

## Post Budget Interactive Session Implications of Union Budget 2019-20

{Post Event Report: Event held on 10th July 2019 at PHD House New Delhi}

PHD Chamber of Commerce and Industry has organized the Post Budget Interactive Session 2019-20 on Wednesday, 10th July 2019 at PHD House, New Delhi. The Chief Guest of the Session was **Shri Akhilesh Ranjan**, Member (Legislation), CBDT, Government of India and Guest of Honour was **Shri Prabhash Shankar**, Principal Chief Commissioner of Income Tax, Government of India, Delhi Region. The other esteemed panelists were **Shri Rajeev Talwar**, President, PHD Chamber, **Shri D K Aggarwal**, Senior Vice President, PHD Chamber, **Shri Sanjay Aggarwal**, Vice President, PHD Chamber, **Shri Anil Kumar Chopra**, Chairman, Direct Taxes Committee, PHD Chamber, **Shri Bimal Jain**, Chairman, Indirect Taxes Committee, PHD Chamber, **Shri Ashwani Taneja**, Co-Chairman, Direct Taxes Committee, PHD Chamber, **Shri Vikas Vasal**, National Leader - Tax, Grant Thornton, **Dr Mahesh Y Reddy**, Secretary General, PHD Chamber and **Dr S P Sharma**, Chief Economist, PHD Chamber. Some of the Members of Managing Committee were also present at the session.

### Glimpse of the Post Budget Interactive Session



From Left to Right: Shri Bimal Jain, Chairman, Indirect Taxes Committee, PHD Chamber, Shri D K Aggarwal, Senior Vice President, PHD Chamber, Shri Prabhash Shankar, Principal Chief Commissioner of Income Tax, Government of India, Delhi Region, Shri Rajeev

Talwar, President, PHD Chamber, Shri Akhilesh Ranjan, Member (Legislation), CBDT, Government of India, Shri Sanjay Aggarwal, Vice President, PHD Chamber, Shri Anil Kumar Chopra, Chairman, Direct Taxes Committee, PHD Chamber, Dr Mahesh Y Reddy, Secretary General, PHD Chamber.

**Shri Akhilesh Ranjan, Member (Legislation), CBDT, Government of India** assured to the industry stakeholders that a task force has been set up to look into all issues raised by industry on the budget announcements. He mentioned that the large scale credible tax schemes and tax administrative reforms are in the offering for India Inc and tax payer. He added that we are at that level of the economy where as much as India needs Capital, Capital also needs India as a justification for the imposition of surcharge on taxes particularly on super rich levied in Budget proposals for 2019-20. He added that as compared to other world economies Indian taxes are still very moderate. He reiterated the need for reducing the levels of inequalities, which are a great concern for the Indian economy, and said the tax on the super rich would help the government address the issue to some level. Shri Akhilesh Ranjan, assured that the government is doing its best to build a quality model and functional specialisation. He emphasised on reduction in personal tax rate which will give maximum relief to small and medium, earners. He also mentioned about the facilitation of e-verification and e-assessments so that respond to the query is provided at the earliest and in an efficient manner.

**Shri Prabhash Shankar, Principal Chief Commissioner of Income Tax, Government of India**, Delhi Region thanked the chamber for their corporation and support in contributing to the increase in revenue collections. He stated that the last year's target of Delhi charge was tremendous and we had achieved good revenue collections. He mentioned that for achieving this year's target also we need corporation from the chambers. He stated that we need maximum cooperation and support from industry to increase tax base resource, going forward.

**Shri Rajeev Talwar, President, PHD Chamber** while presenting the welcome remarks lauded the Budget announcements and said that the new budgetary exercise is more of a vision, blue print for a speedy growth to the desired vision of a USD 5 trillion economy by 2024 and USD 3 trillion economy by the end of this financial year. He added that we do aspire to become a rich country and hopefully in our life time to see Indian economy with a size of 15 to 20 trillion dollar economy. As a result of which infrastructure development will be there, Forex reserves and exports will grow in the coming times. He also stated while 25% corporate tax for companies having turnover upto Rs 400 crore is a good move; the higher taxes regime do not promote neither development nor compliances. Hence, a lower tax regime should promote people for paying taxes. He also mentioned that MSMEs sector is the main driver of economic growth which should be boosted along with focus on agriculture, food processing industries and logistics sector development. Affordable Housing, real estate sector and a new rental policy all these are path breaking changes for the economy. He stated that creating a New India is a target which involves contribution from everybody. He concluded by saying that the government has done excellent task not only in GST but in IBC and through good education, skill development, industrial growth and overall economic prosperity, India will be in the first 3 spheres in the world and hope to become more richer nation in the coming times.

