

Budget 2020 Expectations: Hospitality Industry demands faster GST repayment from Nirmala Sitharaman



Budget 2020 Expectations: faster GST repayment would boost the B2B business of the hospitality industry. Photo: Reuters

Budget 2020 Expectations: The Union Budget is a fortnight away and various industry insiders have started to put forth their demands for induction in the final budget to be presented by Nirmala Sitharaman on 1st February 2020. The hospitality industry has demanded some concrete announcements in the upcoming budget for the faster GST repayment system. Currently, some of their demands in regard to the GST have been met during the recent GST Council meetings but their major demand for faster GST repayment is yet to be addressed by the Narendra Modi government.

Speaking on the budget 2020 expectations, Anil Kumar Prasanna, CEO at AxisRooms said, 'For Hospitality Industry there has been a great relief from GST, which is still higher compared to the tourism economy countries but it is still a breather from some cuts provided. The B2B business is struggling with GST payments, as most money has to be paid from 20 days of invoice, though some enterprise customers have delayed payment cycles from minimum of 30 days extending to 180 days. Hence, technically lot of businesses are funding through their personal savings, loans to pay the GST and awaiting their invoices to be cleared by customers. It would be great help if this can be deducted more like income tax from the payees especially in B2B segment, where delayed payment cycles are seen, this would ease the cash flow to the economy or some liability policy for the delay in invoice payments for merchants selling services or goods would be a great leverage for the economy.'

On his part, Vineet Tang, Vice President, Vatika Hotels said, 'Faster GST repayment has been an age-old demand of the Indian hospitality industry. If the Finance Minister Sitharaman announces this in the budget 2020, then it would be a great relief for us.' He said that faster GST repayment would pump the B2B business of the hospitality industry because the major hurdle that the B2B business in the hospitality industry is facing today is GST payments.

Finance Minister Nirmala Sitharaman is set to present the first full Budget of Narendra Modi government 2.0 on February 1, 2020. A huge number of sops are being expected by the common man, start-ups, industries as well as traders.