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TOP VIEW



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Gaps in policy implementation remain, clarity on taxes needed

THE UNION BUDGET IS devoid of strategic intent, particularly at a time when our country is at crossroads; investor confidence is low, negative political issues abound, and there has been a lack of long-due economic reforms. The Budget did touch upon a few pertinent issues such as the General Anti-avoidance Rule, curbing black money, fuelling capital markets and so on. But it seemed to stem from a 'reactive' strategy rather than a 'proactive' one.

Let me now shift to the IT industry. Headlines first: I am disappointed. The industry in its evolutionary stages received great support from the government and went on to establish 'Brand India'. However, its success was not capitalised through further reforms and benefits, espe-

cially after the global financial crisis in 2008-09. The SEZ is a good example of an incentive-related reform to boost exports but imposition of MAT diluted the incentive. Gaps in policy implementation, clarity on tax issues, administrative delays still remain.

The industry directly employs about 2.77 million professionals and with the industry poised to reach \$200 billion plus in 2020, this number will steadily increase. To create a world-class ecosystem, we need undivided attention to infrastructure and good governance. This comes with long-term planning, investment, accountability and good governance.

The question before us: Is it possible in the current political climate? If the railway minister cannot garner sup-

port for a fare hike, it says a lot about our process, intentions and political dynamics. Budget is an economic instrument. Can good economy build on bad politics?

The UPA government has some of the best minds and the team could have done wonders to uniquely position the India story, especially at a time when the world is going through uncertain times. Uncertainty is an opportunity in itself. But as I said earlier, it needs strategic thinking; requires view of time and a degree of boldness that presuppose government's solidity.

It has been a government on tenterhooks, easy to hijack from un-elected activists to loose-cannon. We have a Budget that will be remembered as a non-event. Tomorrow will be another day.

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