**Shri D K Aggarwal, Senior Vice President, PHD Chamber** stated that Indian economy has already grown at \$2.7 trillion size and remains to expand for another \$2.3 trillion in next five years which conveniently achievable with its prospective

growth rate of nominal 12%. He appreciated the budget by saying that if Indians have to be rich, we cannot depend on conjunction as a growth driver, it is an investment which will drive the growth, which will be actually creating employment, sustainable growth, will make Indians as a rich and India as a rich country. He added that the government has accepted long term structural growth driven by investment as against short term fiscal stimulus. He appreciated the amendments made in Union Budget like stability in macro parameters, providing Rs.70,000 crore for PSU bank recapitalization, interchanging of aadhar and pan card, several measures have been taken to boost MSMEs sectors and real estate sector, E-platforms and pension benefits etc. He added that liquidity issues need to be addressed in future. He also mentioned that the real interest rate is too high and there is a need to reduce it, push private investment reforms in the economy, generate employment opportunities and boost foreign portfolio investments (FPI) in coming times.

**Shri Sanjay Aggarwal, Vice President, PHD Chamber** said that the Union budget is a path breaking budget and more of a vision statement. He stated that the proposal to streamline multiple labour laws is encouraging and opined that simplification of labor laws is necessary at this juncture to provide a big relief to the industry. He emphasized on the higher education policy, affordable housing as large number of new rural homes will be build in the coming years. He stated that economy works on investments in all possible manners and investment is the biggest driver of growth and have huge multiplier effect for GDP of the economy. He appreciated that huge amount is invested in Railways for cheaper cost of logistics and promotion of PPP model for funding. He appreciated the government for relaxing FDI norms which is going to help Indian industry in raising fund. He also threw light on the Direct Tax Code amendments and suggested that a lot of deliberations should take place before introducing and implementing the same. He demanded a few more critical reforms both on policy and taxation fronts so that the intended directions of Indian economy are accomplished and India becomes a developed country with its firm inclusive growth.

**Shri Anil Kumar Chopra, Chairman, Direct Taxes Committee, PHD Chamber** gave the theme address and threw light on the recent amendments in the provisions of Income Tax Act made by the Government in the Union Budget 2019-20 which are favorable to the assesses along with few concerns. He appreciated the amendments or proposals made in Union Budget related to 25% corporate tax rate, capital gain exemption, promoting cashless economy, E-vehicles, pension scheme and among others. He thanked the government for including the Chamber's suggestions from time to time in making policy decisions and incorporating in Union Budget too. Further, he also gave a brief view on taxation amendments made in Union Budget including discussion of issues therein which needs rationalization thereby summarizing the topics related to Minimum Alternate Tax (MAT), Income Computation and Disclosure Standards (ICDS), TDS on cash withdrawal and suggested that income tax deduction on interest paid on home loans should be extended for 3 to 5 years instead of 31<sup>st</sup> March 2020 .

**Shri Bimal Jain, Chairman, Indirect Tax Committee, PHD Chamber** highlighted some important achievements which Government has announced in the budget. He stated that this union budget is broad based on macro level, forward looking budget, majorly focused on urban India and rural India. He stated that custom duty rates are being rationalized to promote make in India and to protect domestic manufactures. He appreciated the government for introducing the GST,

which has brought India to become one nation, one tax and one market instead of multiplicity of taxes or double taxation. He also admired GST council's working system for taking major decisions related to automated refund of tax, E-invoicing system for specific sector and most importantly return simplifications. He also mentioned that a new scheme has been announced in Union Budget "sabka vishwas legacy dispute resolution scheme 2019" so that tax payers can come forward and settle down and get benefit from 40% -70 of tax payable, this is highly allowable. He also suggested that the government should consider the 2 tier rate in Goods and Service Tax (GST) regime, as the reduction in rate will increase more revenue.

