

**Budget 2018 is an 'exercise done
without application of mind':
Yashwant Sinha**



Yashwant Sinha in Kolkata - Arshad Ali

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Former Union Finance Minister and rebel BJP leader Yashwant Sinha hit out at the 2018-19 budget proposals by present Union Finance Minister Arun Jaitley, tabled on February 1, as ‘an exercise done without application of mind’.

Speaking at an interactive session on analysis of Union Budget 2018-19, organised by the Calcutta Chamber of Commerce, Sinha on Tuesday expressed his objection on the imposition of multiple slabs in Goods and Services Tax (GST). “While the earlier central Value Added Tax (VAT) had only three slabs namely merit, mean and demerit, so many slabs in GST defeats the very purpose of the new tax regime meant for simplification of tax structure. The Union finance minister has thoroughly failed in guiding the exercise to have a simplified indirect tax structure,” Sinha said.

He didn’t mince his words when it came to expressing his displeasure over the changing policy of bringing down GST on fertilizers from 18 to 12%. “Was not the finance minister aware that fertilizer is an important component in the agriculture sector? So why was it fixed at 18% in first place?” Sinha said and alleged that claims about the budget being a pro-agriculture was nothing but an eye-wash, especially the guarantee of a minimum support price of 1.5 times of the cost of production. “The definition of cost of production is absent and hence it is not clear what 1.5 times of cost of production means. Going by the A2+FL theory, which means input cost plus farmers’ labour cost, 50% of that combined cost is already ensured,” Sinha said.

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He came down heavily on the Union government for allocating less time for debate on the budget, at the Parliament. “This time we have just three and half days for discussion on both President’s address, rail budget and general budget. Previously, we had three days for discussion of presidential address, three days for rail budget and three days for general budget. I do not understand allotting such little time for debate this time. Is it to ensure that Parliamentarians do not enough time to discuss on the finer points of lapses in the budget?” Sinha said.