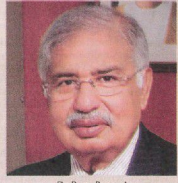


India's Modi-led government introduced a poor-friendly 'Union Budget 2016' on Monday that seeks to sustain growth against a grim global backdrop all without borrowing more. The Gulf Today spoke to the Non-Resident Indian (NRI) business community across the UAE. They are of the opinion that this year's budget is investor-friendly and will certainly bring relief to the NRIs.

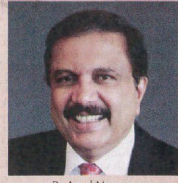
INVESTOR-FRIENDLY BUDGET



Rizwan Sajjan



Dr Ram Buxani



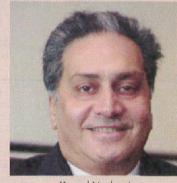
Dr Azad Moopen



Adeeb Ahamed



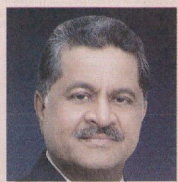
Paras Shahdadhuri



Kamal Vachani



Harneek Singh



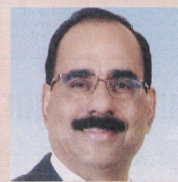
Thumbay McIddeen



Sajith Ansar



Rajesh Nagjee



Sudhesh Giriyan



James Mathew

BY INAYAT-UR-RAHMAN & WILLIAM FARIA

Rizwan Sajjan, Chairman, Danube Group, stated: The Indian economy hasn't showed any signs of a slowdown despite global concerns and the new budget proposes an ecosystem which is investor-friendly through simplified tax structure and special schemes that offer debt, equity and receivable financing. So all in all it's a mixed budget and has something for everyone- entrepreneur, employee, householder, youth, farmer and senior citizen. Everyone was looking forward to three major areas- taxation, ease of doing business and Markets. The proposal to simplify taxation structure coupled with ease of doing business along with long-term gain plans for markets would go a long way in an investment surge. Revival of infrastructure projects, improved connectivity, implementation, corporate tax overhaul and FDI norms, all point in one direction to achieve Skill India, Make in India and gradually these reforms will lead towards 'Transformed' India. The Indian government's push

for affordable housing has been an amazing initiative whereby a deduction (personal finance) for rent paid will be raised to benefit those living in rented houses with an additional exemption for housing loans. No doubt the budget is high on purpose and intensity." Dr Ram Buxani, Chairman, ITI-Cosmos Group, said: It is a farmer's budget. And it is Indian budget in true sense. And rightly so. For long, rural population has kept on moving to urban areas because of uncomfortable rural situation. It is a dangerous scenario. Farming should be encouraged and made lucrative. I remember Japan always encouraged farmers and bought product from them at a lucrative prices. Then sold in the market at subsidised rates. The average Japanese farmer turned out to be richer than his urban counterpart. But there is no discrimination in tax laws. Rural and urban citizens have to pay some tax. taxes are same for all. I must compliment the Finance Minister for conceiving this type of thoughts. Indeed a well conceived presentation.

World will not look at India as land of poor villages but Bharat will be identified as country of prosperous villages. Farmers who are feeding the nation will soon start living a dignified life. They don't have to move to cities to work as house boys, shop guards or Chowkidars. Dr Azad Moopen, Founder, Aster DM Healthcare, said: The Union Budget for 2016-17 is transformative in nature and is aimed at empowering the rural population and strengthening the 'bottom of the pyramid'. This will play a key role in fuelling the overall economy and help sustain a growth rate of over 7 per cent, which is a bright spot in a sluggish global economic scenario. For the healthcare sector, the three major measures announced are aimed largely at the underserved and rural segments of the country, and support the National Health Policy 2015 which advocates healthcare as a fundamental right. The announcement of Health Protection Scheme which will offer health insurance of up to INR 1 lakh per family and INR