**Shri Ashwani Taneja, Co-Chairman, Direct Taxes Committee, PHD Chamber** gave concluding remarks in the session and thanked all the dignitaries and our esteemed guests for delivering thought provoking remarks. He suggested that government should work on the phenomenon that lesser the taxes will make the people more compliant. He stated that if the tax rates are lower, the people will contribute and hence the amount of revenue collection will be high. **Shri Vikas Vasal**, National Leader - Tax, Grant Thornton, **Dr Mahesh Y Reddy**, Secretary General, PHD Chamber and **Dr S P Sharma**, Chief Economist, PHD Chamber participated in the deliberations of the post budget interactive session.

### Glimpses of the Post Budget Interactive Session 2019-20



From Left to Right: **Shri Rajeev Talwar**, President, PHD Chamber, **Shri Bimal Jain**, Chairman, Indirect Taxes Committee, PHD Chamber, **Shri D K Aggarwal**, Senior Vice President, PHD Chamber, **Shri Prabhaskh Shankar**, Principal Chief Commissioner of Income Tax, Government of India, **Shri Akhilesh Ranjan**,



From Left to Right: **Dr S P Sharma**, Chief Economist, PHD Chamber, **Shri Ashwani Taneja**, Co-Chairman, Direct Taxes Committee, PHD Chamber **Shri Bimal Jain**, Chairman, Indirect Taxes Committee, PHD Chamber, **Shri Prabhaskh Shankar**, Principal Chief Commissioner of Income Tax, Government of India, **Shri Rajeev Talwar**, President, PHD Chamber, **Shri Akhilesh Ranjan**, Member (Legislation),

Member (Legislation), CBDT, Government of India, **Shri Sanjay Aggarwal**, Vice President, PHD Chamber, **Shri Anil Kumar Chopra**, Chairman, Direct Taxes Committee, PHD Chamber, **Dr Mahesh Y Reddy**, Secretary General, PHD Chamber.

CBDT, Government of India, **Shri Sanjay Aggarwal**, Vice President, PHD Chamber, **Shri Anil Kumar Chopra**, Chairman, Direct Taxes Committee, PHD Chamber, **Shri Vikas Vasal**, National Leader - Tax, Grant Thornton.



**Shri Akhilesh Ranjan**, Member (Legislation), CBDT, Government of India addressing the gathering



Eminent dignitaries on the dais at the Post Budget Interactive Session 2019-20



Eminent dignitaries on the dais at the Post Budget Interactive Session 2019-20



Participants at the Post Budget Interactive Session

For any query related to this mail, please contact Ms Surbhi Sharma, Associate Economist at [surbhi@phdcci.in](mailto:surbhi@phdcci.in) or Ms Divya Sharma, Research Associate at [divya.sharma@phdcci.in](mailto:divya.sharma@phdcci.in) with a cc to Dr S P Sharma, Chief Economist at [spsharma@phdcci.in](mailto:spsharma@phdcci.in) and, PHD Chamber of Commerce & Industry.

Warm Regards,

Dr S P Sharma

Chief Economist

PHD Chamber of Commerce and Industry

PHD House, 4/2 Siri Institutional Area

August Kranti Marg, New Delhi-110016, India

Tel: +91 49545454

Fax: +91 11 26855450

Email: [spsharma@phdcci.in](mailto:spsharma@phdcci.in)

Website: [www.phdcci.in](http://www.phdcci.in)

Follow us on



*"Towards an Inclusive & Prosperous India"*



**PHD CHAMBER OF COMMERCE AND INDUSTRY**

PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi - 110 016 (India) • Tel. : +91-11-2686 3801-04, 49545454, 49545400  
Fax : +91-11-2685 5450 • E-mail : [phdcci@phdcci.in](mailto:phdcci@phdcci.in) • Website : [www.phdcci.in](http://www.phdcci.in), CIN: U74899DL1951GAP001947

Connect with us:

