

Make haste slowly **FE NEWSLINE**

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When radical reforms take place, no change should be made at least for some time unless found absolutely necessary so that the new structure can stabilize and economic agents get time to adjust. Only those changes which are necessary should be made. Is this the case?

Difficult to say because the few changes that have been made do not seem to be directed and necessary. To me it seems to be more of a dampner and depressing budget.

The Budget has not much to offer to the industrialists as well as the common man. Some of the points are more focussing on :

The rates of diesel and petrol have been reduced by 50 paise and Rs 1.00 respectively, but the price of LPG has gone up by Rs 40.00 per cylinder. The budget adds injury to insult by slapping an increase of Rs 1.00 per liter on kerosene oil. Thus, while bread earner stands benefited, the house keeper pays extra-- does that takes us anywhere?

Subsidy to new Industries in the backward areas(except north-east states) ceases. Is it necessary immediately now ?

Service Tax has further spread its wings, now covering *inter-alia* LIC, Cargo Handling, Event Managements, Health Clubs, Beauticians, fashion designers etc. May I ask the Finance Minister ,why is he avoiding to include the advocates and doctors in the category.

Tax on distribution of profits (Dividend tax) has been abolished. Curiously, *status qou anti* has been maintained meaning that the earlier position was ill conceived and thoughtless. Do the Budget Makers takes the things so casually. This will mean the dividend would now again be taxed in the hands of the recipient .Such income would now not be exempt under section 80L,which would mean additional burden of tax. Is this stock market friendly?

Rebate u/s 88 is the biggest blow to individuals who will have no motivation to invest in tax-rebate schemes. Savings are not only for the benefit of the individual but form the bedrock of a nation's long-term investment policy..

The Budget proposes a penalty of Rs 10,000.00 on persons giving false PAN number. This is good deterrent to all those who are in habit of taking things lightly.

The Budget is rather cruel to industrialists who were expecting some measures to be taken to boost the otherwise drowsy industrial scene. Industries have been facing recession of tremendous magnitude for the last few years. One feels that the government is not guided by any definite plan to improve the depressed state of affairs.

Provision on Education has been increased from Rs 4,000 crores to Rs 4,900 crores without spelling out even the broad outlines of new educational programmes. The old education programmes have definitely not delivered, have they?. They need total overhaul.