

July 17, 2014

Press Release on CAIT letterhead

Traders' group hails Union Budget, calls focus on non-corporate sector by FM path-breaking

The Confederation of All India Traders (CAIT), the apex body of traders in the country, has heaped praise on the Finance Minister for the announcement in the Budget calling for the creation of a new Financial Architecture for the non-corporate sector. This is the first time in the history of the country where the government has acknowledged the role played by this sector as the backbone of the nation's economy.

Appreciating the Budget provision, Mr Praveen Khandelwal, Secretary General, CAIT said: "The non-corporate sector comprises 5.7 crore enterprises, employs 490 million people and generates 90% of the employment of the country. This sector has been derided by earlier policy-makers as 'unorganised' whereas they should be praised as 'self-organised'. We are delighted that the Finance Minister has announced a new finance initiative designed to support the needs of this vital sector. We will provide all support required to make this a reality."

Added Mr B C Bhartia, President CAIT: "This sector has been operating without any support. Compare this with the Corporate sector which has only added 2.2 mn jobs in two decades, with all the foreign investment and disproportionate bank credit they have enjoyed. The government has declared its intention to go for massive job creation, and this is possible only in the non-corporate sector."

An important point made by the Finance Minister in the speech was that a huge portion, as much as 62%, of the non-corporate sector is owned by SC, ST and OBCs. It is expected the new financial architecture will provide for institutionalised financial support to the Small Business Finance Companies that are already playing a lead role in meeting the requirements of this sector. CAIT and allied organisations will extend all support to the Committee constituted by the FM to look at all aspects of facilitating the growth of small business.

Added Khandelwal: "This is one sure way of spreading prosperity to every region and community of the country. The Modi government has understood the pulse of the country and is attacking the employment issue by addressing the financing needs of the non-corporate sector."

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