1.3 lakh for senior citizens, is welcome as this will be in addition to the Rashtriya Swasthya Bima Yojana which currently provides a cover of INR 30,000. This, we believe is a significant move towards universal health cover. The budget has also envisaged opening of 3,000 drug stores that will provide generic medicines at lower rates. This is a step in the right direction and will effectively complement the various rural health schemes to make medication more affordable and accessible. We would also like to applaud the budget for increasing the excise on tobacco and tobacco products. This will ensure that consumers are disincentivised and go a long way in helping reduce the incidence of cancer and other major ailments caused due to the abuse of such products. In conclusion, the budget will steer us towards a 'Healthier India' with a deft combination of preventive, inclusive and accessible healthcare for all Indians. Adeeb Ahamed, CEO, LuLu International Exchange, stated: The Union Budget for 2016-

17, presented by Shri Arun Jaitley is clearly focussed on the rural economy, with an emphasis on agriculture, infrastructure, rural development, education and social sectors. From an NRI point of view, there is nothing home to write about for expat Indians. Adherence to fiscal discipline, with emphasis on growth and development, increasing infrastructure are this year's key elements. Ample allocation has been given to the development of roads and highways which will not only help develop trade, but also promote tourism and subsequent infrastructure. Revival of underserved airports and revival of small airports for regional connectivity is also a positive move for domestic tourism. The government has also taken a lot of good steps to make India an investor friendly destination, in line with promoting the Make In India campaign. It is a welcome statement by the finance minister that India will not resort to retrospective taxation in the future. Foreign players looking to invest in India had been cautious earlier due to the availability of such an aspect of legal

framework, but can now breathe a sigh of relief if the government sticks to their promise. The three-year 100% tax exemption for start-ups along with making registration of companies a one-day affair is the right step towards easing the creation of indigenous businesses and retaining them along with the local talent in India. 100% FDI in the marketing of food products produced and marketed in India can also allow invite higher investments in the development of local produce and also make it easier for Indian products to reach a global market. Paras Shahdadhuri, Chairman, Nikai Group of Companies, said: The budget did not have fireworks and many did not, expect it either. Finance Minister Arun Jaitley presented his third Annual Budget. With an eye on supporting the small tax payer and the small investor, the Minister announced a number of schemes and small income tax exemptions. With a total plan outlay of Rs. 706248 crores (just over \$100 billion), this year's budget



KV Shamsuddeen

CA Nimish Makvana

Sripriya Kumaria

Kanan Nahata

Dr. Shafer Sainaldobeen

Adel Sajon

Fiscal deficit is targeted at 3.5% of GDP. Further 100% FDI through FIPB route in marketing of food products and manufactured in India is an encouraging announcement for the food processing sector. Total proposed outlay on infrastructure in 2016-17 is Rs. 2,21,946 crore (\$326) which will boost domestic demand and generate employment in the country. It is an optimistic and an inclusive budget majorly covering NRIs, Taxation, Agriculture and farmer's welfare, social sector, including healthcare, education skills and job creation, financial sector reforms, among others.

By all accounts government, NRI community has not been a priority and so has Jately followed although I feel NRI potential should be harnessed both in financial and technical terms. I will give 6 out of 10 to Finance Minister for his budget performance.

Kamal Vachani, Regional Director, Electronics and Computer Software Export Promotion Council (ESPC) stated: The Indian Finance Minister has presented a more growth-oriented budget.

Those NRIs, who do not have PAN card and passport copy or any other documents as proof of residence to avail the low rate TDS and increase in baggage allowance are the welcome steps taken by the Indian government.

Allocation of Rs5984 crore will get big boost for Agriculture Sector and focusing on the rural growth will put the business across various industries. 100 per cent FDI allowed in food processing industry, where the products are manufactured and then exported out of India will attract more foreign investors in this field.

