

WEATHER
Max: 32.0°C
Min: 18°C
RH: 37%
Rainfall: Nil

Forecast: Cloudy sky.
Misty morning. Max/Min temp. 32/18 °C

ASTROGUIDE

Sarvari: Uttarayana
Tithi: Pushya Bahula Panchami till 4.18 pm
Star: Hasta till 10.31 pm
Varjyam: 7.50 am to 9.20 am; 6.03 am (Wednesday)
Durmuhurtam: 9.06 am to 9.52 am; 11.13 pm to 12.04 am
Rahukalam: 3 pm to 4.30 pm

HJRI CALENDAR

Jumada al-Sani 19,1442 AH

PRAYERS

Fajar: 5.08 am
Zohar: 12.05 pm
Asar: 4.11 pm
Maghrib: 5.47 pm
Isha: 7.02 pm

SUNRISE TOMORROW 6.48 AM

SUNSET TODAY 6.13 PM

MOONSET 10.04 AM

MOONRISE 10.11 PM

Atchannaidu threat goes viral

Srikulam: The audio clip of TD AP president K. Atchannaidu's indirect threat to the YSRC-supported candidate K. Appanna, his cousin, went viral in the state. The incident took place on Sunday, the last day for filing nominations for the first phase of the panchayat elections in AP. Appanna wanted to file nomination for Nimmada panchayat, the home village of Atchenna Naidu. What began as a humble request turned into a veiled threat by the time the conversation ended.

■ Report on Page 9

COUNTER POINT



Good news grandpa... you don't need to file income-tax returns now!

Top court to open physical hearing

New Delhi: Chief Justice of India S.A. Bobde told the bar leaders on Monday that physical hearing in the Supreme Court will soon resume in a hybrid manner amid the Covid pandemic, the Bar Council of India has said. Amid protest by several advocates demanding resumption of physical hearing, a meeting was held in which the CJ, Solicitor General and bar leaders discussed the issue.

Suu Kyi held in Myanmar coup

Naypyitaw: Myanmar's military staged a coup Monday and detained senior politicians including Nobel laureate Aung San Suu Kyi — a sharp reversal of the significant, progress toward democracy it had made following five decades of military rule. An announcement on Myawaddy TV said Commander-in-Chief Senior Gen. Min Aung Hlaing will be in charge.

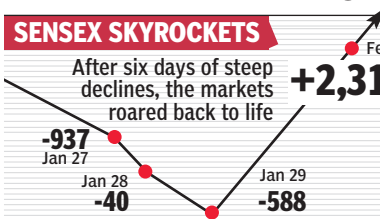
■ Report on Page 11

Monsoon to be normal: Skymet

New Delhi: After two years, the southwest monsoon in 2021 is likely to be normal, private weather forecaster Skymet Weather has said on initial outlook for the rainfall season. The SW monsoon was above-normal in 2019 and 2020. La Nina, which is associated with the cooling of Pacific waters, was an important element influencing Indian monsoon.

74%

HIKE IN FDI LIMIT FOR INSURANCE SECTOR



₹2.5/litre
on petrol, and ₹4/l on diesel
agri development cess



When you create capital expenditure, you are confident that what you are spending money is on asset creation

— Nirmala Sitharaman, FM



FOR YOU AND ME

• Personal vehicles to undergo fitness test after 20 years, heralding scrappage policy

TACKLING NPA MESS

• Government to set up asset reconstruction company to manage NPAs

It's a pro-active Budget that gives boost to wealth as well as wellness. It contains vision of self-reliance as well as inclusiveness.

— Narendra Modi, PM

INDIA OPENS PURSE STRINGS

Budget hikes capital expenditure to come out of Covid-induced slowdown

MADHUSUDAN SAHOO
NEW DELHI, FEB. 1

Finance minister Nirmala Sitharaman on Monday presented what was probably the toughest Budget yet for her government, in which she announced a jump in capital expenditure, more spending on infrastructure and doubling of the spending on health.

Ms Sitharaman gave no particular relief for the middle class in terms of income-tax reliefs or exemptions. In a bid to boost the Covid-hit economy that plunged into the deepest recorded slump, the Centre also raised the cap on foreign investment in insurance for the next fiscal year.

Explaining the Budget's aim to shore up the economy, Ms Sitharaman told reporters later: "We have spent, we have spent and we have spent."

In her shortest ever Budget speech, read out from a tablet (as this was India's first paperless Budget), Ms Sitharaman did not announce any changes in income-tax slabs, PPF limits and Section 80C exemptions, but strengthened the tax tribunals for the benefit of taxpayers in some way or the other. This comes despite experts asking for increased money in the hands of the salaried class to boost consumption and demand.

A significant relaxation to home buyers was given by announcing the extension of ₹1.5 lakh deduction on payment of interest for affordable housing by a year. The Budget also focused broadly on vaccines, nutrition, infrastructure, education, farmers, disinvestment and private sector investment in India. Besides, a host of substantial announcements were also made on disinvestment, including the IPO of LIC, curbing bad loans for banks and opening insurance sector

INSIDE

PG2 | Seniors get waiver from filing I-T returns

PG3 | Railways get ₹1.10 L-cr

PG4 | Budget proposals rest on six pillars

PG5 | Bad bank to gulp NPAs

PG6 | Mamata: Budget is anti-people

PG7 | No succour to Covid-19 victims

to private players.

Ms Sitharaman said: "The Budget preparation was undertaken under circumstances like never before... We are planning for health infrastructure spend which has gone down to the block level." She also clarified that in no categories will the consumer pay more with respect to the agriculture infra cess. "This comes at a time when all of us decided to give impetus to the economy and that impetus, we thought, would be qualitatively spent and give necessary demand push if we choose to spend big on infrastructure," she added.

"The areas of focus will be preventive and curative healthcare as well as well-being. The allocation is likely to be around ₹2,23,846 crores, a 137 per cent rise from the previous Budget. ₹35,000 crore has been allocated for the Covid-19 vaccination pro-



Finance minister Nirmala Sitharaman and her staff pose for a picture as she leaves the finance ministry to present the annual budget in Parliament in New Delhi on Monday.

— AFP

Election-bound states get massive budget allocation

DC CORRESPONDENT
NEW DELHI, FEB. 1

The Union Budget saw the Centre announcing a number of multi-crore fund allocation for infrastructure in the four poll bound states of West Bengal, Kerala, Tamil Nadu and Assam.

Though it is in power in Assam it wants to retain power while wanting to be a real challenger in the

others. These states are scheduled to go to polls after April and May this year. In Tamil Nadu, a 3,500-km long highway at an investment of ₹1.03 lakh crore was announced. Kerala got a ₹65,000-crore road infrastructure project. This would entail construction of 1,100 km of roads in the state. The finance minister specifically mentioned that the phase two of the Kochi

metro railway, covering a length of 11.5 km at a cost of ₹1957.05 crore, would be carried out from the allocation, besides including the 600-km section of the Mumbai-Kanyakumari corridor that would pass through Kerala.

For West Bengal, the finance minister announced ₹25,000-crore worth of road projects. A stretch of 675 km of National Highway is to be created.

gramme in FY22. Similarly, on capital expenditure, the outlay for FY22 has gone up by 34.5 per cent (vs FY21 BE) at ₹5.54 lakh crores, and ₹44,000 crore under capital expenditure will be given to the department of eco-

nomics in FY22. FY21 capital expenditure is seen at ₹4.39 lakh crores," she said.

Calling it a healthcare-centric Budget, Prime Minister Narendra Modi said even as it was presented amid unprecedent-

ed circumstances, it shows India's confidence and will instil self-confidence.

To satisfy farmers protesting over the Centre's three farm laws, he said the Budget focuses on increasing their income.

Netizens slam Budget with memes

AVINASH P. SUBRAMANYAM | DC
TIRUPATI, FEB. 1

Netizens started a new meme-fest on microblogging sites soon after union finance minister Nirmala Sitharaman tabled the Union Budget 2021 in Parliament on Monday.

With increase in fuel prices presented in the budget, majority of people have been left disappointed. This has led to them sharing their concerns on social media through

NOTHING FOR AP, OFFICIALS TELL CM

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

Chief Minister Y.S. Jagan Mohan Reddy has held a meeting with officials on the Union Budget 2021-22 and examined the finan-

cial allocations offered to various sectors. The officials told the CM that there were no major allocations to the state.

■ Page 7: AP still facing bifurcation odds

memes and trolls. As Nirmala Sitharaman is married to Parakala Prabhakar, who belongs to a noted political family that held key positions in

IT'S | DIPPING States fared well in population control, boosting per capita income

Telugu states face more fund cuts

N. VAMSI SRINIVAS | DC
HYDERABAD, FEB. 1

In a blow to the Telugu states of Andhra Pradesh and Telangana, share of both in devolution of Central revenues will further dip for the next five years, beginning from the 2021-22 fiscal.

As per the recommendations of the 15th Finance Commission, the share of AP in devolution will fall

from 4.31 per cent to 4.04 per cent, and last year's revised share of 4.11 per cent as recommended by the 14th Finance Commission. In the case of Telangana state, Central devolution will drop from the previous 2.37 per cent to 2.1 per cent.

In the current fiscal also, AP will receive ₹9,000 crore less than the estimated ₹32,000 crore from central pool of funds and TS

about ₹5,000 crore from the estimated ₹16,000 crore. The silver lining for Andhra Pradesh, however, is that it will get a revenue deficit grant of ₹30,000 crore in the next three years. This will be out of

the ₹2,94,514 crore country-wide revenue deficit grant. The pre-devolution deficit in AP will be ₹44,000 crore in 2021-22 and is likely to come down to ₹20,040 crore by 2025-26.

For Telangana, almost the entire state-specific grant of ₹2,350 crore would go for maintenance of Mission Bhagiratha.

Explaining the reasons for the fall, a senior finance official told Deccan

Chronicle that both states had "fared well in population control and increasing per capita income", hence the trimming. "The Finance Commission still refers to AP as a larger state and places it on the same pedestal as Uttar Pradesh, Karnataka or Gujarat," the official said.

der case. "Chudagane #bhakths motham satyalokam loniki vellipoyaru", which means — On seeing the budget, all devotees had gone into Satyalokam. The meme, which has GIF of Mr. Bean, also carried the following — "Eeyyyyyy ee budget pettindi meme (This budget was presented by us)", "Modi is coming", "Amithsha is coming", "Work is done, thanks to nirmalakka (Nirmala sister) elevation".

■ Page 7: TS only state to register surplus

HC PULLS UP SEC FOR FAILING TO DO FOLLOW UP ON CONTEMPT CASE

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

The Andhra Pradesh High Court has pulled up the State Election Commission for failing to keep track of the progress of a contempt of court petition it filed with the HC against the state government — SEC not enquiring as to whether it had come up for hearing, or why if it has not, for the past several days.

A single judge bench headed by Justice Battu Devanand held a hearing on the contempt of court petition filed by SEC on Monday. The judge observed that the SEC filed the petition on December 18 and details of the petition were covered in media the next day. Yet, why did the SEC fail in approaching the court to check as to why the petition was not taken up for hearing? Was the petition filed only to gain publicity? the High Court asked the SEC.

■ Page 9: HC infers SEC pressurising respondents

• The FM a new Centrally sponsored scheme, PM Atma Nir-bhar Swasth Bharat Yojana, with an outlay of ₹64,180 crore to boost healthcare infrastructure.
• She said health was one of the six pillars of Budget

Covid has health get booster dose with 137% hike

VINEETA PANDEY | DC
NEW DELHI, FEB. 1

India's health sector got a huge boost in Budget 2021-22 with finance minister Nirmala Sitharaman saying there was a "137 per cent" increase in health spending by the government. Terming "health and well-being" as one of the "six pillars" of the Budget, Ms Sitharaman also announced a new Centrally sponsored scheme, PM Atma Nir-bhar Swasth Bharat Yojana, with an outlay of ₹64,180 crore to boost healthcare infrastructure.

"Taking a holistic approach to health, we focus on strengthening three areas: preventive, curative, and well-being... The investment on health infrastructure has increased substantially. Progressively, as institutions absorb more, we shall commit more... The Budget outlay for health and well-being is ₹2,23,846 crore in Budget Estimates (BE) 2021-22, against this year's BE of ₹94,452 crore, an increase of 137 per cent. I have provided ₹35,000 crore for Covid vaccines in BE 2021-22. I am committed to provide further funds if required," said Ms Sitharaman in her Budget speech.

The FM has also added allocations for drinking water, sanitation and nutrition with health to calculate the 137 per cent hike. The actual hike for health and family welfare is 9.6 per cent, health research is 26.8 per cent and for Ayush it is 40 per cent. Drinking and sanita-

tion allocations have got a 179 per cent hike while there was a 27 per cent cut in allocation for nutrition.

The FM said India has launched two vaccines against Covid-19 at present and two more vaccines are expected soon. Besides, 17,000 rural and 11,000 urban health and wellness centres will be set up, along with integrated public health labs in each district. The pneumococcal vaccines will be rolled out across the country to prevent deaths due to pneumonia, septicemia and meningitis.

A new Centrally sponsored scheme, PM Atma Nirbhar Swasth Bharat Yojana, will be launched with an outlay of about Rs 64,180 crores over six years. The FM said this will develop capacities of primary, secondary, and tertiary care health systems, strengthen existing national institutions and create new institutions to cater to the detection and cure of new and emerging diseases. This will be in addition to the National Health Mission.



REACTIONS

As expected, the finance minister has paid special attention to election bound states. She announced large capital outlays for Kerala, Tamil Nadu, West Bengal and Assam



— **P. CHIDAMBARAM**,
Former finance minister

Forget putting cash in the hands of people, the government plans to hand-over India's assets to his crony capitalist friend. China occupied our territory and killed our soldiers. PM spends Diwali with them for PR photo-ops.



— **RAHUL GANDHI**,
Congress leader

I won't comment on the Budget in a hurry. But from what I have heard (about budgetary provisions) so far, it should be for the country and not for elections. This is the budget of the country and not of polls



— **UDDHAV THACKERAY**,
Maharashtra CM

The Budget has the potential to be a catalyst to revive the economy and implement development programmes. It will act as a 'speed booster' to the economy which was badly hit due to Covid-19.



— **B.S. YEDIYURAPPA**,
Karnataka chief minister

They (BJP) lecture others on nationalism, but in practice, they are the ones who sell the nation. They are selling everything from PSUs, insurance, railways to ports. This is a budget to deceive the masses.



— **MAMATA BANERJEE**,
West Bengal CM

We welcome the FM's emphasis on healthcare spending and immunisation, especially for Covid-19 and the pneumococcal vaccines as this will help India recover rapidly from this pandemic.



— **ADAR POONAWALLA**,
CEO, Serum Institute

Earlier, they sold Railways, Air India, Bharat Petroleum, and others. This Budget is about more such entities that will be sold including gas pipeline, stadium, roadways and warehouses.



— **TEJASHWI YADAV**,
RJD president

Kisan protests raging and agriculture allocations reduced. Promising MSP but allocation for price support schemes reduced. Soaring petrol prices additional cess on petroleum product.



