

Union Budget 2020 for Retail Sector

 retail.economicstimes.indiatimes.com/live-blog/union-budget-2020-for-retail-sector/73827632

Union finance minister Nirmala Sitharaman will present her second Union Budget today. Budget includes detailed statement of the estimated revenues and expenditures to be incurred by the government in a particular fiscal year.

Updated: February 01, 2020, 16:46 IST

- 04:46 PM Feb 1, 20

The budget this year has clearly focused on uplifting the ease and quality of life for all, with the undermining objective of achieving a consumption led growth. Key elements of the Budget such as 16-point action plan for integrated solutions for farmers, focus on better wellness & health and education and skill development initiatives will be crucial to the 'Aspirational India' growth agenda. Harsha Razdan, Partner and Head, Consumer Markets and Internet Business, KPMG in India

- 04:44 PM Feb 1, 20

The Union Budget attempts to activate multiple levers like rural, infrastructure, entrepreneurship and financial sectors to stimulate growth. It remains to be seen which of these will fire and to what extent. We are optimistic about the government's rural agenda and hope that it buoys consumer demand for the FMCG sector. Varun Berry, MD, Britannia Industries

- 04:32 PM Feb 1, 20

India currently does not have the infrastructure, capability, skillset and technology to manufacture higher end footwear. Therefore, increasing customs duty of footwear from 25-35% may not have a significant impact on imports. Presently, at the entry price, we anyway manufacture 30% of our footwear in India, and we will continue to do so. The government should proactively promote and enable footwear factories which can handle more technical manufacturing. This is a huge opportunity as India can definitely take share from China and far East – not only for domestic, but also international consumption. Abhishek Ganguly, Managing Director, Puma

- 04:31 PM Feb 1, 20

The Union Budget announced by Honourable Finance Minister laid out an elaborate plan to steer India towards realizing its 5 trillion dollar economy dream. Striking was Government's resolve to fund inclusive and equitable growth by accepting a trade off in terms of deviation from the fiscal targets. The Finance Minister also seems to be very determined in simplifying the tax regime by removing exemptions while simultaneously reducing taxes. Reduced personal taxes auger well for consumer goods companies as more disposable income will help drive consumption of branded goods. Vivek Karve, CFO, Marico

- 04:30 PM Feb 1, 20

Micro-level initiatives such as deferring taxation on Esop by 5 years too is a significant step for Startups, as it will help them retain valuable employees, and not create cash flow related problems for the latter, which has so far been the case. Speaking in the capacity of a taxpayer as well as that of a consumer-driven business, I would like to applaud the government's initiative of proposing a significant cut in personal income tax rate across slabs, as it will have a direct bearing on the citizens' financial health. Swati Bhargava, Co-Founder of CashKaro

- 04:28 PM Feb 1, 20

RAI had two expectations from the budget this year: Ease of Doing Business and a national policy for retail. We are pleased that the Budget 2020 paves the path for both in some way. The mandate to states for adopting model laws and decriminalisation of statues are some welcome moves on those fronts. More money hands in the consumers definitely boosts consumption however we have to calibrate for non-allowance of deductions. Kumar Rajagopalan, CEO Retailers Association of India

- 04:19 PM Feb 1, 20

Thankful to the Hon'ble FM for accepting the start-up sector's request for ESOP taxation reforms. Also, the higher time & turnover limits for carry forward of losses for start-ups will enable them to optimize growth decisions in formative years. Overall, Budget 2020 is a thoughtful weaving together of specific proposals to tackle varied issues. Measures to improve access to finance for MSMEs and reduced taxation for the middle-income segment are welcome steps. Boosting physical infrastructure, expanding digital connectivity and growing use of technology in government functioning are important building blocks for the long-term growth of the Indian economy: Kunal Bahl, CEO & Co-founder, Snapdeal

- 04:17 PM Feb 1, 20

To sum up - a good budget - with clear focus areas to revive the GDP growth and make people of India live a happy life in 2020-21 and beyond. Hats off to PM and FM and the experts for their great work and setting the direction. Like a true mother, Nirmalaji has distributed adequate money to all her children - the various sectors of the economy - to get a strong demand pull. Ranganathan, Managing Director, Roca Bathroom Products

