

Union Budget views - Yogesh Patel, CFO, Mahindra Logistics Limited

“The budget 2019 has touched upon many areas of concerns and issues that the logistics industry has been facing. The budget’s thrust on infrastructure will improve logistics tremendously by reducing the cost of transportation and increasing the competitiveness of domestically produced goods. The schemes like Pradhan Mantri Gram Sadak Yojana, dedicated freight corridor, Bhartamala and Sagarmala projects, Jal Marg Vikas and UDAN will boost the industry considerably. More importantly, focus by the Government on its intention to invest 100 lakh crore in infrastructure over the next five years abodes well for the sector. India needs better infrastructure and connectivity and with the initiatives taken by the government we expect to see the desired results in overall economy of the India.

Simplification of GST procedures is a big plus, considering the hugely unorganized logistics industry. The introduction of electronic invoice system, enabling better financing options for MSME players and inclusion of larger number of corporates in the lower tax bracket from corporate tax, are additional points that are very welcoming for the sector. Introduction of E-assessments without out any human interface is a huge fundamental shift in tax proceedings for the times ahead as well.

Overall a very encouraging budget for the logistics industry, which will help in reducing the cost of logistics and improve India’s position in the Logistics Performance Index.”

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About Mahindra

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