— **SITARAM YECHURY**,
CPM general secretary

The Budget presented by finance minister Nirmala Sitharaman will pave the way for an Aatmanirbhar Bharat, making India a \$5 trillion economy and doubling farmers' income



— **AMIT SHAH**,
Union home minister

Multiple pluses: increased govt spending in major sectors like infrastructure, agriculture and healthcare; safety net expanded for the vulnerable; & opportunities for greater private investment



— **JYOTIRADITYA SCINDIA**,
BJP leader

Agri cess, customs to pinch pocket

Imported alcohol to attract 100% cess, apples 35%; higher customs to make mobiles, refrigerator, AC, LED lights, leather products costlier

SANGEETHA G
with agency inputs
CHENNAI/NEW DELHI,
FEB. 1

By levying agricultural infrastructure and development cess on certain products and lowering the customs and excise duty, the Centre will be able to increase its revenue and reduce the revenue devolved to the states, without any major impact on the consumer.

The Budget has proposed agriculture infrastructure and development cess on the customs duty of certain products like petrol and diesel, apples, certain alcohol, kabuli chana, soybean and palm oil, Kabuli chana and cotton.

Finance minister Nirmala Sitharaman has proposed a new cess of 100 per cent on imported alcoholic beverages.

AIDC cess of ₹2.5 per litre has been levied for petrol and ₹4 per litre for diesel. Among a list of products, the Budget has levied 2.5 per cent AIDC on the customs duty of gold, silver and dore bars, 100 per cent on certain alcoholic beverages, 17.5 per cent on crude palm oil, 20 per cent for crude soybean and palm oil, 35 per cent for apples, 40 per cent for peas, 30 per cent for Kabuli chana, 50 per cent for Bengal gram/chickpeas and 5 per cent for cotton.

However, except gold, silver and dore and cotton, the basic customs duty on most of the products have been reduced so that there is no impact on the consumer. "Overall there would be no additional burden on the consumer on most of these items," finds the Budget.

In case of petrol and diesel, consequent to imposition of AIDC on petrol and diesel, the basic excise duty (BED) and special additional excise duty (SAED) rates have been reduced on them so that overall consumer does not bear any additional burden, it said.

A large number of commonly used items, including refrigerators, air conditioners, LED lights and cellphones, will become more expensive due to hike in customs duty on their imported parts.

Customs duty on the compressors for refrigerators and air conditioners has been hiked to 15 per cent from 12.5 per cent, while the same on LED lamps, parts and spares such as printed circuit boards has also been increased from 5 per cent to 10 per cent.

Likewise, customs duty on solar inverters has been hiked to 20 per cent from 5 per cent earlier, and solar lanterns will



Members of Uttar Pradesh Adarsh Vyapar Mandal and Ficci during a Budget debate while watching finance minister Nirmala Sitharaman's speech on Union Budget 2021-22 in Lucknow on Monday. — PTI

Gold, silver will become cheaper

SANGEETHA G
CHENNAI, FEB. 1

Gold and silver will become cheaper by 2.19 per cent after the customs duty was brought down from 12.5 per cent to 7.5 per cent.

Earlier, gold and silver used to attract import duty of 12.5 per cent. With the addition of cess, surcharge and three per cent GST, the total tax incidence was 16.26 per cent. The Budget has proposed to reduce the customs duty to 7.5 per cent. However, with the addition of Agriculture Infrastructure and

now attract customs duty of 15 per cent.

Ms Sitharaman also announced increasing basic customs duty on raw silk to 15 per cent from 10 per cent earlier and on cotton to 5 per cent from nil earlier.

Imported automobile parts such as safety and toughened glasses, wind-screen wipers, signalling equipment will attract higher customs duty of 15 per cent, up from 10 per cent thereby making the products expensive.

She has announced hike in customs duty on mobile phone parts like PCBA, camera module, connectors, back cover, side keys and mobile phone charger components of 2.5 per cent from nil. Finished leather products will become expensive as they now attract basic customs duty of 10 per cent as against NIL earlier.

Development Cess as well as GST, the total incidence will come down to 14.07 per cent.

The Budget also proposed to lower the basic customs duty on gold dore bar from 11.85 per cent to 6.9 per cent. With the addition of agricultural infrastructure cess and social welfare surcharge, the customs duty will be 10.09 per cent for gold dore against 10.75 per cent in case of refined gold. Dore will be thus cheaper by 0.66 per cent against refined gold.

Basic customs duty on silver dore too has been reduced from 11 per cent to



6.1 per cent and platinum and palladium from 12.5 per cent to 10 per cent. Basic customs duty on gold and silver findings will come down from 10 per cent to 20 per cent, waste and scrap of precious metals by 2.5 per cent and precious metal coins also by 2.5 per cent.

The basic customs duty on gold stood at one per cent in 2012. With the

widening of current account deficit, import duties on gold and silver were increased from 2012 onwards. This has however supported the expansion of the grey market in recent years.

"The rationalisation of import duty on gold to around 10.75 per cent from 12.5 per cent is a welcome move and timely. Hopefully, this is the first of a series of such cuts to make bullion an asset class that operates mainstream. It is a much-needed incentive for the organised and compliant players in the bullion and gold jewellery market.



Farmers pull out paddy saplings before transplanting them in a field at Ahatguri village, near Morigaon district, on Monday. — PTI

Extra ₹1.5L deduction on affordable home loans

New Delhi, Feb. 1: The government on Monday extended the additional tax deduction of ₹1.5 lakh on interest paid on housing loan for purchase of affordable homes by one more year to March 31, 2022, a move aimed at boosting demand in the sluggish real estate sector.

The additional deduction of ₹1.5 lakh over and above ₹2 lakh was introduced in

the 2019 budget. This was allowed for those buying homes for the first time and of up to ₹45 lakh cost.

In the Budget speech for 2021-22 fiscal year, finance minister Nirmala Sitharaman said the government sees "Housing for All" and affordable housing as priority areas.

"In the July 2019 Budget, I provided an additional deduction of interest,

amounting to ₹1.5 lakh, for loan taken to purchase an affordable house. I propose to extend the eligibility of this deduction by one more year, to 31st March 2022," she said.

The minister said the additional deduction of ₹1.5 lakh shall therefore be available for loans taken up till March 31, 2022, for the purchase of an affordable house. — PTI

Khelo India sees biggest reduction in allocation

New Delhi, Feb. 1: The impact of Covid-19 was felt on the national sports budget as the government allocated ₹2596.14 crore for the financial year 2021-22 — a reduction of ₹230.78 crore when compared to the amount earmarked initially for the previous year. In the last financial year, the government had allocated ₹2826.92 crore for sports, which was later

revised to ₹1800.15 crore because of the lack of activity caused by the pandemic. This year's allocated amount is ₹795.99 crore more than the revised Budget of 2020-21.

However, the spending last year was severely impacted after Tokyo Olympics was postponed, domestic events were cancelled in almost all sports and no foreign training

and competition was possible for most of the Indian athletes. The sports ministry bears the cost of all foreign training and competition, including participation in the Olympics.

The government's flagship Khelo India programme was handed the biggest reduction — of ₹232.71 crore — among all sports heads for the 2021-22 Budget. — PTI

SOCIAL SECURITY FOR PLATFORM, GIG WORKERS

New Delhi, Feb. 1: The government on Monday said social security benefits will be extended to platform and gig workers.

Presenting the Budget for 2021-22, finance minister Nirmala Sitharaman said the government also proposed setting up of a portal to collect information on gig-workers, building and construction workers, among others.

A portal will be set up to collect info on gig & platform workers, building & construction workers, among others to provide them benefits like health, credit (easy financing), food and others, Sitharaman said in her budget speech in Lok Sabha.

She noted that for the first time Code on Social Security Code 2020 has made provision for universalisation of social security for the entire workforce including gig and platform workers.

The gig and platform workers are those who are engaged by various e-commerce businesses like UBER, OLA, SWIGGY and Zomato. These workers are not paid salaries and hence deprived of social security benefits like provident fund, group insurance and pension. — PTI

No deduction for firms for delaying PF payments

New Delhi, Feb. 1: (PTI) The government on Monday said the employers who delay the deposit of workers' share of social security contributions like employees' provident fund will not be able to claim the amount as deduction from their income.

An amendment in this regard is proposed in the Finance Bill 2021, to ensure that firms deposit the social security contributions of their employees like Employees' State Insurance (ESI) well in time.

Besides it is proposed to tax interest earned on annual provident fund contribution of over ₹2.5 lakh from April 1, 2021. At present there is no tax on interest earned on provident fund deposits.

The government has also proposed to set up a Web portal to map informal sector workers, like gig and platform workers, to provide them various benefits like health, credit and food etc.

In her budget speech, finance minister Nirmala Sitharaman said in Lok

Sabha, "We have noticed that some employers deduct the contribution of employees towards Provident funds, superannuation funds, and other social security funds but do not deposit these contributions within the specified time."

She was of the view that for the employees, this means a loss of interest or income.

In cases where an employer later becomes financially unviable, non-deposit results in a permanent loss for the employ-

ees. The minister told the House, "In order to ensure that employees' contributions are deposited on time, I reiterate that the late deposit of employees' contribution by the employer will not be allowed as deduction to the employer."

These amendments will take effect from April 1, 2021 and will accordingly apply to the assessment year 2021-22, and subsequent assessment years as per the Finance Bill 2021.

According to the speech document, in order to

rationalise tax exemption for the income earned by high-income employees, it is proposed to restrict tax exemption for the interest income earned on the employees' contribution to various provident funds to the annual contribution of ₹2.5 lakh.

This restriction shall be applicable only for the contribution made on or after April 1, 2021.

Under the social security schemes run by the retirement fund body EPFO, employers as well as employees contribute 12

per cent of basic wages each towards social security schemes run by it.

These social security schemes provide the benefit of provident fund, group insurance and pension to organised sector workers which mainly include private and public sector undertakings' staff.

Similarly, for the ESI scheme, employees deposit 0.75 per cent of the wages and that of employer's is 3.25 per cent of the wages. The ESI is a health insurance scheme provided mainly to industrial work-

ers. The finance minister has also announced to set up a dedicated web portal for collecting information of informal sector workers to provide them benefits of various government schemes like health, credit, food and other benefits. The minister also said that for the first time globally, social security benefits will extend to gig and platform workers.

However, she did not elaborate whether it would be provided through the ESIC or any other agency or body. — PTI



TWEETS

TEJASVI SURYA
@Tejasvi_Surya

1 of biggest takeaways from budget is no increase in direct taxes through current fiscal deficit is poised to be 9.5% of GDP. No heavy tax burdens for salaried & middle class. At same time, fiscal stimulus & development has not stopped. This is real #Aatmanirbhar-BharatKa Budget



SMRITI Z IRANI
@smritiirani

Infrastructure is the most important factor for the growth of any economy and the Nation. Historic push given to Infrastructure sector across various segments in #AatmanirbharBharatKa Budget will have multiplier effect thereby propelling economic growth.



HARDEEP SINGH PURI
@HardeepSPuri

Proposal of continuation of tax holidays on investments in Affordable Housing in #Budget2021 & interest deduction of additional ₹1.5 lakh to promote housing till March 2022 & tax exemption for Affordable Rental Housing Complexes will boost the Real Estate Sector.



SANJAY NIRUPAM
@sanjaynirupam

Selling assets for generating revenue is not at all a wise move. The thrust of #Budget on disinvestment is a bit scary. Privatisation of Roads, Railways, Ports and other infra sectors will make our country vulnerable. It can never make India Atmanirbhar. #UnionBudget2021



KIRAN MAZUMDAR-SHAW
@kiranshaw

#budget2021 has focused on growth investment n jobs. Investment in infra healthcare n mega projects is key to bringing back jobs n financing thru divestment monetisation n privatisation expeditiously will determine success @nsitharaman



PIYUSH GOYAL
@PiyushGoyal

The focus of #Aatmanirbhar BharatKa Budget is to make India future-ready. Whether you look at the huge jump in health sector, phenomenal increase in capital expenditure in Railways, support given to @FCI India, industry, Startups, today every sector is a happy sector.



SUSHMITA DEV
@sushmitadev

Modi Govt's #Budget2021 plans to sell public infra to crony friends. Provides NO relief to marginalised. Hits hard at the Middle Class by Taxing PF. Nothing to promote Women at Workplace. No respite on Petrol, Diesel & LPG. Assaults Rural Women by slashing NREGA fund by 42%.



RAILWAYS GETS ₹1.10 LAKH CRORE TO BECOME FUTURE READY BY 2030

Sitharaman seeks monetisation of dedicated freight corridors, proposes lighter versions of metro rail for smaller cities and periphery of big cities, aims at full electrification of railways

RAJNISH SHARMA | DC
NEW DELHI, FEB 1

Finance Minister Nirmala Sitharaman in the budget has allocated a massive ₹1.1 lakh crore for Indian Railways. Out of this, ₹1.07 lakh crore would be used as capital expenditure for the Railways.

In her third budget, the minister unveiled a new ambitious plan for the railways which would help the Indian Railways to be future-ready by 2030 with global standards.

The crucial eastern and western dedicated freight corridors, which would further boost economic growth, will be commissioned by June 2022. In addition, some sections of the dedicated freight corridors will be made on Public-Private Partnership (PPP) mode in a bid to involve more investments in railway infrastructure. The minister said efforts would be made to see how the Railways can monetise dedicated freight corridors to generate additional financial resources.

"We will undertake future dedicated freight corridor projects namely East Coast corridor from Kharagpur to Vijayawada, East-West Corridor from Bhusaval to Kharagpur to Dankuni and North-South corridor from Itarsi to Vijayawada. Detailed Project Reports will be undertaken in the first phase," Sitharaman said.

While announcing the future projects for the Railways the finance minister stated that Railways will work towards raising the share of public transport with an outlay of ₹18,000 crore. New metro projects like Metrolite and Metro-ono technologies will be deployed in tier-2 cities and along the periphery of tier-1 cities. In another important announcement the Finance Minister told the Parliament that 100 electrification of broad gauge rail tracks by December 2023. The effort would be to obtain 100 per cent electrification of broad gauge rail tracks by December 2023.

There would be an investment of ₹18,000 crore scheme to augment public transport in urban areas. In an attempt to mobilise for further expansion, the Railways would also try to monetise pipelines of GAIL (India) Ltd, Indian Oil Corp (IOC) and HPCL which are on railway land.

INFRASTRUCTURE

- National Infrastructure Pipeline (NIP) now expanded to 7,400 projects.
- It will require a major increase in funding both from the government and the financial sector

THREE STEPS ARE PROPOSED TO BE UNDERTAKEN TO ACHIEVE THIS

1 CREATION OF INSTITUTIONAL STRUCTURES: INFRASTRUCTURE FINANCING:

- A Bill to set up a Development Financial Institution (DFI)
- With provision of ₹20,000cr

2 BIG THRUST ON MONETISING ASSETS

- Launch of National Monetisation Pipeline

Some important measures are:

- Natinal Highway Authority of India and PGCIL
- Railway to monetise Dedicated Freight Corridor assets for operations and maintenance after commissioning
- The next lot of airports will be monetised for operations and management concessions

3 SHARP INCREASE IN CAPITAL BUDGET

- BE of ₹5.54 lakh crore, 34.5% more than the BE of 2020-21



Scrappage policy to support auto

MICHAEL GONSALVES | DC
PUNE, FEB 1.

