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Expert speak



Vikram Kotak,

Chief investment officer,
Birla Sun Life Insurance

Similar to the Railway Budget and Economic Survey, this Budget has clearly spelt out the long term target for the economy. The government plans to sustain a

growth rate of at least 9% per annum over an extended period of time. It wants to increase the investment in infrastructure to more than 9% of the GDP by 2014 from the current 4.5% and maintain an agriculture growth rate of 4%. The setting up of the Unique Identification Authority of India (UIDAI) along with a strong executor is a major step in improving governance with regard to the delivery of public services. The FM has opted for growth over fiscal discipline to achieve long term growth.



G Chokkalingam,

Head of equity research,
Barclays Wealth

We believe that the actual positive measures of the Budget are not given their due respect. Only the dichotomy between the expectations in terms of

economic reform measures as indicated in the most recent Economic Survey and, measures and proposals initiated in the Budget were given over-riding importance. The Budget has been silent almost on all economic reforms mentioned in the Economic Survey. However, we believe that there are several positive indicators, which haven't got their due attention by the equity market



Nischal Maheshwari,

Head research,
Edelweiss Securities

The increase in fiscal deficit projection to 6.8% of the GDP is also a steep rise. The upward revision in borrowing requirement by Rs 90,000 crore will have ad-

verse implications for interest rates. Gross borrowing target now reaches Rs 4.5 lakh crore for FY10 - this will definitely have adverse implication for interest rates. Our view on the 10-yr yield: 7% plus consistently for most part of H2 FY10, end-march 2010: 7.5%.



Sanjay Sakhuja,

CEO, Ambit Corporate
Finance

I don't think the Budget is all that disappointing. Yes, I would have preferred the FM to stick to a budget deficit of closer to 6% of GDP, rather than edging as

he has, closer to 7%. But then, it can't be easy planning for an economy like India's in the midst of the global mayhem that we have witnessed in the past few quarters. I believe the FM has done a good job of presenting a realistic budget in a difficult macro-economic environment. I am confident that it will be accompanied by appropriate doses of reforms in the areas listed above, in the normal course of governance rather than as part of an annual budgeting exercise.