



PRESS RELEASE

**Statement Issued by Shri Randeep Singh Surjewala, In-Charge,
Communications, AICC**

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**'Ease of Doing Business' has become 'Cease of Doing Businesses' for MSME's
under Modi Government**

**Private Investment in doldrums, 'Make in India' has floundered, Tax Terrorism
galore, PM's personal policy adventurism is
failing India's Economy.**

**Statistics, Surveys, Reports showcased by spin doctor FM Shri Jaitley will not change
the reality of 'Disastrous Demonetisation' & 'Failed GST'**

Having failed, India's Economy by sheer adhocism and inexperience, BJP Government is clutching at straws to stay afloat as it sinks the economy and hurts trade and businesses. The hurriedly convened press conference by Finance Minister, Shri Arun Jaitley, today to seek 'Manufactured Relevance' from the World Bank report evidences the actual distance from ground realities and suffering of people of India.

Present Government lives in a 'make believe cuckoo world' as it is blinded by blinkers of 'Achhe Din', unable to see, feel, judge or address India's pain. Instead of relying upon 'rankings' and 'rhetoric', let the Finance Minister go to the ground from Surat to Rajkot, Panipat to Ludhiana, Pimpri Chinchwad to Tirupur, Moradabad to Kanpur or from Jamshedpur to Asansol and the reality will starkly stare in his face.

Private Investment is in dire straits, 'Make in India' is completely floundering, exports are plunging, credit growth is at a 63 year old low and inequality is highest in 100 years. Crores of job losses in the Informal Sector have resulted in a 'Cease of Doing Small Businesses'. All this is due to Prime Minister, Shri Narendra Modi's personal adventurism in policy making. The double whammy of Demonetisation and GST has wreaked havoc for the economy.

It is important to note that these 'Ease of Doing Business' rankings does not take into account the utterly flawed implementation of the GST. The cut-off date for implementing any reforms for the said study was June 1 while the GST was imposed on July 1. **Numerous slabs and complex filing requirements meant that GST remained far from the advertised "good and simple tax" and has turned into a "Gabbar Singh Tax".** The



inherent flaws in the design, architecture and rates of the GST has crippled Micro, Small and Businesses; stunted the economy and has led to insurmountable job losses.

The Modi Government has achieved a notorious reputation for rapacious tax inspectors exercising draconian new powers of search and seizure resulting in 'Tax Terrorism'. Predictably, this has sent a chill through the business community and no 'Ease of Doing Business' is visible there.

Isn't the Finance Minister, Shri Arun Jaitley missing the most important facts about India's Economy :-

- (i) India's GDP growth rate has fallen for six straight quarters. The International Monetary Fund expects the economy to grow 6.7% this year, a slower than China.

The sequential quarterly growth rates of GDP since Jan-March 2016 have been 9.1, 7.9, 7.5, 7.0, 6.1 and 5.7 per cent. The economy is, therefore, not growing at 7.5 per cent as claimed again and again by the FM. It was growing at a brisk rate but was derailed, and it has been decelerating since April 2016. Does the falling GDP indicate robust 'Ease of Doing Business'?

- (ii) Over 3.72 Crore jobs have been lost on account of demonetization in MSME sector
Who is accountable for that?
- (iii) 680 Start Up's have shut down in past 2 years. Who is responsible for that? How many compliances and clearances are required to start a new business in India?
- (iv) BJP Govt has set new records in falling Exports. Share of Exports in GDP has fallen a 14 year low.
- (v) Private Investment is stagnant. Gross Fixed Capital Formation (GFCF) – a key indicator to measure Private Investment, as a percentage of GDP is lowest since 14 years.

The Prime Minister's policy adventurism coupled with the adhocism of his Finance Minister to deliver has caused widespread economic misery and distress. With great responsibility, we would like to say that Shri Arun Jaitley has proved to be the worst FM in India's history. Hiding behind World Bank reports will not at alter this grim reality.