Automobiles honchos say the announcement of the Scrappage Policy in the Budget to phase out old and polluting vehicles is expected to significantly boost the auto industry as also contribute to a clean India. This policy is a programme that encourages vehicle owners to scrap vehicles older than 15 years old and purchase new ones instead.

The government's new voluntary vehicle scrappage policy which will be implemented April 2022 onwards, personal vehicles over 20 years old and commercial vehicles over 15 years old would undergo automated fitness tests. Vehicles not meeting the prescribed norms would be taken off the streets which will boost the sales of new vehicles.

More details on the implementation of this decision will be revealed by the Ministry of Road Transport and Highways or MoRTH in due course. Union Finance Minister Sitharaman in her speech said, "We are separately announcing a voluntary vehicle scrapping policy to phase out old and unfit

vehicles." "This will help encourage fuel-efficient and environment-friendly vehicles, thereby reducing vehicular pollution and oil import bills."

Vehicles would undergo fitness tests in automated fitness centres after 20 years in case of personal vehicles and after 15 years in case of commercial vehicles," Sitharaman pointed out.

This policy will also spur the growth of electrification and alternate fuel vehicles, and lower fuel import bill for the government.

Welcoming the policy, Road Transport, Highways and MSMEs Minister Nitin Gadkari said the policy will lead to new investment of around ₹10,000 crore and create as many as 50,000 jobs. He also said the policy would cover over 1 crore light, medium and heavy motor vehicles.

"Over 51 lakh light motor vehicle older than 20 years and 34 lakh vehicles older than 15 years to be scrapped. Also, 17 lakh medium and heavy commercial vehicles older than 15 years are plying without a valid fitness certificate. These 1 crore vehicles will be a huge enabler for new vehicle sales," Gadkari said.

Post Covid, India poised to be land of promise: FM

New Delhi, Feb. 1: Drawing inspiration from the recent performance of the Indian cricket team in Australia under trying circumstances, Finance Minister Nirmala Sitharaman on Monday asserted that India is well-poised to truly be the land of promise and hope in the post-Covid-19 world.

The Finance Minister while presenting the Budget for 2021-22, said as it had happened after the two World Wars, there are signs that the political, economic, and strategic relations in the post Covid-19 world are changing.

She noted that the country's fight against the pandemic continues into 2021 and the country is all set to bring in two more vaccines for the infectious disease.

"Today, India has two vaccines available, and has begun medically safeguarding not only her own citizens against Covid-19, but also those of 100 or more countries. It is an added comfort to know that two or more vaccines are also expected soon," Sitharaman said.

Currently, the country is utilising two vaccines — Covishield and Covaxin — for country's Covid-19 vaccination drive.



● **SITHARAMAN NOTED** that the country's fight against the pandemic continues into 2021 and the country is all set to bring in two more vaccines for the infectious disease.

"Now, just as it had happened after the two World Wars, there are signs that the political, economic, and strategic relations in the post Covid world are changing," the Finance Minister noted.

This moment in history is the dawn of a new era one in which India is well-poised to truly be the land of promise and hope, she said.

"In this spirit, I can't help but recall the joy that we, as a cricket-loving nation, felt after Team India's recent spectacular success in Australia. It has reminded us of all the qualities that we as a people, particularly our youth, epitomise of having abundant promise and the unexpressed thirst to perform and succeed," Sitharaman added.

Earlier this month, an injury-ravaged India beat Australia by three wickets in the series-deciding fourth Test in Brisbane thus winning the 4 Test series by 2-1.

It was India's first Test victory at the Gabba in their seventh visit since 1947-48, and the first time Australia were beaten at what was flagged as their 'fortress' since 1988.

The government on Monday proposed ₹2,23,846 crore Budget outlay for health and wellbeing for 2021-22, compared to ₹94,452 crore in the current fiscal year, an increase of 137 per cent.

— PTI

HOUSING GETS ₹54,581 CRORE

New Delhi, Feb. 1: The Union Housing and Urban Affairs Ministry was allocated ₹54,581 crore for the next fiscal, according to the Union Budget for 2021-22 announced on Monday.

The Swachh Bharat Mission-Urban, a flagship programme of the Modi government, has been given ₹2,300 crore in the 2021-22 Union Budget that was presented by Finance Minister Nirmala Sitharaman in Parliament.

— PTI

Booster for village broadband

New Delhi, Feb 1: The government on Monday allocated ₹14,200 crore for telecom infrastructure that entails completion of optical fibre cable-based network for Defence services, rolling out broadband in 2.2 lakh panchayats and improving mobile services in the North East.

The government had approved ₹24,664 crore for an advanced communications network for defence services in lieu of their vacating spectrum for mobile telephony in May

2018. The project was to be completed within 24 months.

According to the budget document, the finance ministry has earmarked an outlay of ₹5,200 crore to rollout the entire optical fibre cable (OFC) required for setting up the Defence communications network, issue purchase order for all equipment components for the entire project to commission nationwide dedicated full-fledged communication network.

The finance ministry

has allocated ₹9,000 crore to boost telecom connectivity across the country which includes high-speed OFC or satellite-based broadband services across the 2.2 lakh village panchayats in the next financial year. The government has set a target to lay 6.7 lakh kilometer of OFC, 1.2 lakh wifi access points and 6.5 lakh fibre-to-the-home (FTTH) connections to be installed in 2021-22.

The budget has made provision to instal 600 mobile towers for 4G services

in Arunachal Pradesh and two districts of Assam and another 600 mobile towers for 4G in Meghalaya. Telecom Equipment Manufacturers Association (TEMA) chairman emeritus NK Goyal said it has been demanding funds for optical fibre-based infrastructure.

"The fund allocation for telecom infrastructure is the need of the hour specially for the north east. This will be a life line for our citizens of North East," Goyal said.



A man watches a live streaming of the 2021 union budget on his mobile phone, in Kolkata on Monday. — AFP

FISCAL | DEFICIT

Gross tax revenues for a 5-year period to be ₹135.2 lakh crore

Tax devolution to states at 42%

New Delhi, Feb. 1: The 15th Finance Commission has recommended that the states be given 42 per cent of the divisible tax pool of the Centre during the period 2021-22 to 2025-26.

The panel's report also provides a range for fiscal deficit and debt path of both the Union and states and also recommended additional borrowing room to states based on performance in power sector reforms.

Finance Commission is a constitutional body that gives suggestions on Centre-state financial relations. The report of the 15th Finance Commission was tabled in the Lok Sabha by Finance

Minister Nirmala Sitharaman.

In order to maintain predictability and stability of resources, especially during the pandemic, the 15th Finance Commission has recommended "maintaining the vertical devolution at 41 per cent — the same as in our report for 2020-21," an official statement said.

It is at the same level of 42 per cent of the divisible pool as recommended by the 14th Finance Commission, the statement said, adding that however, a required adjustment has been made of "about 1 per cent due to the changed status of the erstwhile state of Jammu and Kash-

mir into the new Union Territories of Ladakh and Jammu and Kashmir".

As per the glide path, fiscal deficit should be 6 per cent in 2021-22, 5.5 per cent in 2022-23, 5 per cent in 2023-24, 4.5 per cent in 2024-25, and 4 per cent in 2025-26. The panel, headed by former bureaucrat N. K. Singh, had in November last year submitted its report titled "Finance Commission in Covid Times" to President Ram Nath Kovind.

The gross tax revenues for a five-year period is expected to be ₹135.2 lakh crore. Out of that, divisible pool (after deducting cesses and surcharges and cost of collection) is esti-

mated to be ₹103 lakh crore, as per the Commission.

States' share at 41 per cent of divisible pool comes to 42.2 lakh crore for 2021-26 period. "Including total grants of ₹10.33 lakh crore and tax devolution of ₹42.2 lakh crore, aggregate transfers to states is estimated to remain at around 50.9 per cent of the divisible pool during 2021-26 period," it said.

Total transfers (devolution + grants) constitutes about 34 per cent of estimated Gross Revenue Receipts of the Union leaving adequate fiscal space for the Union to meet its resource requirements

and spending obligations on national development priorities, the Commission added.

The Commission was asked to give its recommendations on wide-ranging issues. Apart from tax devolution, the Commission was asked to recommend performance incentives for States in many areas like power sector, adoption of DBT, solid waste management etc as well as funding mechanism for defence and internal security.

This report has been organised in four volumes. Volume I and II, as in the past, contain the main report and the accompanying annexes.

— PTI

₹3.05 lakh cr plan to revive discoms

New Delhi, Feb. 1: Finance Minister Nirmala Sitharaman on Monday proposed a ₹3.05 lakh crore scheme spread over five years to revive discoms and a framework to provide electricity consumers option to choose from service providers.

These two announcements are aimed at ensuring 24x7 Power for All as envisaged by the central government.

Last year, the government had enforced consumers rules for the power sector to ensure delivery of services.

But loss-making and cash-strapped discoms — which are mostly owned and run by state — are unable to buy sufficient power from generation firms to provide round

the clock supply. Total outstanding dues of the discoms towards power generating firms stood at over ₹1.35 lakh crore as of December 2020.

In her budget speech in the Lok Sabha Sitharaman said, "The viability of Distribution Companies is a serious concern. A revamped reforms-based result-linked power distribution sector scheme will be launched with an outlay of ₹3,05,984 crores over 5 years".

The minister said the scheme will provide assistance to discoms for infrastructure creation, including pre-paid smart metering and feeder separation, up-gradation of systems, etc., tied to financial improvements.

— PTI

SHORT TAKES

ITA HAILS ₹1K CR PACKAGE FOR TEA WORKERS

Kolkata, Feb 1: The Indian Tea Association (ITA) on Monday hailed the budgetary provision of ₹1,000 crore for the welfare of tea workers in West Bengal and Assam. It would improve sustainability and strengthen the alignment with sustainable development goals (SDG), ITA said in a statement.

Finance Minister Nirmala Sitharaman earlier on Monday presented the first paperless Union Budget for 2021-22. The association said it also expects that the tea estate population would be provided a more comprehensive coverage on welfare schemes related to housing, education, sanitation and medical facilities.

Most tea gardens in Assam and West Bengal are located in remote far-flung places and suffer from several transportation bottlenecks, it said.

AGRI COS CHEER HIGHER ALLOCATION TO FARM SECTOR

New Delhi, Feb 1: Agri and food companies on Monday hailed the decision to hike farm credit target and increase allocation for the agriculture ministry in the Budget, saying this will help in boosting farmers' income and overall growth of the sector. Asserting that the government is committed towards farmers' welfare, Finance Minister Nirmala Sitharaman on Monday proposed 10 per cent hike in the farm loan disbursement target to ₹16.5 lakh crore, and introduced an agri infra and development cess of up to 100 per cent to create post-harvest infrastructure for improving farmers' income. The minister also proposed higher allocation for Rural Infrastructure Development Fund and Micro Irrigation Fund, and extended Agriculture Infrastructure Fund to APMCs for augmenting infrastructure facilities. "2020 has been a year of exceptional and unprecedented challenges and has highlighted the critical importance of two core sectors, agriculture and healthcare. The Union Budget 2021 has correctly called out the role of these two sectors in leading the nation's recovery and being catalysts to sustainable growth," said D Narain.

WOMEN & CHILD DEVELOPMENT TO GET MORE

New Delhi, Feb 1: A sum of ₹24,435 crore has been set aside for the Women and Child Development (WCD) Ministry for the next fiscal in the Budget announced on Monday, a 16.31 per cent increase over the 2020-21 financial year.

Out of ₹24,435 crore, the highest amount has been allocated to the newly announced Saksham Anganwadi and Mission Poshan 2.0 scheme with ₹20,105 crore. Poshan 2.0 scheme in an umbrella scheme covering the Integrated Child Development Services (ICDS), Anganwadi Services, Poshan Abhiyaan, Scheme For Adolescent Girls and the National Creche Scheme. The amount set aside for the Women and Child Development (WCD) Ministry is 16 per cent higher over the 2020-21 financial year. In 2020-21, ₹30,007.09 crore was allocated which was revised to ₹21,008.31 crore.

₹15K CR MORE FOR SCIENCE-RELATED MINISTRIES

New Delhi: The Ministry of Science and Technology has been allocated ₹14,793.66 crore in the budget 2021-22, a 20 per cent increase from the current fiscal.

Separately, the Ministry of Earth Sciences (MoES) has been allocated ₹1,897.13 crore.

The Ministry of S&T has three departments -- Department of Science and Technology (DST), Department of Biotechnology and Department of Scientific and Industrial Research (DSIR). All these departments played key role in combating the COVID-19 pandemic in the country.

In the budget 2021-22, the DST has been earmarked ₹6,067.39 crore, while the DBT has been given ₹3,502.37 crore, and the DSIR Rs 5,224.27 crore.

In 2020-21, the Ministry of S&T was allocated ₹14,473.66 crore but it was eventually revised to ₹11,551.86 crore. The allocation the previous fiscal was ₹12,637.43 crore.

SAFE TAP WATER FOR 2.86 CR HOUSES

Jal Jeevan Mission (urban) aims at universal water supply in all 4,378 urban local bodies in over 5 years at outlay of ₹2,87,000 crore

New Delhi, Feb 1: Finance Minister Nirmala Sitharaman on Monday announced that the Jal Jeevan Mission (urban) will be launched with an aim to provide tap water connections to 2.86 crore households.

The ambitious mission will be implemented over five years at an outlay of ₹2,87,000 crore.

"The Jal Jeevan Mission (urban) will be launched. It aims at universal water supply in all 4,378 urban local bodies with 2.86 crore households tap connections, as well as liquid waste management in 500 AMRUT cities. It will be implemented over 5 years, with an outlay of 2,87,000 crores," Sitharaman said in her budget speech.

Launched in 2019, Jal Jeevan Mission (rural) aims to provide tap water connections to rural households by 2024.

