



Dated:- 07/12/2024

Press Release

Laghu Udyog Bharati represented by Shri Om Prakash Gupta, All India General Secretary and Shri Mahesh Gupta, All India Joint Treasurer today participated in the Pre-Budget Consultative meeting chaired by Hon. Finance Minister, Smt. Nirmala Sitharaman ji. Laghu Udyog Bharati raised various issues concerning Micro and Small industries which are given hereunder in brief:

- 1. Marketing and Outreach:** Simplify the GeM portal registration by linking it with Udyam Aadhaar. Extend GeM to private institutions and global markets. Support SMEs in international trade fairs, expos, and through trade desks in Indian Embassies.
- 2. Technological Development:** Strengthen the technology transfer through collaborations with various Govt. Agencies involved in R & D. Establish incubation centers at various labs nationwide. Allocate a dedicated fund for technology transfer and allow CSR funds for R&D for SMEs.
- 3. Skill Development:** Make one-year internships under NAPS mandatory for ITI graduates with MSEs. Develop and expand job-specific training curriculums for SMEs. Address the skill gap with sector-specific initiatives and resources.
- 4. Ease of Doing Business:** Implement a single-window compliance platform for licenses and permits. Abolish outdated laws and integrate departments to streamline processes. Simplify licensing for small and new businesses.
- 5. Banking and Finance:** Monitor timely payments under Sec. 43B(h) to address payment delays. Promote collateral-free loans under CGTMSE. Equalize interest rates for MSEs with corporates and improve CIBIL updates. To increase working capital limits to 25-30% of turnover for better liquidity to MSEs.
- 6. Corporate and Labor Law Adjustments:** Provide options in AGILE-1 Form for PF/ESI registration. Introduce amnesty schemes for defaults in ROC compliance and reduce penalties. Relax audit trail requirements for small companies.
- 7. GST and Taxation:** Rationalize GST rates for job work. Access of GST compliance ratings to assessee. Extend amnesty schemes for minor lapses in GST filings and order u/s 74. Rationalisation of RCM rates for cash flow relief, RCM rates should be 0.5% to 1%.
- 8. Custom Duties and Export Support:** Expedite GST credit refunds for exporters. Offer custom duty incentives for sustainable practices. Simplify permission processes for importing critical raw materials.
- 9. Income Tax Reforms:** Align tax rates for partnerships and LLPs with corporate rates. Permit long-term asset reinvestment rebate against capital gains tax. Allow PF/ESI for late payments made before return filing.

In addition to above recommendations were made regarding Cluster and Land Policies for common testing facilities, Allow 15% capital subsidy for new unit installations. Promote MSEs through production-linked incentive schemes, increase export duty paybacks and subsidize industrial land and introduce plug-and-play production cells and to promote Sustainable Development Goals for SME clusters.

Ghan Shyam Ojha
All India President

Om Prakash Gupta
All India General Secretary