

**SOPS ANNOUNCED BY
HON'BLE PRIME MINISTER MR. NARENDRA MODI**

We welcome various SOPS announced by Hon'ble Prime Minister Mr. Narendra Modi in his speech on December 31st. Post demonetization, the businesses and particularly MSME sector are reeling under tremendous stress.

Various measures including enhancement of the credit guarantee limit for Micro, Small and Medium Enterprises (MSMEs) from Rs 1 crore to Rs 2 crore including NBFCs will give much needed credit liquidity. The availability of additional working capital loans and cash credit limit for small business will help MSMEs in the light of credit crunch being faced due to availability of limited cash in hand.

The inclusion of NBFCs in addition to traditional scheduled commercial banks and regional rural banks will particularly help MSMEs access additional working capital and will further bring in much needed transparency with deep penetration. This would augur well in Government's mission to bring in financial inclusion. This is crucial since many small businesses are in the midst of trade adjustments due to challenging business environment.

We sincerely expect that the Government will continue in its strategy to support MSME sector by announcing taxation reliefs and necessary incentives in the forthcoming Union Budget. The businesses are looking forward to the ease of doing business by having minimum laws and better governance and doing away with multiplicity of taxes, number of permissions and redundant rules and regulations.