

BARI BRAHMANA INDUSTRIES ASSOCIATION (REGD.)

BBIA BHAWAN, SIDCO INDUSTRIAL COMPLEX,

BARI BRAHMANA, JAMMU (J&K) - 181133

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Press Release

"BBIA HAILS THE UNION BUDGET 2020-21"

A meeting of Bari Brahmana Industries Association (BBIA) was held today under the President ship of Sh. Lalit Mahajan in presence of Sh. Tarun Singla Sr. Vice President, Sh. Ajay Langer Vice President, Sh. Virraaj Malhotra General Secretary, Sh. Rajesh Jain Secretary and Sh. Vivek Singhal Treasurer BBIA, and other members to discuss the Union Budget 2020-21 presented by the Union Finance Minister with the three prominent themes: Aspirational India, Economic development for All, and building a Caring society in which relief shall be provided to MSME & Common People of the Country.

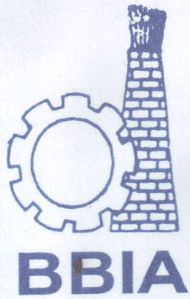
The members present in the meeting conveyed their Heartiest thanks to Hon'ble Lt. Governor Sh. G.C. Murmu for his sincere efforts for the grant of Rs. 30757 Crores in the Union Budget for Union Territory of Jammu & Kashmir and hopeful that the State Govt. will provide adequate share from the State Budget for the grant of State Fiscal Incentives to the Existing as well as New Industrial Units in respect of Reimbursement of CGST/SGST/Turnover Incentives for the Import of Raw materials and Export of Finished Goods/Transport Incentives for Incoming Raw materials to compensate the impact of Removal of Toll Tax and other related Fiscal Incentives for the Financial year 2020-21.

The Members present in the meeting also Hails the Budget 2020-21 presented by Smt. Nirmala Sitharaman, Hon'ble Union Minister of Finance by the virtue of which Rs. 27300 Crores allocated to Industry & Commerce Ministry for the promotion of Industrial Sector with a request that the Union Territory of Jammu & Kashmir should be allotted the requisite funds for the grant of Central Govt. Fiscal Incentives for the Existing Units and New Units on long term basis in 2020-21 and requested that due share for the Fiscal Incentives should be allocated to the Industrial Sector.

It is worthwhile to mention here that while considering the issue of Working capital credit remains a major issue for the MSMEs, It is proposed to introduce a scheme to provide subordinate debt for entrepreneurs of MSMEs. This subordinate debt to be provided by banks would count as quasi-equity and would be fully guaranteed through the Credit Guarantee Trust for Medium and Small Entrepreneurs (CGTMSE). The corpus of the CGTMSE would accordingly be augmented by the government.

Further more than Five Lakh MSMEs have benefitted from restructuring of debt permitted by RBI in the last year. The restructuring window was to end on March 31, 2020. Government has asked RBI to consider extending this window till March 31, 2021.

It is pertinent to mention here that Currently, businesses having turnover of more than one crore rupees are required to get their books of accounts audited by an accountant. In order to reduce the compliance burden on small retailers, traders, shopkeepers who comprise the MSME sector, Finance Minister propose to raise by five times the turnover threshold for audit from the existing ` 1 crore to ` 5 crore. Further, in order to boost less cash economy,



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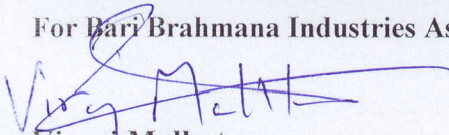
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Finance Minister propose that the increased limit shall apply only to those businesses which carry out less than 5% of their business transactions in cash.

The other issues covered in the Budget proposal includes an app-based invoice financing loans product will be launched. This will obviate the problem of delayed payments and consequential cash flows mismatches for the MSMEs, Benefit to MSMEs through enhanced threshold and composition limits, Simplified GST return shall be implemented from 1st April 2020. This is under pilot run. It will make return filing simple with features like SMS based filing for nil return, return pre-filing, improved input tax credit flow and overall simplification. Refund process to be fully automated.

It is pertinent to mention here that Rapid Industrialization in our State is the need of the hour to provide employment to the local youths of the State and request the Lt. Governor Sh. G.C. Murmu to kindly take up the matter with the Central Govt. for the grant of Fiscal Incentives on long term basis to the Existing Units, Units under substantial Expansion and New Units to create the employment avenues for the local youths.

For Bari Brahmana Industries Association


Viraj Malhotra
General Secretary