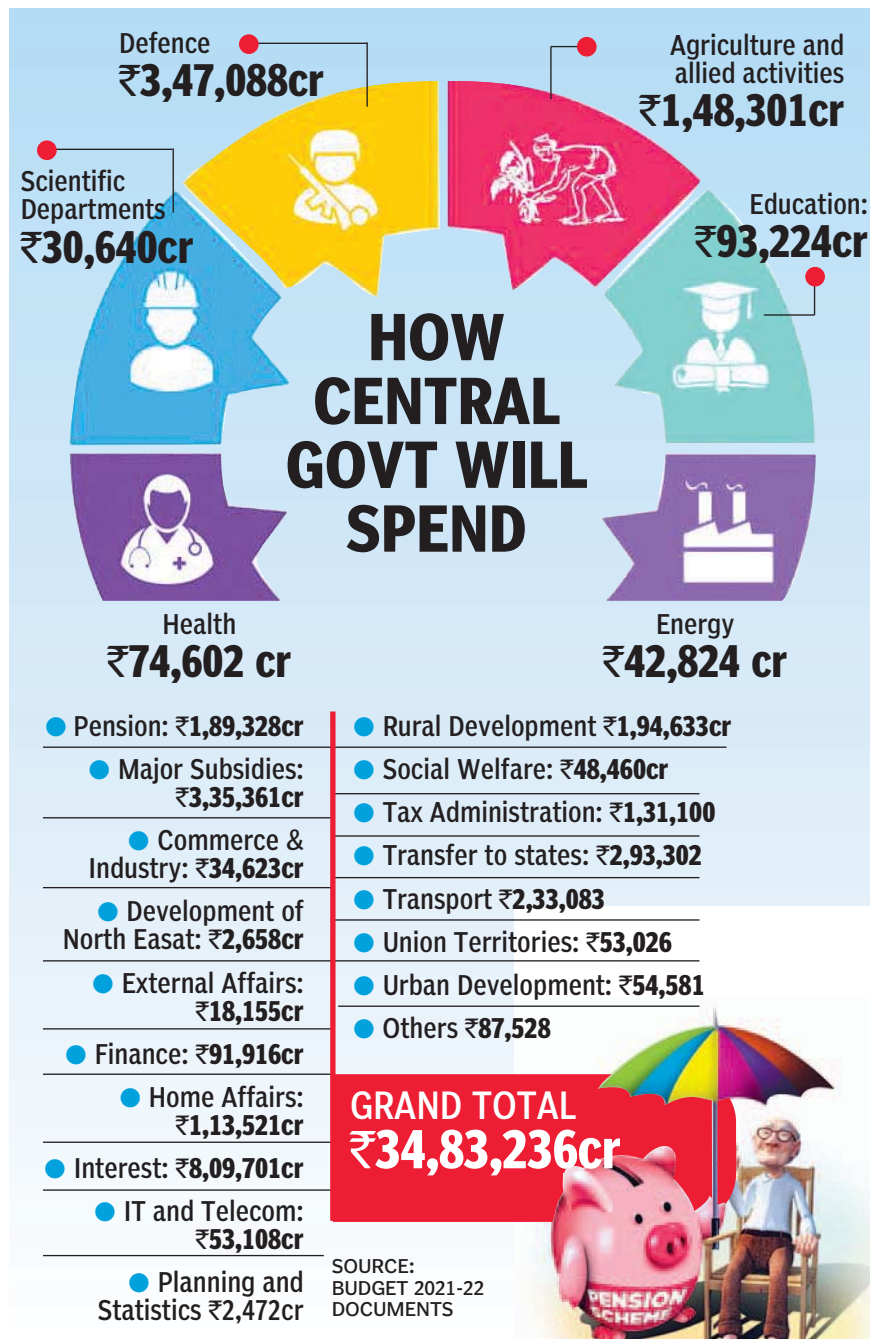
Three crore tap water connections have been provided under this so far. ~

₹7,524 CRORE ALLOCATED FOR TRIBAL MINISTRY

New Delhi: The government on Monday set aside ₹7,524 crore for the Ministry of Tribal Affairs in the Union Budget for the financial year 2021-22, an increase of 36 per cent over the last fiscal year.

A sum of ₹7,411 crore was allocated to the ministry in the financial year 2020-21, which was later revised to ₹5,508 crore. Tribal Affairs Minister Arjun Munda said it was the "best budget so far", as it was prepared under unprecedented circumstances. "The budget has been prepared keeping the qualitative development of all areas in mind. There is no example to describe what we went through due to Covid-19 in 2020," he tweeted. Of the total ₹7,524 crore, the largest chunk — ₹2,393 crore — has been allocated for "tribal education". This time, ₹250 crore has been earmarked for the development of particularly vulnerable tribal groups (PVTGs). PVTGs are characterized by declining or stagnant population, low level of literacy, pre-agricultural level of technology and economic backwardness. During her third budget speech in Lok Sabha, Finance Minister Nirmala Sitharaman proposed to increase the unit cost of Eklavya Model Residential School from ₹20 crore to Rs 38 crore, and to Rs 48 crore in hilly and difficult areas. "This would help create robust infrastructure facilities for our tribal students," she said. The government has set a target of establishing 750 Eklavya Model Residential Schools in tribal areas, she added.

— PTI



Budget allocates ₹73,000 crore for MGNREGA

SANGEETHA G | FC CHENNAI, FEB. 1

The budgetary allocation on Mahatma Gandhi National Rural Employment Guarantee Programme FY22 has been reduced 34.5 per cent compared to the revised estimate of FY21.

For the next fiscal, the government has allocated ₹73,000 crore for MGNREGA.

GA scheme as against ₹1,11,500 crore of the revised estimate of FY21. However, the allocation is higher than last fiscal's budget estimate of ₹61,500 crore.

In its first stimulus package of ₹ 20 lakh crore, the government had announced an extra allocation of ₹40,000 crore for MGNREGA. During the pandemic, the govern-

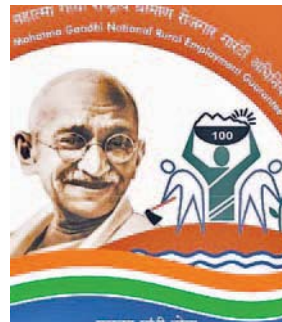
ment had increased the allocation for the scheme in order to help the migrant labourers moving back to their rural homes.

The Finance Minister, however, did not mention anything on the scheme during her Budget speech.

As per the latest update, total expenditure under this scheme is ₹89,269 crore which is 92 per cent of fund utilization. The

scheme promises 100 days of employment each year to every rural household in demand of work. Over 34 lakh households have completed 100 days of employment. It has provided work for 14.4 crore active workers.

MGNREGA had helped the rural sector and agriculture and allied activities withstand the pressures of the pandemic.



SOCIAL SECURITY BENEFIT TO BE EXTENDED TO GIG WORKERS

New Delhi, Feb 1: The government on Monday said social security benefits will be extended to platform and gig workers.

Presenting the Union Budget for 2021-22, Finance Minister Nirmala Sitharaman said the government also proposed setting up of a portal to collect information on gig-workers, building and construction workers, among others. A portal will be set up to collect info on gig & platform workers, building & construction workers, among others to provide them benefits like health, credit (easy financing), food and others, Sitharaman said in her budget speech in Lok Sabha.

— PTI

LABOUR WELFARE

- TO ENSURE that employees' contributions are deposited on time, late deposit of employee's contribution by the employer shall never be allowed as deduction to the employer.
- ELIGIBILITY FOR claiming tax holiday for start-ups extended till 31st March, 2022
- THE CAPITAL gains exemption for investment in start-ups extended till 31st March, 2022
- MIGRANT WORKERS and Labourers
- ONE NATION one ration card implementation underway; 32 states and UTs covered so far and remaining 4 to be integrated in next few months
- IMPLEMENTATION OF 4 layout codes underway
- New Portal to collect information on unorganized labour force, migrant workers especially, to help formulate schemes for them.
- Singler registration and licensing, and online returns to reduce compliance burden on employers

Agri infra, development cess in; 10% hike in farm loan target

NEW DELHI, FEB 1

Asserting that the government is committed towards farmers' welfare, Finance Minister Nirmala Sitharaman on Monday proposed 10 per cent hike in the farm loan disbursement target to ₹ 16.5 lakh crore in the Budget, and introduced an agri-infra and development cess of up to 100 per cent to create post-harvest infrastructure for improving farmers' income.

The minister also proposed higher allocation for Rural Infrastructure Development Fund and Micro Irrigation Fund, and extended Agriculture Infrastructure Fund to APMCs for augmenting infrastructure facilities. The government also proposed substantial investments for the develop-

● The Government is allocating ₹75,100 crore for the farmers of the country, announcing an increase in agriculture credit target to ₹16.5 lakh crore in FY 2021-22

ment of fishing harbours, fish landing centres and promote seaweed farming. Presenting the first digital Budget in Parliament, Sitharaman said the proposal on agriculture will further strengthen "the Sankalp of the nation first, doubling farmers' income, strong infrastructure...", among others. To provide adequate credit to our farmers, the minister

said, "I have enhanced the agricultural credit target to Rs 16.5 lakh crores in FY'22. We will focus on ensuring increased credit flows to animal husbandry, dairy, and fisheries".

When the minister was mentioning about MSP procurement, the Opposition shouted slogans saying that the government should repeal the new farm laws, against which some farmers are protesting at Delhi borders for over two months now.

Sharing further on MSP procurement, the minister said the government's payment on wheat procurement has increased to Rs 62,802 crore in 2019-20 and even better in 2020-21 from the level of Rs 33,874 crore in 2013-14.

— PTI

Def modernisation: 18% increase in capital outlay

PAWAN BALI | DC NEW DELHI, FEB. 1

Narendra Modi government on Monday hiked the "capital outlay" for defence modernisation by 18 per cent to ₹1.35 lakh crore in Union Budget 2021-22 amidst stand-off with the China.

"This is highest ever increase in capital outlay for defence in 15 years," said defence minister Rajnath Singh. Meanwhile, Fifteenth

Finance Commission of India on Monday in a report tabled in the Parliament recommended setting up a ₹ 2.38 lakh crore non-lapsable Modernisation Fund for Defence and Internal Security (MFDIS) to bridge the gap between projected budgetary requirements and budget allocation for defence and internal security. Finance ministry indicated that it has in-principal accepted this recommendation.

Last year India spent additional ₹23,000 crore on emergency arms procurement by army, navy and air force as tensions with China heightened after Galwan Valley incident.

This took the revised budget estimate for capital outlay to ₹1.34 lakh crore in 2020-21 against allocation of ₹1.13 lakh crore. This means that there is 0.40 per cent increase in budget allocation for capital outlay in 2021-22 when compared to revised esti-

This is highest ever increase in capital outlay for defence in 15 years. Rajnath Singh Defence minister



mates of 2020-21.

In the Union budget army has been allocated ₹36,480 crore, Navy ₹33,253

crore and Air Force ₹53,214 crore for modernization and infrastructure development.

The burgeoning defence pension budget has been reduced by 13 per cent to ₹1.15 lakh crore in 2021-22 from ₹1.33 lakh crore last year.

"Last year pension budget was more because approximately Rs 18,000 crore was to be paid on account of pension arrears. Also salary and pension are based on actu-

als," said a senior official. The overall defence budget allocation has increased just marginally by 1.5 per cent at ₹4.78 lakh crore in 2021-22 against ₹4.71 lakh crore in the last year's budget.

Excluding defence pension, the total allocations for defence services and other organisations and departments under defence ministry for the FY 2021-22 is ₹3,62,345 crore which is an increase of ₹24,792 crore over FY

2020-21. The capital allocation for DRDO has been increased to ₹11,375 crore. This is an increase of 8 per cent over 2020-21 and 8.5 per cent over 2019-20.

The allocation for Border Roads Organisation (BRO) has been increased to ₹6,004 crore which is 7.48 per cent increase over FY 2021-22 and 14.49 per cent over FY 2019-20 as India builds crucial infrastructure near line of actual control (LAC) with China.

SHORT TAKES

TAX EXEMPTION ON ULIP PROCEEDS CAPPED

In order to bring in taxation parity between life insurance companies and mutual funds, the Union Budget 2021 has proposed to limit the exemptions on proceeds from unit-linked insurance plans (ULIPs) that have so far allowed large investors to receive tax-free returns. The government has proposed to amend the clause in the Income Tax Act pertaining to taxation of proceeds from ULIPs, according to the Finance Bill, 2021. For ULIPs taken on or after February 1, the maturity proceeds of policies with an annual premium of more than Rs 2.5 lakh will be taxable on a par with equity-linked mutual fund schemes. Individuals holding multiple ULIPs with an aggregate premium in excess of Rs 2.5 lakh will have to pay tax on the proceeds. Till now, under the current provisions, all proceeds from ULIPs were tax free, irrespective of the amount of premium paid by the individual.

—Falaknaaz Syed

ON CARDS: SINGLE SECURITIES MARKET CODE

The government on Monday proposed to introduce a unified securities markets code, a move that will help in boosting the ease of doing business in the country's financial markets. The move would help in cutting down compliance costs and reducing the friction between rules enacted by capital markets watchdog Sebi, depositories and government, experts said.

The finance minister proposed to consolidate the provisions of Sebi Act, Depositories Act, Securities Contracts (Regulation) Act and Government Securities Act into a rationalised single securities markets code. Towards investor protection, the minister also proposed to introduce an investor charter as a right for all investors in all financial products.

Lav Chaturvedi, ED and CEO of Reliance Securities said the single securities market code will bring out ease of doing business in Indian financial markets.

FPIs CAN DEBT FINANCE REITS AND INVITS

In a significant move to augment funds for the infrastructure and real estate sectors, the government proposed permitting foreign portfolio investors an entry into debt financing of emerging investment vehicles Reits and InvITs. Finance minister Nirmala Sitharaman also proposed exempt taxes on dividends on Reits and InvITs, which will make such investment vehicles attractive and lucrative for investors.

Reits (Real Estate Investment Trusts) and InvITs (Infrastructure Investment Trusts) are relatively new investment instruments in the Indian context but are popular in global markets. While a Reit comprises a portfolio of commercial real assets, a major portion of which are already leased out, InvIT comprises a portfolio of infrastructure assets such as highways and power transmission assets.

The FM said the measures will further ease access of finance to InvITs and REITs.

₹1,500-CRORE SCHEME TO BOOST E-PAYMENTS

The government proposed a Rs 1,500-crore scheme to promote digital transactions in the country, a move that the industry believes will drive adoption of e-payments in smaller cities and spur innovation by fintech firms. Finance minister Nirmala Sitharaman said there has been a manifold increase in digital payments in the recent past. "To give a further boost to digital transactions, I earmark Rs 1,500 crore for a proposed scheme that will provide financial incentive to promote digital mode of payment," she said.

Cheering the move, Payments Council of India chairman and Infibeam Avenues Ltd executive director Vishwas Patel said the announcement would incentivise digital payments.

"Hopefully, it will be used to reimburse losses suffered by payment service providers for processing RuPay debit cards and UPI transactions for free in the year 2020 as well as top up the Rs 500 crore fund set up by RBI as part PIDE," he said.

74% FDI IN INSURANCE SOON

Majority directors, key management must be Indian residents; move could see inflows of around ₹30,000 crore in three years in sector

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FINANCIAL
Chronicle

FALAKNAAZ SYED
MUMBAI, FEB. 1

The Union Budget 2021 has set the ball rolling for getting higher foreign capital in the insurance sector by raising the foreign direct investment limit (FDI) from 49 per cent to 74 per cent and allowing foreign ownership and control with safeguards. The move, according to experts, could see inflows of around Rs 30,000 crore in three years in the sector.

In the revised structure, majority directors and key management must be of resident Indians. At least 50 per cent directors must be independent directors and a fixed percentage of the profits must be retained as general reserves.

Presenting the Budget 2021-2022, finance minister Nirmala Sitharaman, in her speech, said, "I propose to amend the Insurance Act, 1938 to increase the permissible FDI limit from 49 per cent to 74 per cent in insurance companies and allow foreign ownership and control with safeguards."

Ashvin Parekh, managing partner at Ashvin Parekh Advisory Services, said, "It is a long awaited reform and should be welcomed as it would bring in about Rs 30,000 crore in the insurance sector over the next three years. But it will take some time since it would require an amendment in the Insurance Act."

In 2015 when the FDI limit was lifted from 26 per cent to 49 per cent, the Indian management control clause was inserted into the Act. Although the expectation was that the insurance sector would get fresh capital of Rs 25,000 crore, the actual infusion into the sector was just around Rs 5,400 crore, as Indian promoters of existing companies monetised their investments by selling their stake to the foreign joint venture partners.

