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Mumbai, Feb 2 (KNN) Following the union budget announcement on Wednesday, MVIRDC World Trade Center Mumbai has suggested the government to conclude the negotiations for pending Free Trade Agreements (FTAs) at the earliest to boost exports further.

In his budget reaction, Vijay Kalantri, Chairman of the international trade promotion organisation welcomed the enhanced corpus under credit guarantee scheme for MSMEs.



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He suggested that this scheme should be implemented effectively to reduce rejection rate of applications by MSME borrowers for collateral-free loans.

Kalantri opined that the budget will benefit middle class, poor, farmers, MSMEs and women entrepreneurs.

"This is a futuristic budget that will promote responsible growth by giving thrust on clean energy, circular economy, natural farming and it is aligned with our global commitment to reduce carbon intensity of GDP growth. The budget has ticked all the boxes by providing relief to MSMEs, individual taxpayers, farmers and women self-help groups," he said.

"The Government should now rationalize the GST rate structure and reduce the number of rates as done for Customs duty," he added.

MVIRDC World Trade Center, Mumbai also suggest the government to extend the exemption period for availing concessional Corporate Tax rate for new manufacturing investment to March 2025.

"As companies generally take more time to plan and execute their new investment plan in this uncertain global environment," he added.

Further, in order to encourage shifting of the global supply chain towards India, the government may introduce production linked incentive schemes in plastics, engineering goods, leather and other labour intensive goods, said Kalantri.

MVIRDC has welcomed the rationalization of Customs duty rates is a welcome move which will help more investments in Make in India initiatives.

"The relief provided to the MSMEs through the two Vivad se Vishwas Schemes will result in reducing the financial and contractual burden," it said. **(KNN Bureau)**