boost growth and create job opportunities. The Finance Minister, Shri Arun Jaitley was making his Opening Remarks during his third Pre-Budget Consultation Meeting with the Business Leaders and representatives of the various Chambers of Indian trade and industry here today. Highlighting the importance of investment in infrastructure sector, the Finance Minister said the Government has taken various steps and has also set-up National Investment and Infrastructure Fund (NIIF) among others in order to boost investment in this sector.

Along with the Union Finance Minister Shri Jaitley, the Pre-Budget Consultative Meeting with the business leaders and representatives of various chambers of Indian Trade and Industry was also attended by Dr. Hasmukh Adhia, Finance Secretary, Shri A.N. Jha, Secretary, Expenditure, Shri Subhash Chandra Garg, Secretary (Economic Affairs), Shri Ramesh Abhishek, Secretary, DIPPI, Dr. Arvind Subramanian, Chief Economic Adviser (CEA), Shri Sushil Kumar Chandra, Chairman, CBOT, Ms. Vanaja N. Sarna, Chairperson, CBEC and Shri Atul Chaturvedi, Director General, Directorate of Foreign Trade (DGFT), Ministry of Commerce among others.

The representatives of the Indian Trade and Industry Associations/Chambers present during the aforesaid Meeting included Ms Shobana Kamineni, President, CII, Shri Sandeep Jajodia, President, ASSOCHAM, Shri Pankaj Patel, President, FICCI, Shri B.N. Kalyani, Bharat Forge Ltd., Shri Ganesh Kumar Gupta, President, Federation of Indian Exports Organisation (FIEO), Shri B.V.N. Rao, Business Chairman, GMR Group, Shri Raja M. Shanmugham, Tripur Exporters' Association, Shri Mukesh Mohan Gupta, President, Chamber of Indian Micro, Small & Medium Enterprises, Shri Govind Lele, National General Secretary, Laghu Udyog Bharti, Shri Anoop Mehta, Sr. Member, Gems & Jewellery Export Promotion Council, Shri M. Rafeeqe Ahmed, President, South India Chamber of Commerce & Industry (SICCI), Shri G. Venkatesh Babu, MD, LANCO ANPARA Power Ltd., Shri Dinesh Chandra Tripathy, President, Federation of Indian Micro and Small & Medium Enterprises (FISME), Shri P.K. Shah, former Chairman, EEPIC India, Shri Sunil R. Zode, Chairman, ICCAA, Shri Harish Ahuja, MD, Shahi Exports Pvt. Ltd., Shri Rahul Sharma, Aluminum Association of India, Shri R.K. Sharma, Secretary General, Federation of India Mineral Industries (FIMI), V. Kalyana Rama, Chairman & MD, Container Corporation of India (CONCOR), Shri Rahul Nair, MD, Real State, Indospace, Shri R.S. Subramanian, SVP & Country Director, DHL Express, Shri Ashish Gupta, Consulting CEO, Federation of Associations in Indian Tourism & Hospitality (FAITH), Shri Shailendra Chouksey, President, Cement Manufacturers' Association, Shri Akshay Verma, CEO, Fitpass, Shri Panaruna Aqeel Ahmed, Vice Chairman, Council for Leather Exports, Shri Lalit Kanodia, President, IMC Chamber of Commerce and Industry and Shri D.B.Sabharwal, Secretary General, All India Meat and Livestock Exporters Association among others.

Various suggestions were made by the business leaders and the representatives of different Chambers of Indian Trade and Industry among others. The major suggestions/demands included permitting the purchase of Banks' Recapitalization Bonds by the Institutes and the public at large, reducing Government stakes in Public Sector Banks (PSBs), allowing banks to securitize their loans and sell the same, setting-up of Land Bank Corporation for monetization of Government lands including the land belonging to Army, Railways and Public Authorities among others.

Other suggestions include setting-up of National Power Generation Corporation and creation of National Innovation Fund with initial corpus of Rs. 10,000 crore to promote innovation and Out of Box Ideas; setting-up of Empowered Group of State Agricultural Ministers to implement Agricultural Reforms.

Other suggestions include reduction in Dividends Distribution Tax and to bring down the maximum rate of Income Tax to 20% to encourage investment, at par with other development countries. It was also suggested to create Regulations Free Export Zone for setting-up 100% Export Oriented Units both by domestic and foreign investors which in turn would help not only in creating employment opportunities but also in earning foreign exchange for the country.

Another suggestion was made to bring a 'Scrapes Scheme' to take more than 15 year old heavy commercial vehicles off the road since demand in this sector is at its peak today. This will help in generating lot of employment opportunities as it will bring about large scale private investment in this sector.

Another suggestion was made for introduction of system of e-wallet with effect from 1st April, 2018 under GST, extension of Duty Draw Back System for GST for a year, GST on freight for carrying fruits and vegetables among others.

Another suggestion was made for incentivizing the industry for larger women participation in industrial jobs including subsidy to industry for providing transportation facilities for women and incentives for running women dormitories among others.

Various other suggestions relating to various tax benefits for industry and trade were also made. The highlights of some of the suggestions are:

- There is a need to consider across the board, tax rate cuts for businesses and individuals in India to spur domestic investment and demand, and to retain India's overall competitive environment globally.
- GST has been a landmark reform. Going forward, there is a need for convergence to 3 - 4 rates and to include all excluded items till date. Efforts should also continue to simplify compliance related to GST. Benefit of filing Quarterly return under GST be extended to all rather than limiting to those with a turnover of Rs.1.5 crore.
- Remove the applicability of GST on Intra-entity transfer of services within the same legal entity.
- There is a need for clarity on Anti-profiteering provisions under GST, specifically related to its applicability at product or entity level, examination at State or Central level, applicability on products/stocks prior to GST, etc.
- There is a need to exempt levy of Minimum Alternate Tax (MAT) on write back of notional income pursuant to approved plan of IBC.
- To boost Research and Innovation, there is a need to improvise the Patent Box regime that was introduced in the previous Budget. Government should also restore weighted deduction on Scientific Research Expenditure. Alternatively, provision of Research Tax Credit may be introduced.
- Consider establishing 2-3 Regulation Free Zones, wherein all regulatory requirements can be relaxed, especially for new-age, high-technology and innovative industries.
- Government should consider further consolidation and even privatisation of some of the Public Sector Banks (PSBs), having at the most 5-6 Large Public Sector Banks.
- Continue focus on Productive Expenditure (Infrastructure Capex) and if this requires relaxation of fiscal deficit target, it should be considered.