COTTON DUTY A BLOW TO UNITS DOWNSTREAM

SANGEETHA G
CHENNAI, FEB. 1

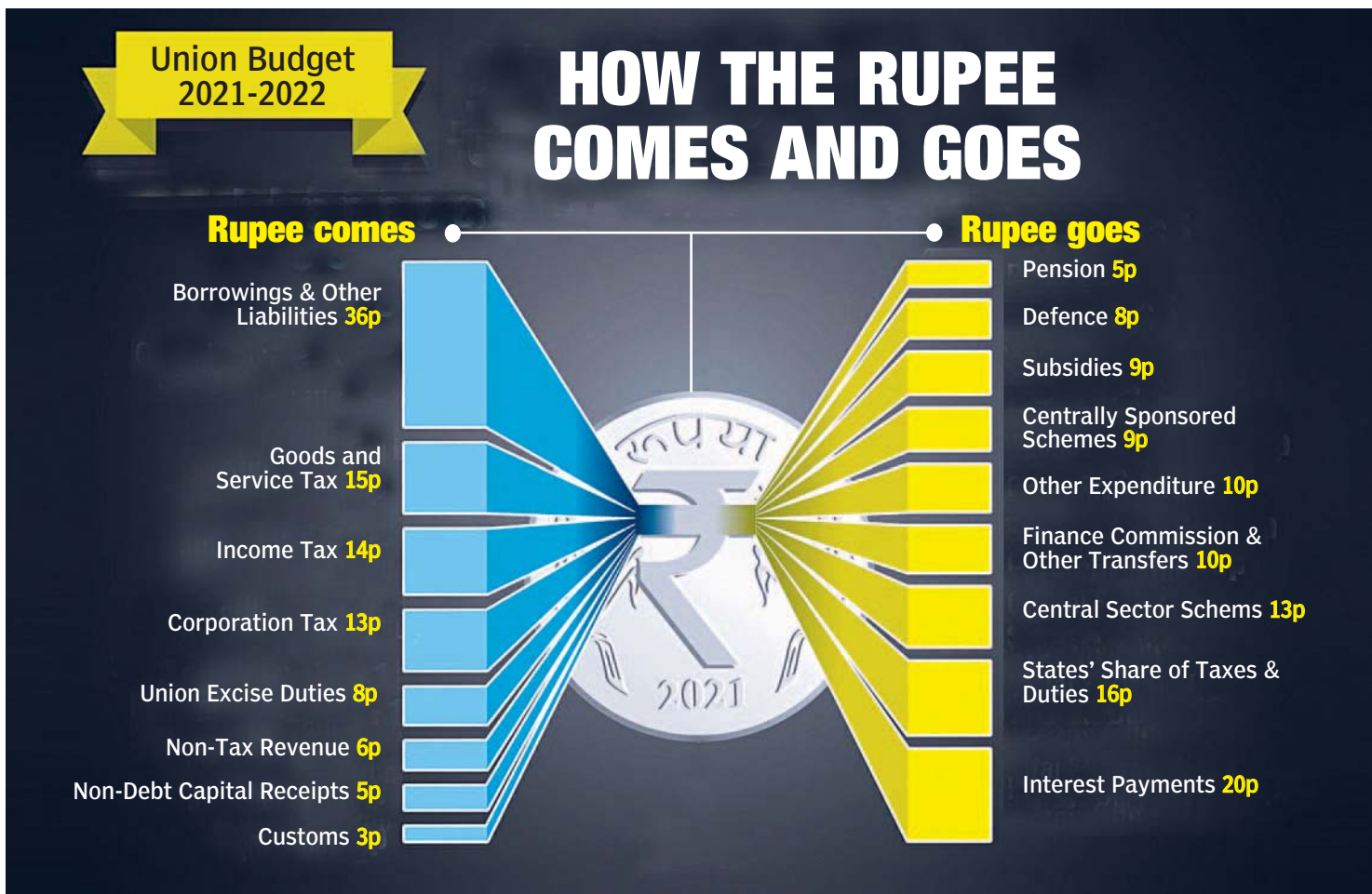
The textile industry finds the 10 per cent import duty on cotton as a "severe blow" for the downstream industries. The duty will make products like bed sheets and fine shirting dearer.

Cotton and cotton waste imports are currently under nil duty. The budget has imposed 5 per cent Basic Customs Duty and another 5 per cent Agriculture Infrastructure and Development Cess on cotton.

The cotton textile industry has to import Extra Long Staple cotton, organic cotton and contamination-free cotton to the tune of 10 to 12 lakhs bales per year. India produces just 3 per cent of its consumption and has to import the deficit to meet the demands of the global customers and also the domestic market.

"The extra long staple cotton, in which India has a clear production deficit, are largely imported from Egypt and the US and are used for making bed sheets, fine shirting and other products made using fine yarn. The price of these products will go up and affect our competitiveness," said Sanjay Jain, an industry veteran.

The country is already flooded with cheaper imports of readymade garments from Saffa countries and the import duty will further make Indian products costlier, said Ashwin Chandran, chairman, Sima.



De-nationalisation of banks begins; insurer also on radar

FALAKNAAZ SYED
MUMBAI, FEB. 1

Apart from a strong disinvestment pipeline (BPCL, Air India, Shipping Corporation of India, etc) intended to be completed in FY22, the government on Monday also proposed to privatise two public sector banks and one non-life insurance company in the year 2021-22. It also announced that LIC would be listed on the bourses next fiscal. The moves would help the government meet the disinvestment target of Rs 1.75 lakh crore and reduce the fiscal constraints.

The government will bring necessary legislative changes in this parliamentary session to enable the disinvestment plans, finance minister Nirmala Sitharaman said during her budget speech on Monday. She, however, did not specify which banks the government was looking to sell stake in, or how much it would divest.

Kajal Gandhi, banking and financial services analyst at ICICI Direct, said, "After the government's last announced merger of 13 public sector banks into five, the government has taken the first step towards privatising state-run banks, starting with divestment of two PSU banks, in a bid to expedite long-awaited reforms in the banking sector. We believe merged PSU banks like Bank of Baroda, Punjab National Bank or non-merged banks like Bank of

India, Bank of Maharashtra, may be on the radar."

Meghna Suryakumar, co-founder & CEO, Credichat said, "The government's commitment to the privatisation of two banks is a healthy indicator that it is serious about growth. This should bring in more professionalism and sophistication into the banking industry. It comes nearly 52 years after the nationalisation of banks in India, but it's still a great time to do this!"

In 2019, it had sold a majority stake in IDBI Bank to LIC, effectively privatising the lender.

Besides the two banks, the government will divest stake in a general insurance company.

Bad bank to gulp NPAs get leg-up

FALAKNAAZ SYED
MUMBAI, FEB. 1

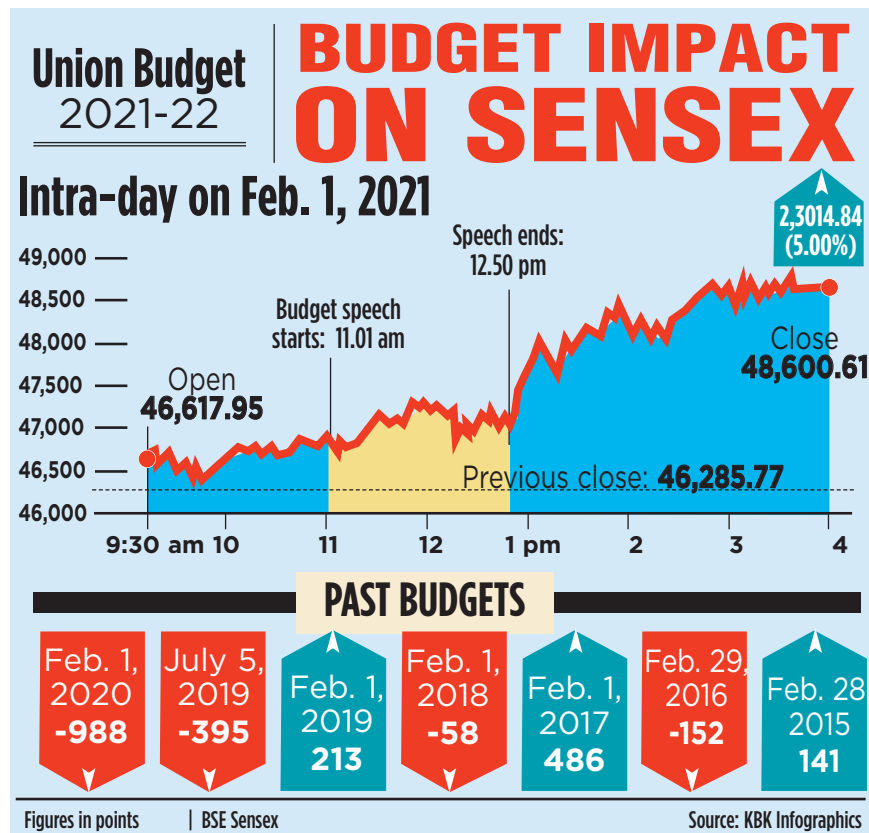
The government announced a slew of proposals for the banking sector, prime being the proposal to set up a bad bank that would buy distressed assets out of the books of public sector banks, thereby freeing funds for lending. It also announced capital infusion of Rs 20,000 crore into state-owned banks to boost credit growth.

Also, in a major relief to depositors, the finance minister announced that the government will be moving an amendment to the Deposit Insurance and Credit Guarantee Corporation (DICGC) Act, 1961, in this session which would allow cus-

tomers to withdraw up to Rs 5 lakh even if a bank is temporarily disabled.

"The high level of provisioning by public sector banks of their stressed assets calls for measures to clean up the bank books. An Asset Reconstruction Company Limited and Asset Management Company would be set up to consolidate and take over the existing stressed debt and then manage and dispose of the assets to Alternat Investment Funds and other potential investors for eventual value realisation," the FM said.

In a post-budget press briefing, finance ministry officials said the structure will be set up with public and private sector banks.



START-UPS CAN STAY WITHOUT COMPLIANCE WORRIES NOW

SANGEETHA G
CHENNAI, FEB. 1

The Budget has relieved small companies from compliance worries. It has also proposed to extend the tax holiday and capital gains exemption for start-ups by one more year.

"I propose to revise the definition under the Companies Act, 2013 for small companies by increasing their thresholds for paid up capital from "not exceeding Rs 50 Lakh" to "not exceeding Rs 2 crore" and turnover from "not exceeding Rs 2 crore" to "not exceeding Rs 20 crore," the finance minister said.

Further, one person companies (OPCs) are allowed to grow without any restrictions on paid-up capital and turnover, convert into any other type of company at any time, besides reducing their residency limit for Indian citizen to 120 days from 182 days.

NRIs can also incorporate OPCs in India.

"The announcement by the finance minister regarding the startups was much required at the moment and will help the fledgling startups with meagre resources to continue with their business operations without worrying about the compliance with complex taxes," said Ajay Data, founder and CEO, VideoMeet.

The decriminalization of compliance in Limited Liability Partnerships will help the smaller entities think through their business and financing models without worrying about criminal liabilities in case there is a gap in compliance.

The tax holiday for start-ups and capital gains exemption have been extended by one more year till 31st March, 2022.

PPP MODEL FOR MAJOR PORT OPERATIONS

New Delhi, Feb. 1: Finance minister Nirmala Sitharaman on Monday said major ports will move from managing operational services on their own to a model where a private partner will operate it for them.

For the purpose, seven projects worth more than Rs 2,000 crore will be offered by the major ports on the public-private partnership (PPP) mode in 2021-22.

Sitharaman also proposed to launch a subsidy support scheme of Rs 1,624 crore in global tenders floated by ministries and CPSEs over five years to Indian shipping companies.

She said the initiative would enable training and job opportunities for seafarers.

—PTI

Fear gives way to cheer at stock market

RAVI RANJAN PRASAD
MUMBAI, FEB. 1

The stock market witnessed a mammoth rally, buoyed by the Budget announcements. The market was relieved that the budget had no adverse tax announcements.

There was no looking back for the market which used to see huge volatility on Budget days. The Sensex closed with gains of 2,314 points, or 5 per cent, the biggest ever Budget day gains in absolute terms, closing at 48,600.61.

The Nifty-50 Index closed 656.60 points, or 4.74 per cent, up at 14,281.20.

The Sensex rallied from the very beginning of the Budget speech on mega announcement like voluntary vehicle scrapping policy, a sharp increase in capital expenditure, by 34.5 per cent more than 2020-21 at Rs 5.54 lakh crore for 2021-22, privatisation of two public sector banks and a general insurance company, hike in FDI limit in the insurance sector from 49 per cent to 74 per cent and divestment target of Rs 1.75

lakh crore.

Financials, bank stocks and realty were big gainers as were the cement, capital goods and infrastructure stocks, elated by the big-bang Budget announcements while IT, FMCG and pharma sectors were the laggards on a historic day.

The big gainers included IndusInd Bank (14.75 per cent), ICICI Bank (12.47 per cent), Bajaj Finserv (11.23 per cent), SBI (10.30 per cent), L&T (8.61 per cent) and HDFC (8.61 per cent). ITC gained 6.25 per cent as no new excise duty was

announced this time on cigarettes.

Investors' wealth swelled by over Rs 6.34 lakh crore as BSE's market capitalisation soared to Rs 192.46 lakh crore from Rs 186.12 lakh crore last Friday.

Brokerages and analysts welcomed the absence of Covid tax and wealth tax on the super-rich and the positive economy boosting measures like extending incentives for buying affordable house and housing projects.

"The FY22 budget has been much better than the

market's expectations. The feared and anticipated measures around Covid cess, higher capital gains tax or wealth tax etc. did not materialise. This will provide a huge relief to the market and the economy and help in sustaining the buoyant sentiments in the economy," Motilal Oswal, MD & CEO, Motilal Oswal Financial Services, said.

"Government has clearly articulated the focus towards Infra and Capex spending, we believe this will push the Capex spending in the economy and

augur well for the overall economic revival of India. The significant increase in allocation to the healthcare sector should lift the general well-being in the economy," Oswal said.

Rather than taxing, FM announced more incentives for foreign and domestic investors.

"The rationalisation of tax structures for FPIs, NRIs, InvITS and Reits will also help attract more funds for capital formation in India," said Ashishkumar Chauhan, MD & CEO, BSE.

SHORT TAKES

AMARINDER: BID TO SIDELINE NON-BJP STATES

Chandigarh, Feb. 1: Punjab Chief Minister Amarinder Singh on Monday flayed the Union Budget, saying it reflects the Centre's persistent efforts to sideline non-BJP ruled states.

The Shiromani Akali Dal and the Aam Aadmi Party too dubbed the Budget as anti-common man, accusing the Centre of selling off national assets to corporates. The reactions came hours after Finance Minister Nirmala Sitharaman presented the Union Budget for 2021-22. The Punjab CM claimed that the Budget was reflective of the BJP-led central government's apathy towards the common man, the middle class and farmers.

He criticised the Centre for the step motherly treatment meted out to Punjab and other northern states, claiming that it was "designed" to cater to the poll-bound states of West Bengal and south India with a massive infrastructure development allocation for these regions.

The Budget also manifests the central government's persistent efforts to sideline non-BJP states like ours, as well as its anti-federal mindset, said the CM, pointing to the gap between the fiscal deficit targets fixed for the Union government and states.

The Punjab CM claimed the vital sector of defence has not been adequately addressed despite the growing border threat from China.