Vachani further added that registration of company in one hour for startups and 100% tax deduction for companies building houses up to 30 sqmtrs. and also a service tax for building houses up to 60 sqmtrs. are welcome steps, which was announced in the budget.

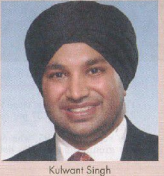
"First time home buyers to get additional deduction of Rs50,000/- on interest for loan up to Rs-35 lakhs, will get a big relief for the middle class people to construct / buy new homes," he concluded.

Harmeek Singh, Founder, Plan Group, said: It is pleasing to see that the agricultural sector has received due attention within this Union Budget 2016-17. But the balanced approach towards taxation on the luxury sector is something that will impact the overall economy in a positive way.

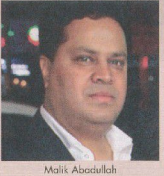
Other areas covered in the budget such as expenditure on infrastructure, and entrepreneurship education and training shows the elected government's support towards the millennial generation. I personally feel that the approach will make India an even more lucrative destination for NRI and foreign investment and an ideal platform for our parallel market concept between businesses in UAE and India.

Thunbany Moideen, Founder, Thunbany Group, commented: As far as the healthcare sector is concerned, the union budget includes some positive steps for the people like relief on basic dialysis equipment, opening of generic drug stores, additional healthcare cover for senior citizens and new schemes for health cover. However, the budget does not have any major announcements on improving the basic healthcare infrastructure, which is important to address the fundamental issues.

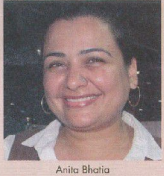
Sajith Ansar, Founder and CEO, Idea Spice, said: It is definitely a well-crafted budget for the common man. A lot of focus has been placed on the agriculture sector and considering



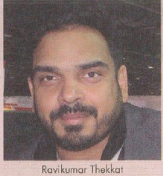
Kulwant Singh



Malik Aboodullah



Anila Bhatia



Ravikumar Thekkat

the industry is the mainstay of Indian economy, this is definitely a big positive in my opinion.

I believe the exemptions provided on housing loan interest will boost the residential sector. Meanwhile, scrapping the dividend distribution tax (DDT) on Real Estate Investment Trusts (REIT) will help developers raise funds, making investments much more attractive now. This means there will be no roadblock in launching REIT schemes which will more likely spell scores of opportunities for developers, private funds, etc.

Rajesh Nagice, CEO, Coach, stated: The focus on fiscal discipline, with a strong emphasis on growth, development and increase in infrastructure spending demonstrates a clear agenda to stimulate India's economy. However, the gap between 1,800 billion rupees, the Economic Survey identified for bank recapitalization and the allocation in the budget of 250 billion significantly reduces the banking sector's ability to stimulate private investment and in turn positively impacting the all-round economic growth.

Sudhesh Giryan, COO, Xpress Money, commented: The Union Budget's focus on education and skill development is a praiseworthy move since it will increase the employability of Indians within the country as well as overseas.

In this context, setting up of the High Education Financing Agency and the allocation for multi-skill training initiatives are two significant initiatives.

"The Budget mentions that in the next three years, one crore youth will be skilled - this could significantly increase the demand for potential Indian migrants.

With the increasing requirement of skilled workforce in the GCC region specially to the UAE, this initiative of the Government of India could help the Indian migrant workforce with the right kind of job opportunities."

James Mathew, Managing Partner, Crowe Horwath, stated: The Government of India 2017 stands strong on the basic tenets of being a 'progressive people's budget'. India is an agriculture driven economy where more than 600 million sustain themselves through the agricultural sector and contribute to almost 15% of the GDP with their agricultural produce.

The agricultural sector has been dealt a cruel blow due to 2 successive droughts and monsoon deficit in the past few years. Out of the 141 million hectares of irrigable land only 46% have received adequate water resources management. In order to overcome this issue, the Finance Minister has allocated substantial funds and schemes towards developing efficient irrigation facilities. With this Budget, the Government has demonstrated their intent

to uplift the vulnerable agricultural population of India.

