

EDITORIAL

YES, BUT...

Presentation of the Union Budget (UB) has remained an important date in a Chartered Accountant's annual timeline. The UB season creates a (predictable) buzz. By the time this BCAJ reaches you, you would have got a complete download (and perhaps an overload) of the finance bill provisions. I thought that I shouldn't tax you with more of that and instead share some observations of the buzz and drama of the budget 'season'.

At a high level, the buzz hangs between the two extreme points of self glorification and mindless criticism. Compared to the 'high' of the stock markets, the pitch of glorification and criticism remain consistent without going into the red. This editorial is dedicated to the drama of 'budget season' rather than details of 'budget provisions'.

Precursor: A (tasteful) tradition

The season starts traditionally. The first 'photo op' is the Halwa making ceremony, done somewhere in a secret bunker of the finance ministry. It marks the beginning of the quarantine period of those officials, who after eating the delicious Halwa on a chilly Delhi day, choose to remain in isolation till February 1. Two days before the UB, the national Economic Survey is unveiled, building the tempo and setting the tone. Former CEA, Kaushik Basu's tweet sums up well: *Reading India's Economic Survey 2017-18 it is clear that the Survey is in very good shape. I wish I could say the same for what it surveys.* And then comes the 'B' Day. The FM enters the parliament, personally carrying a (unbranded¹) briefcase with (secret) budget documents in it.

The Budget Speech

The budget speech is like the annual sacred sermon by the highest financial pontiff. As I enter the office, a bit late since I arrived in Mumbai the same day at dawn, people are ready with headphones plugged into their computers waiting for the FM to begin.

¹ Emphasis is important considering recent controversy over branded apparel worn by a politician.

The speech contains words that are used consistently, emphatically and frequently. Garib गरीब, Kisan किसान, Pichade पिछड़े, Madhyam Varga मध्यम वर्ग, Education शिक्षा, Krishi कृषि, Aam Aadmi आम आदमी, Women empowerment महिला सशक्तिकरण, Development and Growth विकास, Grameen ग्रामीण, रोजगार and the like, depending on contextual exigencies. After balancing the budget numbers, these quintessential words balance and seal the budget speech. With these words, every FM accentuates the government's sole and focused commitment towards the marginalised. The budget speech must also consider four vital elements – Psychology, Politics, Economics and Strategy². The speech will get evaluated by the quality and proportion of each ingredient. Yet after listening, a common citizen wonders as to why a recent report³ claimed that 73% new wealth created in last one year went only to the richest 1%. Today the problem is not just poverty, but inequality (the word that did not find place in the UB speech). The men who feed us with their tilling and toil, why do they have to commit suicide: one farmer every 40 minutes since last ten years?

Figures and Figures of Speech: Poetry and Hindi

The speech not only contains large figures in thousands of crores, but is also generous in use of figures of speech. FM's talk was delivered in English yet it was generously embellished with Hindi: couplets, punch lines, quotes and Sanskrit to reduce monotony and serve implicit purposes. Switchover to Hindi was often made at places where commitment towards the under privileged needed accentuation. Memorable ones from 2018 speech were: those wearing *Hawai Chappal will make Hawai Yatra* (हवाई चप्पल पहनने वाले भी हवाई यात्रा करेंगे) and ईमानदारी का उत्सव. One can say, and honestly too (ईमानदारी से), that eloquence did reach sky high!

² Inspired by Late Nani Palkhivala's writings on 1981-82 Union Budget

³ By Oxfam. Amongst other things, the study found that it will take 941 years for a minimum wage worker in rural India to earn what the top paid executive at a leading Indian garment firm earns in a year.

Ratings and Ranting

Post the FM's speech, 'analysis' race starts on channels and internet. While lesser mortals require time to read and understand a document that is detailed and mammoth, such as the country's budget, the 'experts' from every field show up on channels to give their 'considered' views. Some of it sounds like, talking about the wrapper before seeing the wrapped gift.