HARYANA CHIEF MINISTER HAILS UNION BUDGET

Chandigarh, Feb. 1: Haryana Chief Minister Manohar Lal Khattar on Monday said the Union Budget for 2021-22 will lay the foundation for a self-reliant India, a claim junked by the Opposition Congress who dubbed it as disappointing.

Haryana Congress president Kumari Selja said the Union Budget completely ignored the state.

Reacting to the Budget presented by Union Finance Minister Nirmala Sitharaman in Parliament on Monday, Khattar said it will lay the foundation for a self-reliant India, create infrastructure and generate jobs.

Despite challenging times of the Covid-19 pandemic, the finance minister presented a very balanced Budget, he said, adding that it took care of all sections of society with a focus on infrastructure development, health, agriculture and education sectors.

Recounting its key points, Khattar said over 15,000 schools will be strengthened as per reforms proposed in the new National Education Policy.

This Budget talks of all-round development of all parts of the country, he claimed, adding that it provided for a record increase in allocation for infrastructure building.

'STEP-MOTHERLY TREATMENT GIVEN IN BUDGET'

DC CORRESPONDENT NEW DELHI, FEB. 1

The Delhi government on Monday accused the Centre of giving step motherly treatment to the national capital in the Union budget, and claimed the budget is aimed at benefiting few big companies.

"This budget is aimed at benefiting few big companies. It will increase inflation and problems for the public," Chief Minister Arvind Kejriwal tweeted in Hindi.

Deputy Chief Minister Manish Sisodia said Delhi continues to get step-motherly treatment from the central government.

"Union Budget is a vision document of any government and spells out its economic agenda for the next financial year. This year there was great anticipation around the Union Budget and people of Delhi had high hopes from the central government that justice would finally be done to them, particularly amid the Covid-19 pandemic which has devastated lives of many people," he said.

"Delhi continues to get step motherly treatment. The grant in lieu of share in Central Taxes provided in the Union Budget 2021-22 has been kept unchanged for two decades at ₹325 crore. The total grants, loans and transfers from Centre to Delhi has been reduced from ₹1,116 crore to ₹957 crore," he added.

MAMATA: BUDGET IS ANTI-PEOPLE

Says petrol and diesel prices are going to shoot up again

RAJIB CHOWDHURI | DC KOLKATA, FEB. 1

West Bengal chief minister Mamata Banerjee on Monday described the first paperless union budget as "anti-people" and a "disguised" and "camouflaged" deception by an "incognito government" at the Centre.

The Trinamul Congress supremo also slammed the budgetary proposals for privatisation of many central public sector undertakings while expressing fear of another round of fuel price hike soon.

At the Uttar Banga Utsob (North Bengal Festival) inauguration in Siliguri, Ms Banerjee claimed, "God knows what this budget is all about! It is anti-people, anti-farmer and anti-country. I asked Amit Mitra, our finance minister who is among a few with good knowledge about the global economy, to tell me about the budget in a nutshell. He said, it is disguised and camouflaged to deceive the people. That means it is a fake budget of an incognito government."

Mocking the allocation of ₹25,000 crore for a 675-km-long Kolkata Siliguri National Highway network as a poll-gimmick ahead of the Assembly election in the state, the TMC chief not only rejected it but also asked the Centre to utilise the fund for the farmers' welfare.

"When we are doing everything, what else will you do in new Kolkata-



- Fiscal deficit stand at 9.5% of the GDP for 2020-21, estimated to be 6.8% in 2021-22
- The capital expenditure for the year 2021-22 will be 5.54 lakh crore as against 4.12 lakh crore allocated in BE 2020-21, an increase of 34.5%
- Proposal to allow states to raise borrowings up to 4% of GSDP in 21-22
- No IT filing for senior citizens above 75-years who get pension and earn interest from deposits
- Reopening window for IT assessment cases reduces from 6 to 3 years. In case of serious tax evasion, with evidence of concealment of income of ₹50 lakh or more, assessment can be re-opened up to 10 years with approval of the Principal Chief Commissioner
- Tax holiday for affordable housing projects extended till March 2022
- Increase of 137% in the outlay for Health
- Mission POSHAN 2.0 to improve nutritional outcomes across 112 Aspirational Districts



NOW, just as it had happened after the two World Wars, there are signs that the political, economic, and strategic relations in the post Covid world are changing.

NIRMALA SITHARAMAN, Finance minister

- Highest ever outlay of ₹1,18,101 lakh crore for Ministry of Road Transport and Highways with an aim to complete an additional 11,000 km of national highways in the year.
- Strategic disinvestment of BPCL, Air India, Shipping Corporation of India, Container Corporation of India and IDBI Bank among other PSUs to be completed this year
- An amount of ₹1.97 lakh crores allotted to nurture global manufacturing champions and increase jobs for the youth over 5 years, starting this FY as part of AatmaNirbhar Bharat
- Agriculture infrastructure fund to be made available for Agricultural Produce Market Committees (APMCs) for augmenting their infrastructure
- 1,000 more Mandis to be integrated with e-NAM to bring transparency and competitiveness
- Voluntary vehicle scrapping policy to phase out old and unfit vehicles: After 20 years in case of commercial vehicles. Fitness tests to be done in automated fitness centers

Siliguri route? Are you trying to teach Bengalis to do Hamaguri (crawling)? Ahead of polls, they are now talking of building road in Bengal. While Bengal is showing the way, there is no need to build road here. You better go to the farmers and spend the

money after them while abolishing the three farm laws. We will get our roads built. Do not play such politics in the time of election," she told the Centre.

On the Centre's proposal for the tea workers' welfare in two states including West Bengal, Ms

Banerjee pointed out, "Before the last Election they promised to open all the tea gardens here. Without fulfilling that, they today talked of allocating ₹1,000 crore for tea gardens. They only spread lies instead of doing anything."

Lashing out at the Centre for its privatisation drive in the government sector, she argued, "From railways to port to airport to insurance, everything is being sold. 23 more PSUs are in line. How much more money do they (BJP) need? Common people and

farmers are totally ignored. Cess has been levied in the agricultural infrastructure. Petrol and diesel prices are going to shoot again despite its hike for eight times. There is also no mention of abolition of the three farm laws in the budget."

● LASHING OUT at the Centre for its privatisation drive, she argued, "From railways to port to airport to insurance, everything is being sold. 23 more PSUs are in line. How much more money do they (BJP) need?

Patnaik concerned over cut in share in Central taxes

AKSHAYA KUMAR SAHOO | DC BHUBANESWAR, FEB. 1

Odisha chief minister Naveen Patnaik on Monday took strong exception to introduction of cess on petrol and diesel in the Union Budget and said it was a move towards centralization of revenue. He said such an arrangement would weaken the Centre-state fiscal balance.

"Centralization of revenue by introduction of cess in petrol and diesel will weaken the Centre-state fiscal balance. Banks have to be made accountable to extend credit to women, farmers and MSMEs," he said reacting to the Union Budget.

The Union government proposes agri cess of ₹2.5 per litre on petrol and ₹4 per litre on diesel.

Mr Patnaik, who is also the president of Biju

● MR PATNAIK, who is also the president of Biju Janata Dal, an arch rival of the BJP, apprehended that the state would be hit by drastic reduction of share in central taxes by about ₹10,840 crore for the current year. The horizontal share will decrease from 4.629% to 4.528% for coming 5 years.

Janata Dal, an arch rival of the Bharatiya Janata Party (BJP), also apprehended that the state would be hit by drastic reduction of share in central taxes by about ₹10,840 crore for the current year and as per the recommendations of the 15th Finance Commission the horizontal share will decrease from 4.629 per cent to 4.528 percent for coming 5 years. This will seriously impact the state. Further capital invest-

ments are very much required in Odisha both in railways and highways sectors as it has been planned for other states," the CM said.

He observed that there is a need to increase allocation in social assistance programmes and quantum of transfers for local bodies.

Mr Patnaik, however, appreciated the Union finance minister Nirmala Sitharaman's "bold steps" in the budget to address the post Covid-19 scenario challenges.

"This Budget has focused on capital investment to push growth. Reintroduction of Developmental Financial Institution, allocation for Covid vaccine, industry and sector specific interventions, bold decision to expand fiscal deficit to provide growth impetus and a medium and long term vision for 'self-

reliant India] are some of the positive points," the CM said.

The CM expressed happiness that the Union budget has turned Green with a digital budget like what Odisha has been following from last year.

"I am also delighted to see Mission Shakti appear in the Union budget focusing on women empowerment. After Odisha's Mamata scheme was adopted by the Union government from 2011-2012, replication of our state's flagship women empowerment initiative Mission Shakti clearly shows that Odisha sets a benchmark for the nation. I am hopeful that after Mamata and Mission Shakti the next logical step towards women empowerment would be reservation for women in Lok Sabha and the State Assemblies. We will continue to fight for this," he said.

Shivraj: Budget to propel growth

RABINDRA NATH CHOUDHURY | DC BHOPAL, FEB. 1

Madhya Pradesh Chief Minister Shivraj Singh on Monday hailed the Union budget saying that it would propel economic growth in the country and boost employment generation.

He said the provision to increase the borrowing limit of the state would help attract investment in the infrastructure sector in the state, leading to generation of employment.

"It is a pro-people budget", he said.

Veteran Congress leader and former chief minister Kamal Nath has, however, called the budget as "disappointing".

"There is nothing for poor people and the middle class in the budget. The budget has created a new slogan of self-reliance. It will meet the fate of the old hollowed



Shivraj Singh Chouhan

slogans, Make in India, and, Digital India. Figures have been fudged in the budget to misguide the people", he said.

Mr Nath said the budget has made no attempts to restore jobs of youths who lost their jobs due to the coronavirus pandemic.

He said the budget has literally nothing for the farmers. "Those who opposed Foreign Direct Investment (FDI) are now batting for FDI in almost all sectors", he said.

Budget let down like never before: Cong

New Delhi, Feb. 1: Asserting that the Union Budget was a "let down like never before", the Congress on Monday claimed that it will unravel soon and described it as one that has deceived people of India, especially the poor, the working class, migrants and farmers.

The party also described the imposition of cess on petrol and diesel in the budget as a "vengeful act" against the thousands of farmers who took out the tractor rally.

The opposition party said it was a case of "wrong diagnosis and prescription", and that Finance Minister Nirmala Sitharaman could have been "brave" by extending help to the poor, but chose to be "timid".

Attacking the Centre, Congress leader Rahul Gandhi alleged that the Narendra Modi government plans to handover India's assets to crony capitalists.

"China occupied our territory & killed our soldiers. PM spends Diwali with them for PR photos. Why hasn't he increased the Defence Budget for them," Gandhi tweeted. His party colleague P Chidambaram said

Sitharaman "deceived" those who were listening to her speech, especially the MPs, had no clue that she imposed cesses on a large number of products including petroleum and diesel - ₹2.50 on petrol per litre and ₹4 on diesel per litre.



Senior Congress leader P. Chidambaram addresses a press conference as party general secretary Randeep Surjewala looks on, at AICC HQ in New Delhi on Monday. - PTI

of India, especially the poor, the working class, the migrants, the farmers, the industrial units that had been closed down permanently, and those who had lost their jobs, both regular and informal, and are still looking for jobs," he alleged.

Asked about measures in the budget to give filip to infrastructure, he said, "This budget may have a mind behind it, but it certainly does not have a heart behind it."

The former finance minister also said that on a 10-point test suggested by him earlier, the budget fails on nine points and has barely passed on one

Sitharaman presented the budget for 2021-22 in the Lok Sabha from a tablet, instead of a conventional paper document, the first paperless budget since Independence.

Reading out a party statement, Chidambaram said Sitharaman did not mention about the defence sector at all, "as if the Chinese had vacated occupied Indian territory".

She did not mention that the defence expenditure in 2021-22 will not see any significant rise, he said, adding that the farm sector has been "short-changed".

"The FM had promised a

budget 'like never before'. Her mandate was to present an annual statement of revenue and expenditure for 2021-22. What she did, however, was to estimate expenditure over 2 years or 3 years or 4 years or, in one case, over 5 years," he said. She made a reference to the prime minister 14 times and to the farmers 11 times, he pointed out.

"The budget was a let down like never before. This budget, like the previous one, will unravel sooner than you think," he said.

Chidambaram said the numbers show that the fiscal situation is in a mess. He said the revenue deficit and fiscal deficit this year have exceeded every prediction, including the government's prediction.

"Investors and lenders will bristle," he said, on FM pegging fiscal deficit of 4.5 per cent by 2025-26 and not coming out with a credible plan.

He alleged that the FM paid special attention to poll-bound states as she announced large capital outlays for Kerala, Tamil Nadu, West Bengal and Assam.

"People are not fools: they know that the proposals are only outlays and the actual expenditure will happen only after the schemes are approved and

over a period of several years depending upon the pace of implementation," he said.

Congress chief spokesperson Randeep Surjewala said the FM has only deceived people in this budget.

"Extreme injustice has been done to rural India and the poor," he said, alleging that the MGNREGA budget has been cut by 42 pc. "This attack of the Modi government on the poor labourers, SC, ST and backward will be fatal for rural India."

He alleged that farming and farmers' neglect continues as farm budget has been reduced by 6 pc, PM Kisan Samman budget reduced by 13 pc and budget for market intervention scheme reduced by 25 pc.

"In the Modi government's budget, all government properties will be sold from airport to rail, godowns to ports, roads to rail, power transmission line to BHEL. That is why 'Sell and eat everything and leave nothing'," he said. Senior Congress leader Anand Sharma tweeted, "The FM could have been brave but chose to be timid. The nation needed a bold budget and more direct transfers to the weaker sections to revive demand, restart job creation."

- PTI

OTHER STORIES

EMPLOYEES' BODY OPPOSES FDI HIKE IN INSURANCE

DC CORRESPONDENT
VISAKHAPATNAM, FEB. 1

The All India Insurance Association (AIIEA) strongly opposed the increase in the FDI to 75 per cent, announced by the Finance Minister Nirmala Sitharaman in her budget speech.

All India General Secretary of AIIEA Srikanth Misra said there was no justification for FDI hike in the insurance industry. The actual share of FDI in the private insurance industry's total investments is much less than the current limit of 49 per cent. Scarcity of foreign capital has never impeded the growth of the insurance industry. The FDI hike would only help foreign capital gain greater control over domestic savings.

Misra said it was important that in a developing economy like India, the state exercises greater control over domestic savings. Allowing foreign capital greater control over domestic savings would surely harm the nation. "The AIIEA is of the firm opinion that privatisation of any public sector general insurance company is not in the interest of the nation. Despite intense competition, the public sector general insurance companies have held their ground to retain market dominance. Despite the slowdown in the economy, the public sector general insurance companies have recorded impressive growth in the recent period," Misra said.

He further added that LIC IPO would certainly be a big blow to the very concept of Atmanirbhar Bharat.

AP CHAMBER UNHAPPY WITH FARM CESS

DC CORRESPONDENT
VISAKHAPATNAM, FEB. 1

AP Chamber Andhra Pradesh Chambers of Commerce and Industry Federation hailed the first-ever digital budget 2021 presented by Finance Minister Nirmala Sitharaman.

Commenting on the Budget 2021, Pydah Krishna Prasad, President-Elect said various reforms introduced in the budget was a welcome initiative which will boost investors sentiment and improve the ease of doing business.

