

A Report on
Panel Discussion on UNION BUDGET - 2017 - MOOD OF THE NATION"
Organized by Department of Management Studies
Time: 2.00 P.M & Date: 10.02.2017
Venue: Mini Seminar Hall



As a sequel to the Pre- Union Budget Analysis organized in 31.01.2017, Department of Management Studies organized another Panel Discussion on "UNION BUDGET - 2017 - MOOD OF THE NATION" . Students of MBA 1st year took the *Lead* in the Panel.

Dr D Pradeep Kumar, Head of the Department and Dr Sremmant Basu, Dean- Administration rightly delivered the opening remarks serving as the clues to various dimensions of the discussion.

Following students presented their perspectives on the specific industries/ sectors

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1	Raghunath	Introduction to the Budget
2	Amarnath	Revenue and Expenditure
3	Arjun	Agriculture
4	Reddy Pratap	Rural Infrastructure
5	Nazeer	Industrial Sector and SMEs
6	Sasikanth	Infrastructure, Housing and Real Estate
7	Sneha	Defence
8	Harshavardhan	Digital Economy and Banking
9	Sarika	Education and Youth Development
10	Harshavardhan	Health, Pharma, FDI
11	Y Ganga Prasad	Taxation
12	Damodar	Railway
13	Kiranmayye	Govt. Stand on the Budget
14	Kishore	Opposition stand on the budget
15	T.G. Madhavi	Common Man Perspective

In the Panel: Dr. D Pradeep Kumar, Dr. R Varadarajan and Dr Chandrakanta Sahoo

Discussion Summery

The Indian economy ranks seventh in nominal GDP and third in PPP worldwide with a per capita income of \$1820, with a GDP growth of 7.5%. India surpassed China in the GDP growth and is quoted to have highest growth rate among all major economies by International Monetary Fund. Many economists also claim India as a bright spot in world economy with lower inflation rate and increasing bracket of earning population. Thus, Union budget plays a significant role in determining the path of progress for the country.

- **Agriculture:** - In the sector of agriculture, major emphasis was given on Prime Minister Fasal Bima Yojana. As per this scheme, farmers need to pay a minimal premium of 2% on kharif crops and 1.5% on Rabi crops. Also under Pradhanmantri Krishi Sichai Yojana, 28.5 hectares of land would be brought under irrigation through 89 irrigation projects. It was also mentioned to construct five lakhs ponds and dug well for sustainable water management. The major boost in agriculture was to reduce loan burden of farmers towards interest subvention. During announcing this budget, it was not clear that from where such subsidies would come from. For example under Prime Minister Fasal Bima Yojana, the liability to exchequer would be whopping 8800 crores just for 50% crops. Also, reduction in loan payment does not emphasize criteria leaving a loophole wherein the farmers with large cultivation can also avail the advantage again resulting in loss of exchequer.
- **Rural sector:** - The government allocated 38500 crore rupees under MGNREGA and 2.87 lakh crore to gram panchayat and municipalities. The deadline for the electrification of all villages is set as 1st may 2018. In a 2014-15 report it was stated that only 28% of all workers registered under MGNREGA were paid for their work. Thus, leaving maximum population out of reach of such social security schemes. Merely increasing the budget allocation will not increase the outreach to the poor people. On other hand the villages which have been already electrified does not receive electricity on regular basis. Emphasis should have been given on uninterrupted supply of electricity which did not find any mention in the union budget.
- **Social and health care:** - Government announced 2000 crore rupees as LPG subsidies for BPL. Under Jan Aushadhi Yojana, it was decided to open more 3000 stores across the length and breadth of country which can surely increase the health of the society at large especially in rural areas. To encourage and motivate the young entrepreneur government launched "Start up India Campaign" under which banks will provide soft loans which is repayable up to seven years. Till June 2015 out of total 182 stores opened under Jan Aushadhi Yojana, only 111 were functional. Hence, major impetus should be on making these stores functional. Implementation of this scheme is a matter of concern.
- **Education:** - the government introduced digital depository for all documents related to the education sector. The step is an indeed a welcome move as it will facilitate the documentation process at a single lick without any need of carrying the hard copies. The announcement of 62 new Navodaya Vidyalayas will also accelerate the rate of education among the backward class population. But the matter of concern is that the state of Tamilnadu opposes any such move and hence remains the only state in the country without any Navodaya schools.
- **Taxation:** - to make sure the hoarders of black money declare their asset, Finance minister laid down a proposal wherein after paying total of 45% of total black money as tax and surcharge, the person would be assured protection from any kind of prosecution. More than law it seems to be a boost for hoarding black money as the culprit can easily pay the taxes from those money which was never their and can keep the remaining amount. A deep introspection in this regard is need of the hour.
- **Infrastructure, defense and space:** - Total outlay for infrastructure given in this budget was around 2, 21,246 crore along with 100% FDI in marketing of food products produced and manufactured in India. The budget did not emphasize on any new procurement of any new artillery and weapons for the aging fleet of navy and air force. Space programme also got a minimal share in spite of recent commercial success of ISRO.
- It can be concluded that the overall union budget targets the economic prosperity of poor and rural people but somewhere down the line gave a miss to the implementation of previous programmes and schemes and upliftment of the Indian currency which is constantly losing its shine in the international market.

The session came to an end with the vote of thanks.

We thank Principal for permitting us to organizing the program. We are also equally thankful to Dr Sremmant Basu for given his valuable insights in his opening remarks. We also convey our deep sense of gratitude to Secretary and Correspondent for imbining a participatory ambiance in the institute and encouraging as ever going ahead in organizing the programs that benefit the students, institute and society at large.