The day is abuzz with variety of sound bites, tweets and posts. The ruling party people go 'Wah Wah' with clichés like "Pro Farmer" "Path Breaking" "Historic" "Pro Poor". The opposition parties just use the thesaurus to find antonyms of those words to call it: "Pro Rich", "Anti Poor", "Inflationary" etc.. Some channels attempt to unleash a verbal WWE⁴ like match in their studios with people 'debating' and ranting. Rising volume and interruptions by the anchor/panellists serve as substitutes for reason and respect. One TV channel put a link to rate the budget while FM was still into his speech. 1500 people had even rated it before the FM had completed his talk and the UB was not even uploaded on the MoF website.

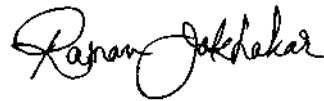
On the other hand, professionals start reading the fine print, for they know that Budget Speech is not the Finance Bill and the devil is always hidden in the details. While all this is going on, the number of 'temporary economists' spiral on social media. Tweets and Posts glide hash tags

4 World Wrestling Entertainment

(#) to prominence. Most fascinating observations, are often those that state the obvious: "a good budget, there was little room for tinkering indirect taxes due to GST being dealt separately now." My favourite comment came from an international rating agency in 2017 (even the Economic Survey of India 2017 mentioned it for its Poor Standards) - "India's 2017-2018 budget illustrates the government's commitment to improving its fiscal performance over the medium term, despite the hit to near-term growth from the demonetisation initiative" - stating the obvious without conveying the expected meaning. Lastly, many industry bodies find ways to praise the budget. Well, who wants to mess with power, which continues to remain the largest litigant in India and even a significant impediment to ease of doing business and to ease of living too!

And you wonder...

Yes, the journalists and businesses are ranking and debating, **but** the common man is standing - in a line to get his share of benefits of growth. **Yes**, India story cannot be talked down, **but** our complex nation needs a leap to remain fit for future. **Yes**, budgets have come and budgets have gone, **but** the bridge between intention of FMs and expectation of people is yet to be completed: by impeccable execution! A big "**Yes**" to the budget, yet the "**But**" remains!



Raman Jokhakar
Editor

FORTHCOMING EVENTS

COMMITTEE	EVENT NAME	DATE & TIME	VENUE	NATURE OF EVENT
Managing Committee	Lecture Meeting on Indirect Tax Provisions of Finance Bill, 2018 by Adv. Vikram Nankani	8 th February 2018	BCAS, 7, Jolly Bhavan No. 2, New Marine Lines, Mumbai	Lecture Meeting
International Taxation Committee	Four Day Orientation Course on Foreign Exchange Management Act (FEMA)	16 th & 17 th , 23 rd & 24 th March 2018	BCAS, 7, Jolly Bhavan No. 2, New Marine Lines, Mumbai	Orientation Course
Accounting & Auditing Committee	8 th RSC on Ind AS	22 nd to 24 th February, 2018	The Hotel Gateway, Hinjewadi, Pune	Residential Study Course
Managing Committee	RRC BCAS Joint with Chartered Accountants Association (CAA) Ahmedabad	23 rd to 24 th February, 2018	THE GRAND BHAGWATI (Magdalla Circle, Dumas Road Surat, Gujarat, India-395007).	Residential Refresher Course
Human Development & Technology Initiatives Committee	Sixteenth Residential Leadership Retreat 2018	23 rd & 24 th February 2018	Rambhau Mhalgi Prabodhini, Keshav Shrushti, Bhayander Esselworld Road, Bhayander (West) Dist Thane.	Leadership Retreat
Indirect Taxation Committee	GST Summit at the Finbridge Expo	3 th to 4 th March 2018	Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018	Financial Summit
Membership & Public Relations Committee	5 th YOUTH RRC	9 th to 11 th March 2018	Upper Deck Resort (Lonavla)	Residential Refresher Course
STUDY CIRCLE				
Human Development & Technology Initiatives Committee	Study Circle Meeting on "Positive Ageing & Geriatric Medicine" by Dr. Arvind Pednekar	13 th February, 2018	BCAS, 7, Jolly Bhavan No. 2, New Marine Lines, Mumbai	Study Circle Meeting