- 04:17 PM Feb 1, 20

The reduction of income tax in the slabs below 12 lakhs will definitely increase the disposable income of the consumers hence resulting into an increase in the overall sales across industries which will further improve the economic conditions of the country. We were expecting the government to take action on the 0% open cell duty structure which could increase post september due to no manufacturing/bonding plants of open cell in India. An extension in 0% duty is needed due to no local manufacturing. Arjun Bajaj Director, Videotex International

- 04:02 PM Feb 1, 20

The Budget 2020 would lead to creation of a New Aspirational India, anchored around Agriculture, Health and Education. This Budget, seeks to strengthen grassroots of the economy with its positive push towards creation of a strong agriculture infrastructure, which will give a big push to India's rural sector. The rate cuts in the Personal Income Tax rates would increase disposable income in the hands of the Indian middle class which will enhance consumption through improved purchasing power. These two positive budgetary intervention together would drive a strong demand growth that drives the Indian economy in turn. This is a budget that unveils the roadmap to Prime Minister's vision of \$ 5 trillion economy by 2024-25 by reinvigorating the hopes of both urban and rural consumers. Krish Iyer, President & CEO at Walmart India

- 03:51 PM Feb 1, 20

We believe that this year's budget will boost the domestic economy. Despite her fiscal constraints, the Hon'ble Finance Minister has introduced policy measures that will stimulate domestic consumption, encourage investment and also strengthen the Indian infrastructure. Constructive policies have been launched in field of integrated logistics. There will also be a visible improvement in MSME competitiveness as the government has allocated 900 cr for their debt funding. We welcome this year's budget and now wait to see how it pans out in terms of implementation. Gautam Bansal, SVP, Finance, Shiprocket.

- 03:50 PM Feb 1, 20

The Government's focus on development is clear and reinforced with the allocation of additional funds to the Airport, Railway and the Highway sectors. This will boost business and leisure travel thereby generating employment, connectivity and overall economic development of catchment areas. This commitment towards tourism sector through allocation of INR 2500 crores, infusion of INR 1.7 lakh crores in infrastructure sector, doubling of aircraft fleet and enhanced focus on cultural tourism among other aspects, is bound to create a multiplier effect on inbound traffic to India, thereby propelling the travel retail economy to further growth. With digitisation and infusion of positive funds in the economy, we look forward to rubber hitting the road in the days to come. Gaurav Dewan, COO and Business Head, Travel Food Services

- 03:49 PM Feb 1, 20

We see this budget as a good step in direction to become a \$5 trillion dollars economy. As a technology player embedded in India's technology ecosystem, we welcome the government's vision to build Data Centre Parks in the country. The government's focus on enhanced digital connectivity, and focus on emerging technologies such as machine learning and artificial intelligence, along with the allocation towards quantum computing are sure to provide a fillip to India's economy. Vikas Garg, Deputy CFO, Paytm

- 03:42 PM Feb 1, 20

Custom duty rates increase on footwear, toys, furniture, etc. and announcement to relook at duty benefits on FTA country imports will have to be analysed by some MNC brands and stores including incremental obligations. This will subtly motivate some of them to start exploring to shift manufacturing base to India. For manufacturing and export from India, availing refund of federal duties including electricity duties etc. is a positive development. Overall, Budget 2020 seems to give reasonable push to the personal consumption story, especially by proposing reduced income tax rates for various slabs, ambition to double farmers income, fasal bima yojna, agricultural credit enhancement, etc. Paresh Parekh, Tax Leader, Consumer Products and Retail, EY India

- 03:42 PM Feb 1, 20

Retirement benefits have been included in the new taxation system : Revenue Secretary Ajay Bhushan Pandey

