

PRESENTATION
ON KEY
CONCERNS OF
INDUSTRIES IN
AGRA

REPRESENTATIONS REGARDING RECLASSIFICATION OF NON-POLLUTANT INDUSTRIES AND PERMITTING NON POLLUTING INDUSTRIES IN TAJ TRAPEZIUM ZONE:

With government being concerned for pollution in Agra resulting in eradication of industries. The government even restricted non polluting industries like cold storage, hotels, real estate, malls, rolling mills, shoe units, hospitals etc. This will lead to weakening of economy of Agra. Various representations were made by different trade organization and association before state authorities in this regard. But appropriate action is still awaited. No fresh permission is being granted from various departments including pollution department for more than 2 years even in case of non pollution industries & units. Immediate permission should be granted to such non pollution industries to stimulate the industrial growth.

REDUCTION OF POLLUTION AROUND TAJ MAHAL WITHOUT AFFECTING THE INDUSTRIAL GROWTH :

Restricting industries in Agra is not a solution for saving Taj Mahal from the pollution. A duly diligent plan should be laid out for preserving Taj Mahal without affecting the industries that Agra hold. A possible solution can be to add more greenery, build fountains around, the Taj Mahal.

NOTIFICATION REGARDING PAYMENT OF WAGES TO LABOR THROUGH BANK CHEQUE, NOTIFIED ON 30, MAY, 2018

As per an amendment to The Payment of Wages Act, 2017 each employer of industrial or any other establishment shall pay salaries and wages to his employees through Bank Cheque or National Electronic Fund Transfer or Electronic Clearing Service System into the bank account, thereof:

Provided that if the work of an employed person is of temporary/casual/fixed term nature and he requests cash payment of his earned wages in writing and provides a copy of his self attested Aadhar Card, the concerned employer may pay the concerned employee cash payment of due wages not exceeding Rupees five thousand during a period of three months.

PRACTICAL DIFFICULTY

With implementation of the amendment, practical difficulties are bound to arise. While making cheques or digital payments compulsory may be good for organized sector, but is not practical in the unorganized sector where migratory labour work.

Labourer in the unorganized sector work on a day-to-day basis and they are not well versed with banking and financial transactions and they require cash to meet day to day expenses.

Moreover the Agra's industry engages lot of casual and migrating labour. It doesn't seem practical to pay such labor through Bank Cheque or National Electronic Fund Transfer or Electronic Clearing Service System.

Small Scale Industry employs upto 100 labour should be kept out of the ambit of this circular.

ACCESS TO BUSINESS PREMISES BY GST OFFICIALS:

The Central Tax Department can grant permission to subordinate officer up to the rank of Inspector to have access to any place of business of a registered person to inspect books of accounts and such other things as he may require and which may be available at such place, for the purpose of carrying out any audit, scrutiny and checks as may be necessary to safeguard the interest of revenue. This may arise practical difficulties to the industry as fear will always be in the mind of businessman that any official may anytime visit their premises, this will lead to the Inspector Raj. We are in self-compliance taxation mechanism and such practice will deviate from this mechanism.

SPECIAL INVESTIGATION BRANCH UNDER GST:

It is observed that SIB is used as a tool for tax collection and it creates panic among businessmen. SIB should be utilised only for pertinent purpose and not generally. Business should be done in free environment without any hassles and a comfortable environment should be promoted for business.

Immunity from search and seizure in case of incremental tax under various Acts:

Search and seizure are conducted under various act merely for tax collection and tax paying assessee are always considered as soft target. It is recommended that if an assessee is increasing his income tax payment by 15% on year to year basis then they should kept immune from the procedure of search and seizure under various acts.

PROJECTS ON NATIONAL HIGHWAY:

The project of widening the National Highway 2 to six lanes started in October 2012. It has been 5 years since its inception and the work is still in progress. The National Highway 2 is one of the important highways and very congested and since the project to decongest it has been delaying, it causes problems to the local people. It is the major cause of pollution in the city. Good infrastructure is backbone for fast industrial development and this matter should be taken on high priority basis.

NON REVISION OF CIRCLE RATES:

Circle rates are proposed to increase in Uttar Pradesh, which are on already very high side. And since the real estate sector is already facing lot of hardships, increment in circle rates will add to the woes. Therefore, it is requested not to enhance the circle rates anymore.

INCENTIVES SHOULD BE GIVEN TO SME's:

Earlier, in excise regime SSI units were not liable to take registration if the turnover was upto Rs. 1.50 crores, but under GST regime the limit for taking mandatory registration is Rs. 20 lakhs of aggregate turnover. Hence, it causes hardship to the small industries as earlier they were only liable to pay VAT. Now, due to the single GST (which includes both excise and VAT element), higher tax burden were implied to small enterprises and they are not able to compete with the big business houses. Therefore, an incentive should be provided to the small units so that they can survive comfortably. Refund of state tax (SGST) should be given to SME's as a solution.

ISSUES PERTAINING TO INDUSTRIES RELATING TO BANKS:

1. Due to applicability of PCA on 11 national banks, no bank is funding for limit above Rs. 5.00 crores.
2. Apart from 11 banks mentioned above, other banks are also very reluctant to fund green field projects.
3. Buyer's credit stopped in February has not been started causing difficulties for importers.
4. Reluctance of bankers to fund for zero collateral schemes like Mudra/CGTSME.
5. Lack of effective citizen charter on sanctioning of loans.
6. Ease to open online bank accounts using Aadhar card and PAN.

BANKER'S CONCERN:

If we take a look on the statistics, NPA on housing loan is about 1% whereas it is about 20–25% on the loans covered under CGTSME/ Mudra schemes, which should be a concern for Banking sector as mostly people undertake such schemes with a mala fide intention of deceiving the banks. So necessary steps should be taken in this regard.



CA NITESH GUPTA, AGRA
B.Sc , FCA
(Partner)

Vinod Kumar Gupta & Associates
Contact No: 9837073938
email id : vinodguptafca@gmail.com