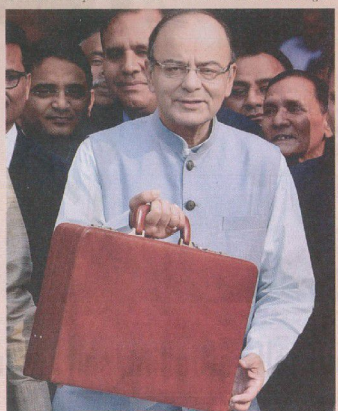
It remains to be seen how the government will go about implementing the schemes and projects intended to double the farmers' income by 2022, while more than 50% of farm households in India are struggling with debts. Progress can only be made when a nation is inclusive of all sections of the population in journey towards economic growth and development.

KV Shamsuddeen, Chairman of Pravasi Bandhu Welfare Trust, Sharjah, said: Arun Jaitley's 3rd budget was focusing on agriculture sector, social development in education, health and daily life of common people.

It also focused the total infrastructure development in all sectors.

Sripriya Kumaria, Director General of India Trade & Exhibition Centre, Sharjah, commented: The impetus given to rural, agricultural, infrastructural sector and the commitment to stable tax structure will give the much required push to industrial growth. There are 160 airports and airstrips which can be revived for providing further network and connectivity in India. The tax holidays for Start-ups for 3-5 years of setting up the company and the amendment to "The Companies Act" to ensure speedy registration of the companies will boost the "Startup India" campaign.

The focus of the government now should be to implement the budget provisions so that common people, businesses and investors can feel the change."



Finance Minister Arun Jaitley

Kanan Nahata, owner of Gehna Jewellery Boutique, stated: Looking at the Indian budget for 2016, India is poised to become one of the largest economies and investment markets.

The country developed rapidly and is doing well compared to other emerging markets.

I am pleased to see that RBI's reform initiative to stimulate the domestic demand.

The government recognises "The Retail Sector as an integral part of the economy, and by not focusing on the small taxpayers, and instead stress on the higher fiscal outlays. Consumer behaviour will be encouraged in the end." Furthermore the foresees reform initiative to stimulate the economy as well.

The popular and general perception that "small jobs are integral to stimulate the economy" definitely reflects in the government's initiatives, such as permitting smaller shops to remain open seven days a week.

This will have an impact for the majority of households to generate more income, resulting in an increase in their spending."

The highlight of the budget is to double the income of farmers by 2020 and the other is fiscal discipline keeping the budget deficit for the fiscal year 2016-2017 at 3.5 per cent.

Even though I welcome the budget overall but disappointed as a non resident Indian as there is no specific proposal targeting this group. For NRIs, India's Finance Minister, Arun Jaitley plan to make changes in Tax deduction at source and some changes in baggage rules both are welcome steps.

From health view point, the New Health Protection Scheme and National Dialysis Service Programme will benefit good number of families.

I personally wanted more budget allocation in the field of medical research especially for disease like cancer which numbers are on a rise in India.

Adel Sajon, Director, Danube Group, The Indian economy defied global headwinds and has made its own. This has resulted in a lot of confidence and hope continues to be build around India. Now India must rely on domestic demand and Indian markets to ensure that the Indian growth doesn't slow down. By far the retail trade is largest sector employer in the country and that's an area which can lead the job creation bandwagon coupled with 100 per cent FDI through FIPB route in marketing of food products produced and manufactured in India.

Service tax exemption for construction of affordable housing will provide a much needed boost to real estate sector. The proposal to amend customs act to provide for deferred payment of customs duty for importers & exporters within proven track record will go a long way in easing the business processes.

The announcement of corporate tax incentives for new manufacturing companies and small enterprises companies with start-ups to get 100 per cent exemption from tax on profits for three years has got lot of positive eyeballs. Of course, with all these developments the businesses, especially UAE, especially UAE, with simplified regulations will be more plans to India.

