

Budget gets mixed response from city

Mar 17, 2012 - Nidhi Sethi | Age Correspondent



[Share](#)
[Like](#)
 Be the first of your friends to like this.



The much-awaited event of the year is over. While many see the budget to be pro-aam aadmi and "pragmatic", others find it very disappointing. Mobile phone parts, branded silver jewellery LCDs, LEDs, adult diapers etc. have become cheaper but a large variety of day-to-day usage items and services is going to burn a hole in the common man's pocket. While it is apparent that the emphasis of the budget was on striking a balance between monetary consolidation and strengthening macroeconomic fundamentals, the burden on the common man will increase as the prices of commodities will take a hike owing to the fact that both excise duty and service tax have been raised from 10 to 12 per cent.

"However, the reduction in personal tax rates up to 10 lakh gives relief to a large section of people. Also capital market related measures such as Rajiv Gandhi Equity Saving Scheme will provide the encouragement to attract smaller fish in the market," says Faraz Khan, advocate.

On the other hand, 25-year-old business writer Vishesh Sharma says, "We were expecting a lot of good things, but the budget turned out to be a total failure. It should have focused on significant reforms. It's a populist budget keeping in mind the recent UP election loss and the next general elections. The aim is to attract votes and not strengthen the economy. Among the positives, infrastructure would be taken care of, banking sector has been allowed some money and there is good news for aviation sector as well. But service tax has upped, cars have got costlier, there is no word on the fuel policy. Direct tax code has also been delayed."

It's an 80s budget presented in 2012. On one side they widen the income tax slab on the other service tax and other direct taxes are up. So are we really talking about savings? asks Vivek Sawhney, a marketing professional.

"If some pleasant surprises were to be offered by the FM they could have offset the low current the nation is going through due to scams. Congress could have used the budget as an opportunity to overcome the low sentiments from UP poll debacle. As an entrepreneur I found the budget quite disappointing. We expected some tax relief for the mid segment corporates," adds hotelier Sumant Batra.

For Mihir Gulati, who was planning a week-long trip to the hills in May, the budget has come as an unpleasant surprise. "Though I'm not sure how expensive the hotel stays will get, the government needs to look at other factors too. In the upcoming holiday season, it'll affect the plans of many. What was the need for this hike when a day's stay at any regular hotel easily costs you a bomb? And it's a double whammy with air travel getting costlier."

As eating out gets more expensive, outstation student Nitish Kumar says it'll only worsen things. "How much will a common man suffer? Isn't eating out too expensive already? For most of us who stay outside their cities, eating out already takes a major share of our earnings."