

# Accountant's work, say economists

**Santosh Tiwary**  
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Economists have labelled this year's budget as a good display of jugglery. "Its an accountant's budget with a lot of trimming here and adjustments there," said noted economist LC Jain. "This budget breaks no new grounds," said KN Kabra, professor of Economics, Indian Institute of Public Administration.

However, according to JD Agarwal, director, Indian Institute of Finance, "It is a well thought out and balanced budget which has taken into account all the sectors of the economy".

Arun Ghosh, former member of the Planning Commission said that separation of small savings from the government account and imposition of 5 per cent tax on it, is an erroneous step. "May be, this has been done to show lower fiscal deficit. It will hamper savings which is already going down," he added. Kabra agreed, "fiscal deficit shown in the budget is not real. Small savings have not been accounted in the borrowing," said Kabra.

Jain termed the Finance Minister's announcement for removal of the post of four secretaries as a joke in the light of huge non-planned expenditure. "Payment of salary eats up a major chunk of the government's resources. How can you curtail that by taking these frivolous measures," he asked.

"We are paying salaries and interest rate to debts from market borrowings. We still don't know exactly where the borrowed money goes. Non profitable assets of the government should be shown to the people. There is much more effort required to balance revenue earning and expenditure," said Jain.

Agarwal justified the 10 per cent surcharge imposed on the income of corporates and individuals. "It has been done due to the poor financial situation," he pointed out. Ghosh however, had other opinion. "Corporate tax has been increased and capital gains tax has been reduced. Globalisation is misused for doing all kind of shady things," he said. ♦