

President on Budget

Excluding MSMEs from grant of investment allowance is gross injustice

The FM appears to have been at his doublespeak best when, in spite of his fulsome praise of the MSMEs, he ignored them while announcing grant of 15% investment allowance for new investments in manufacturing facilities and restricting the benefit to Co investing Rs100Cr and above.

It is beyond comprehension what made the Finance Minister do this disservice to the MSME sector which has provided all the additional jobs in this 'jobless corporate growth' of the decade, suffers severely from capital formation, faces all the handicaps in getting essential inputs like finance, credit, power, infra, land etc by excluding it from the one benefit that it can make use of. There is no doubt in our mind that the result of keeping the playing ground level for MSMEs will result in far greater growth in output and job creation. This discrimination is sad and reinforces the belief that this government continues to be driven by lobbyists. With no resources to lobby, no votes in their kitty and no glamour or style in their conduct MSMEs continue to suffer the neglect. Let the powers that be know that this type of unfair treatment will not be tolerated by MSMEs any more.

Looking at from a higher plane, it is a budget that the country needed at this point in time. What we did not need was a flashy one with outrageous unworkable populist measures. Running of government finances, I guess is no less serious a stuff than running of our business and home finances.

Both need prudence, a conservative mindset and of course aspirations and vision for future. But then we have around us people who love to enjoy today at the cost of tomorrow. They however do not lay sound foundation for own or their children's future and often suffer grievously as a consequence.

It is amply clear from his speech that the Finance Minister has an incisive grasp of what ails our economy. But he has been meek in prescribing medicines for the weak and deserving like MSMEs.

The draconian measures like vacation of stay if appeal is not decided within 365 days and giving additional powers to his assessing officers to initiate special audit are unjust and bound to lead to a lot of harassment to MSMEs.