"Though direct taxes are left unchanged, the introduction of agriculture infrastructure cess on various commodities lead to an unhappy situation," Prasad said.

Sudhir Mulagada, Chairman, Visakhapatnam Zone said one of the positives of the Budget 2021 was allowing consumers of electricity alternatives to choose from more than one distribution company. Another was Finance Minister's announcement that the Centre would set up the equivalent of a 'bad bank' to revive the banking sector from the bad loan crisis. An Asset Reconstruction Company Ltd and Asset Management Company would be set up to consolidate and take over the existing stressed debt so that banks can concentrate on fresh credit.

There was a lot of thrust on infrastructure spending on roads, ports, which will benefit AP as it has several ports. There is a substantial increase in investment in health infrastructure as well, he added.

FARMERS PANEL DISPLEASED OVER BUDGET ALLOCATION

DC CORRESPONDENT
NELLORE, FEB. 1

Federation of Farmers' Associations expressed displeasure over the Union Budget for lack of allocations for the agriculture sector.

Reminding that agriculture cess being imposed on petrol and diesel would jack up the prices of all commodities including agricultural inputs, General Secretary of the Federation, Ch. Koti Reddy ridiculed the government's claims that they would double the revenue of farmers.

In a statement on Monday, Mr Koti Reddy alleged that there is no clarity in the budget over the allocation of revenue from the agriculture cess on petrol and diesel.

Referring to ₹16.5 lakh crores earmarked for crop loans, he complained that small and marginal farmers could not obtain such loans irrespective of allocation in the budget.

He said the increase in the cost of automobile spare parts would also affect the farming community and increase investment for farming.

Budget causes dismay in AP

Political parties take to social media to vent their anger; are 28 MPs not enough, questions Desam

DC CORRESPONDENT
TIRUPATI, FEB. 1

Political parties and leaders of Andhra Pradesh have expressed deep disappointment with Union Budget 2021 presented by Finance Minister Nirmala Sitharaman in Parliament on Monday.

Whether belonging to ruling or opposition parties, they have taken to micro-blogging sites to discuss, debate and react on centre's neglect in allocating any grants to the state.

Ruling YSRC only shared comments made by MP V. Vijayasai Reddy, along with a link to its official website, where his statements have been published. The tweet in Telugu says "AP has been treated unfairly in the Union Budget. Budget has meted out step-motherly treatment to AP. The states going to polls have been taken care of. No atmanirbharta for AP".

Denouncing the Union Budget on his Twitter wall, TD general secretary Nara Lokesh made critical remarks against Chief Minister Y.S. Jagan Mohan Reddy. Through his tweets, Lokesh alleged that Jagan Mohan Reddy has prostrated before the Centre to wriggle out of cases registered against him.

TD MP K. Rammohan Naidu on his Twitter questioned, "What is Jagan doing with 28 MPs? In #UnionBudget2021, if the Centre does not give any funds to our state, does not fulfil guarantees under AP Reorganisation Act, does not allocate funds to Railways, has he asked people to give him 25 MPs just to sit with folded hands?"

Another TD MP Jayadev Galla, on his Twitter wall, flayed the Centre. "What was supposed to be a 'Never Before' Budget, turned out to be 'Same as Before' Budget for citizens of AP who have been left disappointed with the 9th consecutive budget in the last eight years, with no special/new allocations announced for the state", Galla stated. The TD MP blamed YSRC for its failure in achieving special status for Andhra Pradesh.

"YCP, which came to power with the promise of achieving Special Category Status, & has 22 MPs, should consider this a failure. They have also been unable to get GoI to fulfil the provisions of #APRA, get funding for #Polavaram & in securing the revenue deficit amount", he added in his Tweet.

● **YSRC shared comments made by MP V. Vijayasai Reddy, along with a link to its official website. The tweet in Telugu says "AP has been treated unfairly in the Union Budget. Budget has meted out step-motherly treatment to AP. The states going to polls have been taken care of. No atmanirbharta for AP".**

Budget gives no succour for Covid victims

DC CORRESPONDENTS
VIZAG / KAKINADA / NELLORE, FEB. 1

There have been mixed reactions on the Union Budget presented by finance minister Nirmala Sitharaman on Monday.

Manisha Das, a student of MBA, said there is no succour for people affected by Covid-19. Though families had got uprooted and lakhs of people lost their jobs in the pandemic, the Budget has made no significant announcement



CPI activists stage a protest against the Union Budget, under Asilmetta flyover in Visakhapatnam on Monday. They demanded a separate railway zone for Visakhapatnam.

Desam blames it on Jagan, asks why state projects are ignored

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

Telugu Desam has criticised Union Budget 2021-22 for not providing any funds towards fulfilling promises made to Andhra Pradesh in the AP Reorganisation Act, 2014. Leader of opposition in state Legislative Council Yanamala Ramakrishnu held Chief Minister Y.S. Jagan Mohan Reddy squarely responsible for this.

Ramakrishnu objected to AP-specific projects being ignored, whether in the Visakhapatnam-Chennai or Bengaluru-Chennai Industrial Corridor. He pointed out that while the Centre has allotted funds generously to industrial corridors in Bengaluru, Chennai, Kochi, Nagpur and other places, Andhra Pradesh failed to get anything. Huge funds have been allocated for metro rail projects elsewhere but AP did not receive any.

The leader of opposition demanded that CM explain why he has still failed in getting the Special Category Status for AP, even though people have given YSRC 22 Lok Sabha MPs in the 2019 election.

He recalled that before the Assembly elections, Jagan Mohan Reddy said he would wring the neck of the Centre if it failed to confer Special Status to AP if people of the state gave him all 25 MP seats. However, after getting the people's mandate, the Chief Minister has never tried to pressurise the BJP-led government at the Centre. As a result, economic imbalances between the rich and poor are growing.

for this section of people. A. V. S. Lalitha Sundari, co-convenor of CII, Visakhapatnam, welcomed the increase in outlay for healthcare.

G.S. Giridharan, CFO and company secretary, South Asia LPG Company Pvt. Ltd., said infrastructure projects, economy and the GDP will get a boost, leading to flow of foreign investments.

Baargav Duggurala, chair, Yi Visakhapatnam chapter, said logistics contribute to 13-14 per cent of

India's GDP. The announcement of the National Rail Plan 2030 and creation of infrastructure in the form of industrial corridors will help reduce costs. This will boost manufacturing. There has been widespread anger, disappointment and anguish over the union budget, especially over imposing cess on petroleum products in Kakinada.

"Already petrol and diesel charges have been hiked thrice in a week,

The share of agriculture, forestry, and fishing sectors in gross state value added (at current prices) was large and rising, from 31 per cent in 2015-16 to 35 in 2018-19.

The commission recommended the state diversify its economic base and strengthen other sectors including food processing, as it would generate more skilled jobs. The commission observed that AP was well placed to become the torchbearer of good water management practices for

the name of agriculture and others cesses.

He said the budget was an "election budget" and not a national budget, as four poll-bound states were given prominence in fund allotments. "AP was totally neglected as there is no mention of the SCS, the Rayalseema development package and other bifurcation promises."

CPI state secretary K Ramakrishna called the Union Budget as a corporate budget due to "absence of any provision" to help the poor, the employees and the middle class". As the elections are scheduled in Assam, West Bengal and Tamil Nadu, the BJP government has given preference to the three states under a political plan with the sole objective of winning elections. He lamented that the promises of bifurcation like metro line, SCS and funds were shunned and alleged that the BJP used the Covid-19 crisis to push anti-people policies like the three new agricultural laws. CPIM state secretary P Madhu alleged that the Modi government extended an empty hand to Andhra Pradesh. He objected to the proposals for privatization of public sector units and demanded that the MPs from the state must fight against the "step-motherly treatment" to AP in the budget.

Former minister K.S. Jawahar, MLA Tenali Sravan Kumar and other TD leaders too maintained

that AP has failed to get any funds in the union budget due to inefficiency of the CM.

TS ONLY STATE TO REGISTER SURPLUS

FROM PAGE 1

The Finance Commission also acceded to AP government's proposal seeking help to make Vizag as an economic hub, read capital according to Chief Minister Y.S. Jagan Mohan Reddy's plans, and recommended grant of ₹1,400 crore for improving urban infrastructure like roads, drains and drinking water. Except for a fishing hub in Visakhapatnam and a freight corridor between Vijayawada and Kharagpur (in West Bengal), there is no mention of financial assistance to any ongoing or proposed projects. Telangana state did not figure at all in any budgetary announcements worth mentioning.

Telangana's financial position is estimated to be on the surplus side. Significantly it is the only state that will register a surplus of ₹2,155 crore and ₹9,151 crore respectively for the next two fiscals.

When it comes to state-specific grants, AP will get ₹2,300 crore during the 15th Finance Commission tenure and TS will get ₹2,362 crore.

"The only way the two Telugu states could pitch in for more Central assistance is through proposing infrastructure projects to get additional funds from the capital expenditure pool," an official pointed out.

As a witty critic on social media pointed out, "No good deed goes unpunished, whether for individuals, companies or states. You do well as an individual, the government taxes you. A state does well, it gets lesser funds."

FAPCCI HAILS HEALTH FOCUS IN BUDGET

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

The Federation of Andhra Pradesh Chambers of Commerce and Industry hailed the Union Budget, saying it focused on health care and infrastructure to revive the economy by giving a boost to spending, job-creation and the agriculture sector.

FAPCCI president C.V. Atchut Rao said a welcome feature was that there are no changes in direct taxes in addition to measures such as exemption to senior citizens aged over 75 from filing the Income Tax returns. The dispute and resolution scheme for small taxpayers through a special committee and doubling of the exemption limit for tax audit for companies doing most of their business through digital modes were welcome.

Atchut Rao said the equity market will be enthused with changes in the capital gains taxes or STT.

AP is still facing bifurcation odds

FROM PAGE 1

Although there were high hopes and expectations for special allocations to AP still facing odds due to the 2014 bifurcation, the Union Budget proved to be a disappointment, they told the CM.

"Neighbouring Tamil Nadu and Karnataka received good shares of allocations. The allocations to various sectors and programmes of AP were general in nature and on par with what were given to other states," they said.

There, they said, was a slump in allocations for the PM Kisan, PM Awas Yojana and NREGS as compared to the previous year, besides a cut in the subsidy on foodgrains, petrol and fertilizers.

Jagan asked officials to try their best to get more funds from the Centre. "Liaise with the Union Government and ensure a timely inflow of funds," he told officials of the finance department and CMO.

Earlier in the day, the ruling YSRC leaders have expressed their deep disappointment with the Union budget presented in Parliament on Monday, charging that the centre focussed only on states going to polls in the short term. YSRC MP V. Vijaya Sai Reddy accused the BJP-led union government of not paying any attention to the needs of AP, despite itself promising Special Category Status for the state at the time of its bifurcation.

Vijaya Sai Reddy, in his reaction on behalf of the party, was incensed that gifts are being showered on states where elections are to be held, but AP is being neglected, though it is not yet Atmanirbhar after having been split by the union government.

He said apart from not showing any interest in giving special status to AP, the centre has made no provision in the budget for the new textile park. There is no mention of ₹55,656 crore revised estimates of Polavaram project. He maintained that the proposed private corridor is of no great use. He said, "Despite demanding several times that more Kisan trains be allotted to AP due to hec-

● "Despite demanding several times that more Kisan trains be allotted to AP due to hectic agriculture activity going on within it, the centre has chosen to ignore the state."

● **Vijaya Sai Reddy pointed out that thousands of crores have been allotted for metro rail projects in Bangalore, Chennai, Nagpur and Kochi**

tic agriculture activity going on within it, the centre has chosen to ignore the state."

Vijaya Sai Reddy pointed out that thousands of crores have been allotted for metro rail projects in Bangalore, Chennai, Nagpur and Kochi. AP had sought metro rail for Visakhapatnam and Vijayawada after Hyderabad went to Telangana. But no mention has been made with regard to metro in AP. He maintained that the logistics corridor from Kharagpur to Vijayawada and Nagpur to Vijayawada are only show pieces.

The Kadapa-Bangalore railway line has been neglected, just as of vista dome coaches have been allotted between Visakhapatnam and Araku. The MP demanded that National Virology Centre be set up in Andhra Pradesh. He wanted grain arrears to be paid immediately, apart from Kendriya Vidyalayas in every newly formed district in the state. Assistance to farmers must be increased to Rs. 10,000 from the present Rs. 6,000. Ayushman Bharat must be transformed along the Aarogyaasri model covering 2,434 diseases and procedures against present 1,350. He pointed out that unemployment has risen sharply and no action has been taken to create employment. He asked the union employment to extend the employment guarantee scheme to 150 days.

MP Mithun Reddy also expressed dissatisfaction over the union budget. Rajamahendravaram MP Margani Bharat said MPs of YSR Congress will raise their voice in Parliament to get funds from the centre.

Dam fund: Centre to reimburse ₹1,652cr

FROM PAGE 1

The state had already spent ₹12,393.48 crore on Polavaram before it was declared a national project on January 23, 2021. Though Polavaram Project Authority has reimbursed ₹10,741.46 crore so far to the state government, ₹1,652.02 crore is yet to be reimbursed.

Earlier, the centre allocated funds to Polavaram project through extra budgetary resource mobilisation by issuing fully serviced government bonds. Accordingly, in 2018-19, ₹1,400 crore was allocated and in 2019-20, Rs 1,850 crore was allocated. However, in 2020-21, an amount of ₹2,234.29 has been allotted in the revised estimates of the budget.

State government sources maintain that the Andhra Pradesh government is desperately in need of financial support from the centre, as it inherited a huge revenue deficit at the time of bifurcation of the state.

Though the centre has allotted ₹35,000 crore in the budget for Covid-19 vaccine and assured to provide additional funds if required, it is not known how much of this will be in term of doses.

It is not yet known whether the state government will receive sufficient doses for all people or will have to purchase

the same from manufacturers

However, a fishing hub is to be located in Visakhapatnam and two dedicated freight corridors will pass through Andhra Pradesh.

Though MP V. Vijayasai Reddy has commented that the corridor will be of no use to AP, a senior railway official said that a dedicated corridor will enable fast movement of cargo, without affecting passenger trains. A fishing harbour will get a facelift with the announcement of making creating a fishing hub in Visakhapatnam.

Further, union budget made no mention of metro rail in the steel city. It will cost ₹12,226 crore to develop it.

The Central University of AP, located in Anantapur, has got a raw deal for the fourth consecutive year with allocation of just ₹65 crore in the present union budget, even as the university requires ₹900 crore for its development. In the last budget, the university got an allocation of ₹13 crore.

Rayalaseema-based organisations have expressed displeasure over meagre allocation of funds for the university. Anantapur-based writer Dr. Harinath Reddy has gone on to call for additional allocation of funds to complete construction of the university expeditiously.

DECCAN Chronicle

2 FEBRUARY 2021

Budget's thrust is good, now govt must deliver

In the most trying circumstances created by the unprecedented Covid-19 pandemic, every section expected something from the finance minister. But Nirmala Sitharaman, thankfully, didn't indulge in any welfare grandstanding and presented her third Budget that can be described as the best possible in the current scenario. It is by far the most promising Budget delivered under the Narendra Modi government in terms of its intent and direction. It is heartening that Budget 2021-22 has exclusively focused on job creation by creating conditions that could boost industrial growth.

