

Post Budget Views

We spoke to few high profile persons and this is what they had to say on the budget 2009/10:

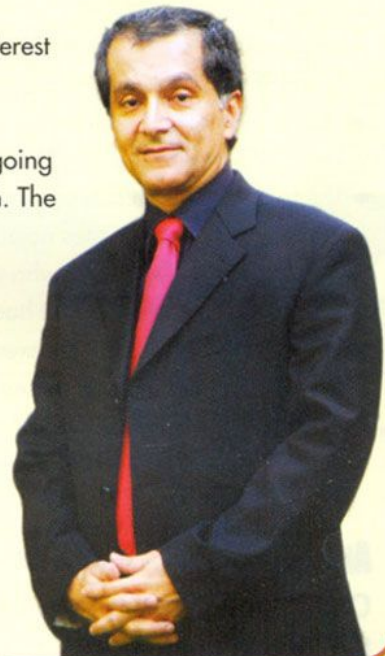
The most positive aspect of the budget has been the determination to proceed with the uniform GST and the abolition of FBT.

The issues of concerns are

1. High fiscal deficit is necessary in view of the global economic crisis. But traditionally in India the RBI has taken the view that if the government prints excessive money for itself the rest of the economy must pay higher interest rates. We cannot expect growth in consumer demand and increase in investment unless the interest rates are lowered.
2. There is no clue in the budget as to how the infrastructure development is going to take place. The estimated need for infrastructure is over US \$500 billion. The road map to achieve this has not been clarified.
3. No goals have been laid for urbanization of our population. Without a firm goal we will continue to falter on education, social security, economic progress and will continue to have a frightening rate of population growth.

The expectation of the budget was to build confidence in a time of worldwide economic crisis. The markets were looking at encouragement to industries and individuals to pull out their savings and invest, encourage their expansion and create new jobs and to encourage consumers to get out and spend. The budget perhaps out of political correctness has not presented any confidence building.

Surendra Hiranandani
Founder & Managing
Director - Hiranandani
Upscale Group of
Companies



Anil Sethi Chairman, Subhash Projects and Marketing Ltd (SPML)

"The Budget has sent the right signals to the Infrastructure industry and should provide the necessary fillip to accelerate the overall growth and development in the country. It seems that there is emphasis on Infrastructure development. The government has stated that bottlenecks for speedy implementation of infrastructure projects will be removed to ensure that sufficient funds are made available for this sector.

Allocation for the National Highways Development Programme being increased by 23%, Jawaharlal Nehru National Urban Renewal Mission by 87% and Accelerated Power Development and Reform Programme by 160% are a definite welcome signal for renewed growth across the board. Rajiv Awas Yojana, the new scheme introduced with the aim to make the country slum free in the next five years is a progressive initiative."