- 03:41 PM Feb 1, 20

We want to remove all exemptions eventually: Finance ministry

- 03:20 PM Feb 1, 20

We congratulate the government on presenting a holistic budget for the common man and it's encouraging to see that the government has taken bold initiatives at large. The removal of DDT and 100% tax exemption by the government will open gates for foreign investment, making India an attractive destination for investment. The tax benefit proposal will significantly benefit and we expect an increase in the spending power of the consumer which will eventually boost demand and supply. Deepak Bansal, Director, Cantabil Retail

- 03:16 PM Feb 1, 20

Our honourable FM's second Union Budget will help iron out some concerns for the Indian economy related to manufacturing, ease of doing business leading to make in India. From a consumer electronics industry perspective, the decision to encourage domestic manufacturing of mobiles and electronic goods in India is a welcome move while a definitive timeline would have helped further boost the industry sentiments. It is one of the vital steps towards establishing a robust, ecosystem for domestic manufacturing while also giving a boost to exports. With the NIRVIK scheme, the SMEs stand to gain financial stability. We look forward to seamless implementation of this scheme to scale up manufacturing and developing an export hub. Manish Sharma, President & CEO, Panasonic India & SA, Chairperson -Electronics & Manufacturing Committee

- 03:15 PM Feb 1, 20

The Finance Minister has set the ball rolling by announcing confidence-building measures and steps to rejuvenate consumption and jobs. In line with the focus on \$5 trillion GDP, there are measures to boost investment climate, ease of compliances and demand. Along with continued efforts to boost farm income, consumption to get much needed filip with the proposed new personal income tax regime to put more money in the hands of the tax payer. overall there is a sustained focus on ease of business, clean & vibrant financial sector and ease of living for all. Gautam C Kaushik, MD & CEO, PAYBACK India

- 03:02 PM Feb 1, 20

National Technical Textile Mission with an outlay of Rs 1,480 crore is a great move by Finance Minister. The bigger chunk of this investment must be utilised for skill development, tech and automation to get higher efficiency for faster and cost effective produce. We are really happy about the personal income tax reduction in the budget, which should add positive sentiments overall and spur the consumer towards spending that was on hold in the previous 2-3 years. Akhil Jain, Executive Director, Madame.

- 03:01 PM Feb 1, 20

**The FM has delivered a fantastic budget for startups. The measures announced on ESOPs, taxation and seed fund will infuse tremendous energy in the ecosystem. The clear message on no-undue harassment will provide renewed confidence to entrepreneurs to create new innovative startups which create jobs and wealth in India and strive to take over the world. The startup ecosystem is extremely grateful to the PM and the FM who have taken the trouble to listen to startups and address some of their very serious concerns. And to DPIIT for piloting our cause so well.
Saurabh Srivastava, Chairman, Indian Angel Network**

- 03:00 PM Feb 1, 20

The budget 2020 represents a big win for the country's startup ecosystem. We are pleased to see that the Government has paid heed to our concerns and rolled out the reforms like 5 year tax holiday for ESOP, Tax exemption for startups with turnover

- 02:53 PM Feb 1, 20

The FY20 budget has delivered what best it possibly could. The industry had requested the government to bring in measures that would grow demand and spur consumption. But beside a few changes to the personal income tax rates, not much is seen impacting the demand and consumption story. The big gun announcements that the industry was expecting to stimulate the economy were missing. The absence of feel-good measures has left the budget falling short of expectations.: Sanjay Vakharia, CEO, Spykar Lifestyles

- 02:52 PM Feb 1, 20

Container Corporation of India Ltd is set to be the biggest winner of the announcements on freight trains, cold storage, and warehousing. The Fast Moving Consumer Goods Index rallied, while Emami, Hindustan Unilever, Dabur, Tata Global are set to rally further.

- 02:49 PM Feb 1, 20

Customs duty on tableware/kitchenware made of porcelain or China ceramic, clay iron, steel, copper doubled to 20%.

- 02:49 PM Feb 1, 20

Goa Chamber of Commerce and Industry expresses disappointment with the Union Budget 2020. "Industry was expecting much more more," said GCCI president Manoj Caculo.

Subscribe to our Newsletters