The two major developments which stand out due to the FDI budget speech were - Companies Act, to be amended to facilitate ease of doing business, start-ups to register in one day and government to set up 1500 skill development institute. So all in all revival of infrastructure projects, improved connectivity, implementation, corporate tax incentives and FDI budget point in one direction to achieve Skill India. Make in India and gradually these reforms will lead towards "Transformed India".

Kulwant Singh, CEO & MD - Carfax Group, said: The focus on rural development was certainly needed as was the electrification plan for rural houses. The farming and agricultural sectors were in need of this kind of support and towards youth is another plus. I am also happy to hear about the FDI in retail of domestic food products. However, the budget had no mention of NRIs and how the government can help them in their business in India and is a pro farmer's budget.

rules was also neglected in the Finance Minister's speech. "The government has largely neglected the agriculture and farming sectors for the last two years.

However, this year they have given great importance to both sectors and this will certainly make a difference to the country's economy. However, the government has completely ignored around 20 million expats who contribute largely to the Indian economy. Another positive thing happened is the tax relief for first home buyers, also empowering the youth have been positive moves.

Malik Abdullahi, Director FAP World, The budget is of particular interest to UAE business heads following the visit of His Highness Sheikh Mohammed Bin Zayed Al Nahyan Crown Prince of Abu Dhabi and Deputy Supreme Commander of the Armed Forces, which paved the way for even stronger economic trade ties between the two countries.

The budget is intended as a foundation to kick-start the process of transforming India into an economic superpower. It has given lot of emphasis on the betterment of common people in education, health and housing and offers several social security schemes. The budget seeks to change 55 per cent youths from job seekers to job creators. The budget also envisages big support for start-up businesses. The gold deposit scheme can be useful for NRIs. The tax free infrastructure bond will offer NRIs a channel to deploy their resources for the development process of the nation.

Anita Bhatia-Dubai Resident, The Budget given in the current state of economy is very good and is reassuring people who had really expected, but thanks to the Finance Minister Arun Jaitley for presented his third Annual Budget, in considering the lower-middle income class. The bottom line of the matter is that it is differently a good budget to the common man, especially with the fall of the Indian Rupee.

Now people with disposable income can benefit more as the momentum of the GDP will very soon return to a healthy status. The three-year 100 per cent tax exemption for start-ups will go a long way in easing the business processes.

The announcement of corporate tax incentives for new manufacturing companies and small enterprises companies with start-ups to get 100 per cent exemption from tax on profits for three years has got lot of positive eyeballs. Of course, with all these developments the businesses, especially UAE, especially UAE, with simplified regulations will be more plans to India.

The two major developments which stand out due to the FDI budget speech were - Companies Act, to be amended to facilitate ease of doing business, start-ups to register in one day and government to set up 1500 skill development institute. So all in all revival of infrastructure projects, improved connectivity, implementation, corporate tax incentives and FDI budget point in one direction to achieve Skill India. Make in India and gradually these reforms will lead towards "Transformed India".

Ravikumar Thekkat, Panasonic's eco-solutions Department, said: I am optimistic about this year's Union Budget and I feel that the Indian Prime Minister, Narendra Modi and his team is doing a commendable job. It is also a budget to the benefit of Indian farmers especially with the reduction of taxes so as to encourage them to double their yield.

It will definitely boost the output of farmers, as agriculture is also one of the main pillars contributing to the buoyant Indian economy.

The tax reduction is also beneficial to the common man and it will further attract investment opportunities and encourage FDI to the country.

Finance Minister Arun Jaitley has done a commendable job especially to the middle class doing a commendable job. It is surely a fair and justifiable budget to all.

Among the main points referred to as pillars of transformative agenda, five pillars predominantly focus on rural India and farmer's welfare. In this year's Budget,