

A report on “Panel Discussion on Union Budget 2019” at ICAI University, Jaipur



The ICAI University, Jaipur organized a Panel Discussion on the Union budget 2019 at the Seminar Hall, University campus on Tuesday, 7th July 2019. The eminent panel members included Dr. C S Barla, former Professor & HOD (Economics), University of Rajasthan; Dr. Prabhat Pankaj, Director, Jaipuria Institute of Management, Jaipur and Mr Anil Bafna, noted Chartered Accountant.

The discussion started with Dr. Rajesh Kothari, President - ICAI University, Jaipur quoting that it's a landmark change in the history of Indian democracy, as we have a woman Finance Minister (full time) presenting the Union Budget. This could be noted as a mark towards women empowerment in India. He also had questions to the expert panel like, “Have we achieved the intended growth?” “Will India be able to stand global competition?” “Why the gap between rich and poor is widening?” and many more.

Panelist Dr. Prabhat Pankaj started off by recalling the 2 major economic reforms that India had witnessed in the 90s: New Economic Policy & Liberalisation Privatization Globalisation (LPG). He mentioned how the growth rate was merely 1% during British Era and today we are the fastest growing economy with a growth rate of 7%. He quoted PM Modi's words “Those casting doubts on \$5 trillion economy target are professional pessimists”. He added that the days of big reforms are gone it's the age of initiating small reforms, precisely “Institutional Reforms”. Institutional and economic reforms should happen parallel and today India is going through tremendous institutional reforms which is evident as he reminisce his childhood spent with no electricity in his village in Bihar and today the village has electricity as well as all the sufficient technology. Further Dr. Pankaj talked in detail about fiscal consolidation, difference between fiscal deficit and budget deficit was also explained. He highlighted how the budget doesn't include any provision for the middle class group of economy and assured that in the 3-4 years they would get discounted tax and said the Union budget is futuristic in nature.

Further CA Shri Anil Bafna spoke about the road map that government has laid for the operation of our country. He mentioned that it was always a question while preparing the budget if fiscal deficit or aggressive growth should be prioritised and this budget beautifully balances both. Massive debt programme in infrastructure sector, recapitalisation of bank and working to get more foreign investment are indicators that show there is change in the growth of economy. He affirmed that the predominant approach to analyse the budget should be reading between the lines and decoding the larger intent of the government. He asserted that the intent is to break the backbone of parallel economy and black markets.

He also brought to the fore how MSMEs are getting benefited. There is 25% increase in the growth of MSMEs in India. 99% of MSMEs have come within the turnover of 400 crores. Start-ups are getting taxation benefits. Real estate is getting additional limit which will now help people to get affordable houses. Mr. Bafna also provided the students with a presentation that can be a reference for studying analysis of Union Budget.

Speaking on the occasion, Dr C.S Barla quoted “Budget is a hero and also a villain at the same time”, those who do get something from it consider it as a hero and vice versa. He gave insight into the sequence of events that took place before the budget making; the June press conference which highlighted on two topics:

- 1) Tap water supply to every household
- 2) How India became 2.8 trillion dollar economy?

He raised skepticism about the fast growth of GDP of India which ranks 5th in the world while the per capita income of India ranks at 139th. The greed for high growth may increase the riches as the distribution of income is not equitable within different sectors. French economist Thomas Piketty who studied the economy of more than 100 countries had written in his book how 1% of people in a particular nation control 55% of economic wealth. India may claim to have 2281 million tonnes of food grain (56 times higher from 1951 to 2019). Still global hunger index is high with 20% of hungry people in world residing in India. As good as 40% of women and children are suffering from anaemia and malnutrition, not only because of inadequacy in production, but also the lack of storage and transportation infrastructure. He also dealt in detail with the schemes that government has come up with, for the benefit of farmers and lower class.

Further the house was open to questions and answers which saw an enthusiastic number of students as well as faculty engaging in a discussion with the panellists on board.

Dr. Vipin Khurana, Pro-President ICFAI University, Jaipur delivered the vote of thanks which concluded the event. The enriching session and the efforts taken by students and faculty were appreciated by all. He ended by saying that “multiple people come in our lives & we don’t know who may influence us” and promised to bring more panels from different sectors so as to create awareness and give students an opportunity to opine on matters that will affect them directly or indirectly.