At the core of the Budget are the government's huge allocations for infrastructure through expenditure on the railways and roads and policy support to the automobile and construction sectors via tax and customs duty concessions and a vehicle scrappage policy. The proposal to expand freight corridors and introduce lighter metro rail versions will have two effects — one, boosting construction business and thereby creating jobs, and two, offering an alternative to fossil fuel-based modes of transport. An additional deduction of ₹1.5 lakhs in I-T for people to buy an affordable house could boost realty demand.

The major miss in the Budget is its failure to spend adequate resources to improve healthcare infrastructure to make the country ready to deal with any future pandemics

The policy direction given by the government's decision to continue the disinvestment, indeed privatisation, of Central government enterprises more vigorously by including two more public sector banks other than IDBI Bank could finally reshape the Indian economy by removing the deadwood. The decision to set up an Asset Restructuring Company — or a "bad bank" — to take over the non-performing loans of public sector banks could be a step in the direction of their disinvestment, as it would restore state-owned lenders to the pink of health and help the government realise a better valuation for its stake. The decision to monetise non-core assets is a step in the right direction as PSEs sit on huge tracts of land and buildings.

The establishment of a new development finance bank is a result of the late realisation that commercial banks with short-term depositors cannot fund projects with long gestation periods. The decision to raise foreign direct investment in insurance companies and to allow foreign firms to have management control with safeguards could invigorate the financial sector, especially the insurance space that requires promoters with deep pockets. It could become a game-changer if the government follows the same policy in the other sectors.

The proposal to extend social security to informal workers could set the stage for drastic labour reforms, which India badly needs if it seeks to become the base for companies looking for an alternative to China. There is relief that the minister did not resort to a new cess to fund the Covid-19 vaccination programme. The prices of some imported electronic items, including mobile phones, chemicals, refrigerators, among others, may see a small increase in prices to boost local manufacturing.

The major miss in the Budget is its failure to spend adequate resources to improve health infrastructure to make the country ready to deal with any future pandemics. Despite its tall claims to hiking healthcare spending to ₹2.23 lakh crores from ₹94,452 crores, the actual hike for healthcare is just around ₹20,000 crores, with the remaining funds going to water projects and vaccination programmes. But despite the misses, the intent and direction of the Budget are good, and the government must work on delivering on its promises as early as possible.

Myanmar back to square one

The military brass of Myanmar taking over the country again in the early hours of February 1 may have surprised the world but it does not come as a shock. Five years of faux democracy have been brought to an end with the once revered leader and torchbearer of freedom for the Myanmarese, Daw Aung San Suu Kyi, arrested again. A one-year state of emergency has been declared after the military took the reins back from an elected government and placed it squarely in the hands of Gen. Ming Aung Hlaing.

The reason given for the transfer of power is voter fraud in the elections held last November, which must be the weakest excuse and apparently taken right out of Donald Trump's playbook. The toughest sanctions of the West on the feared generals have had little effect historically but the United States minced no words on Monday in decrying the coup that mocks the winds of freedom that blew across the isolated country and led to Suu Kyi leading the first civilian government in half a century after a landslide victory for her party in 2015.

As a neighbour sharing a 1,600-km border with Myanmar, India must view the development with grave alarm as rebel groups of the Northeast may be emboldened to carry out operations in India knowing they can seek refuge across the border more freely now. The coup adds to the feeling that there is some kind of domino effect around the region with neighbours willingly falling into China's sphere of influence.

Myanmar's generals, beholden to China for years for supporting their illegal military rule, will only be too pleased. Even the veneer of democracy in a country in which the Army wrote the rulebook to reserve 25 per cent of the seats for itself in Parliament has been wiped out. We now fear € **K.Sudhakar** fate of the Rohingyas, whose lot in genocidal tyranny got no sympathy from Ms Suu Kyi though it cost her the shining knight image globally.

DECCAN CHRONICLE

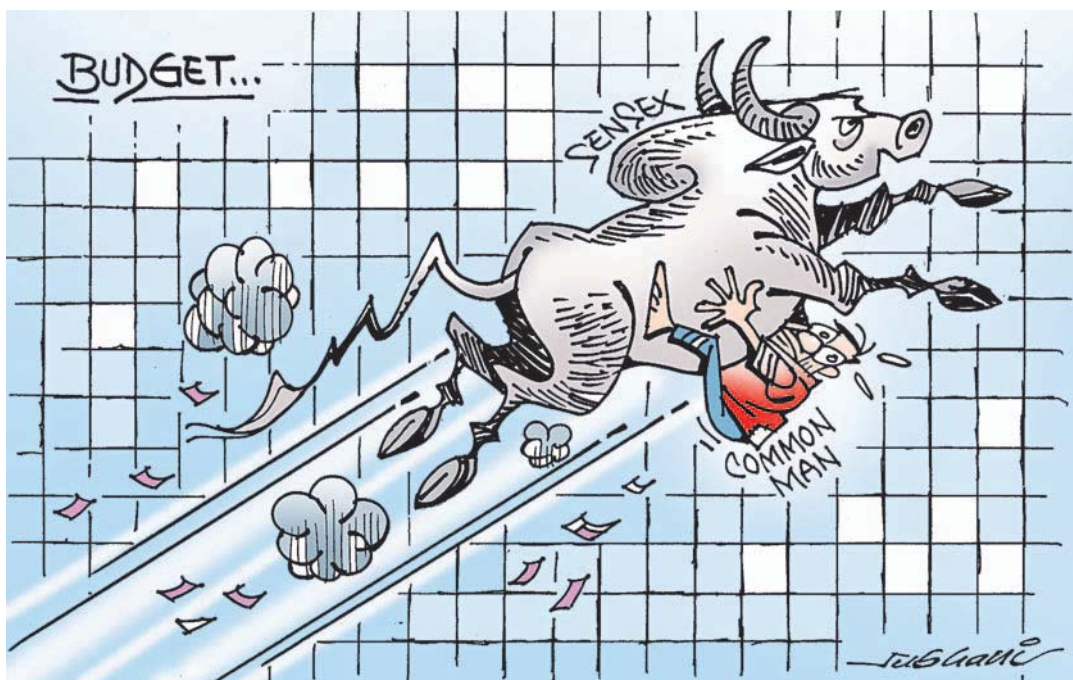
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Subhani



State back in saddle; can pvt sector drive growth?



Parsa Venkateshwar Rao Jr

It was a sober budget for sombre times. Finance minister Nirmala Sitharaman delivered her third Union Budget without rhetorical flourishes. It was not the "once in hundred years" Budget the finance minister had promised. There is nothing bold or imaginative. It is the usual State-led Budget. But her quotation from Rabindranath Tagore, "Faith is the bird that feels the light and sings when the dawn is still dark", reflects the mood of the government. There is the feeling that the economy is at the end of the Covid-19 tunnel, and the post-pandemic turnaround is around the corner.

Ms Sitharaman has announced a huge capital expenditure outlay across sectors from health to infrastructure, and even to the financial sector, by setting up a Developmental Financial Institution with a capitalisation of ₹20,000 crores. She wants the DFI to develop a lending portfolio of ₹5 lakh crores. The political message is quite clear: that the State is back in the economic saddle. The Economic Survey 2020-21, placed in Parliament on January 29, had strongly recommended that in a time of crisis caused by the Covid-19 pandemic, the State should step in. The Budget has followed the advice proffered in the Survey.

But the catch lies in this. Most of the capital expenditure is directed toward projects that have a long gestation period, whether it is increasing health centres or setting up biological safety level laboratories or the national institutes of virology. It will take more than a few years for these to become functional in a

meaningful sense. At the most, it would create enough jobs in the construction sector as well as through recruitment for the facilities to be set up.

The ₹5.54 lakh crore capital expenditure outlay for 2021-22, a 34.5 per cent increase over the ₹4.12 lakh crore Budget estimate of 2020-21, may look sharp, but given the economic challenge, this incremental change is indeed quite modest.

The fiscal stimulus that the industrialists and analysts were looking for was that of an immediate one through direct and indirect handouts that would help in jiggling the economy. But the finance minister has refused to go the populist way, something that the Narendra Modi government has resisted through its grandstanding of the Atma Nirbhar Bharat packages through the different stages of the lockdown. The stimulus remains an indirect one. The government is willing to create financial institutions like DFI to funnel financial flows. The government itself will stick to building biological safety laboratories and virology centres.

The finance minister, who is a firm believer in economic reforms and a liberalised economy, found her hands tied, but she has held out the hope that privatisation will continue. She has announced that the government has approved the strategic disinvestment policy, though the details have not been spelt out. She seems to believe that the sale of Air India, Bharat Petroleum Corporation Ltd *et al.* would be completed this year, and she has set the disinvestment target of ₹1.75 lakh crores, which may be dif-

ficult to realise.

The government has tackled the troublesome issue of the non-performing assets (NPAs) of the public sector banks by announcing the setting up of the Asset Reconstruction Company and Asset Management Company, which will serve as a "bad bank", as suggested in some quarters.

The only populist gesture with a political intent is her allocation of funds for economic corridors as part of augmenting road infrastructure in election-bound states like Tamil Nadu (₹1.03 lakh crores investment for 3,500 km), West Bengal (₹25,000 crores for 675 km), Assam (₹34,000 crores for 1,300 km, apart from the ₹19,000 crores earlier allocated). But she cannot be faulted for these allocations because she was indeed looking at the bigger infrastructure push. The outlay for the ministry of road transport and highways is ₹1,18,101 lakh crores, of which, the minister said, ₹1,08,230 lakh crores was for capital expenditure.

The government does not seem to be too afraid of the 9.5 fiscal deficit for 2021, and it is hopeful that the deficit will be gradually reduced to 4.5 per cent by 2025-26. This looks like a realistic pathway. This would be feasible if the economy recovers its growth rate and tax and other revenues improve in the next couple of years.

The vague hope enter-

tained by the Narendra Modi government, especially by Prime Minister Modi himself, that India will become a prime player in the world economy in the post-Covid-19 situation may not work out though it is no fault of the Prime Minister's optimism. India is not yet an economic engine of growth globally as China is, and there are many things to be sorted out in the domestic market. The major issue is that of reviving competition. And that seems to be a steep climb back. There are only a few big players in the private sector, and while the government may deny all the charges of encouraging "crony capitalism", the main issue is that economic vibrancy will not be restored without real competition. The "Start Up India" programme was supposed to create competition, but the success of "Start Up India" has been lukewarm.

The suspicion lingers that the government is only too keen to be helming the economy and that the private sector is equally content to play second fiddle to the government. The dreams of a free market economy have now receded that much because of Covid-19. The government can justifiably retort that it has been forced to be in the driver's seat and that it will have to do the job. Mr Modi will be only too happy to set targets for every sector in the economy!

The private sector can continue to remain passive and follow the goals set by the government, and we can abandon all our dreams of a liberalised economy! Or, the private sector can clinch the initiative, and entrepreneurs can step out and set up businesses and create jobs. India can get back to a high growth trajectory only in conditions of a market economy, and only if the private sector plays a major role.

The writer is a Delhi-based commentator and analyst

In her third Budget, finance minister Nirmala Sitharaman offered nothing that was bold or imaginative; and it was certainly not the 'once in a hundred years' exercise she had promised. The government still seems to think that a turnaround is around the corner.

LETTERS

FARMER IMBROGLIO

Since two months, farmers' unions were only demanding repeal of three laws and nothing else (*Pass a resolution on MSP, drop cases against farmers, DC, Feb. 1*). Both Centre and unions could not see eye-to-eye on this vexatious problem. When they agree to disagree, no logical solution is possible to 40 odd farmer unions.

Parthasarathy Mandadi
Tirupati

GP ELECTIONS

The grand design of N. Chandrababu Naidu is working. He wanted March 2020 local polls deferred and got it. He wanted SEC to hold only Gram Panchayat polls at the end of his tenure and yes the ball is set rolling. The Courts (HC & SC) also played a key role in this regard. And now almost all the rural areas are experiencing political heat even as both YSRC and TD are locked in a fight to finish one another come what may. I feel the SEC will support the Telugu Desam to ensure law and order crisis in the state.

Govardhana Myneedu
Vijayawada

CARE FOR SENIORS

Seniors are disappointed with budget as there is no relief in this inflationary circumstances. I request the finance minister to increase interest on bank deposits for seniors by 1 per cent and reduce GST on health insurance from 18 per cent to 5 per cent.

K.Lakshman Rao
Visakhapatnam

50 YEARS AGO IN DECCAN Chronicle

Hijack victims return home

NEW DELHI, FEBRUARY 1.

Crew members and some passengers of the hijacked Indian Airlines were given a warm welcome on their arrival here tonight from Amritsar.

After a 50-hour stay in Lahore, the 26 passengers and the four-member crew crossed into India at Husseiniwala checkpoint today.

They had motored down to the border from Lahore after the Minister of Civil Aviation, Dr. Karan Singh, made a firm demand to return them.

Chandrajit Banerjee



Game-changer that will help enable growth with inclusion

Finance minister Nirmala Sitharaman has presented the Union Budget 2021-22 amidst extraordinarily difficult times created by the Covid-19 pandemic. Our GDP growth is estimated to witness the largest ever contraction of 7.7 per cent during the present year. Besides, the paucity of fiscal space, constraints within the financial sector to lubricate the system and headwinds from the global economy are the other challenges which could impact the country.

Under the circumstances, the finance minister must be commended for presenting a landmark Budget. The Budget has deployed varied policy levers to rebuild the economy devastated by the pandemic and steer it towards full revival and growth. The provisions serve to galvanise the growth enablers to build a robust and competitive India, in line with the "Atma Nirbhar Bharat" vision. At the same time, the Budget also focuses on social welfare and inclusion by addressing the issues of employment generation.

Standing on six strong pillars, the Budget seems to have played just the right strokes to stimulate investment and physical and social infrastructure and the focus on augmenting capital

expenditure is in line with the CII's recommendations. Further, the disinvestment roadmap, asset monetisation, ensuring simplification, predictability and stability in tax policy, financial sector reform and inclusion, promoting the ease of doing business, steps to increase India's involvement in global value chains and measures to facilitate innovation, among others, are all moves that will help India get back to its potential growth rate.

The immediate concern of the finance minister has been to reinvigorate the economy, stimulate demand and alleviate widespread distress emerging from the Covid-19 setback. Against this backdrop, the Budget has taken a pragmatic decision of adopting a counter-cyclical fiscal policy impulse to resuscitate growth with inclusion. The rise in capital expenditure in the Budget also underscores the commitment towards improving the quality of fiscal spending by channelising expenditure in productive areas such as physical or social infrastructure.

However, fiscal prudence has not been discarded. A clear medium-term roadmap has been delineated for a return to the path of fiscal consolidation as the finance minister plans to bring down the deficit to less than 4.5

per cent of GDP by 2025-26. There is also transparency in the Budget as off-balance-sheet financing is gradually being brought into the mainstream.

There are several positives in this Budget on the infrastructure front. Some of the key initiatives such as the setting up of the National Asset Monetisation Pipeline, creating economic corridors, setting up of seven Mega Investment Textile Parks, and giving a choice to consumers to pick from more than one distribution company to buy power, among others, are noteworthy and will have a spillover effect on the economy. Successful implementation of these infra projects will be the key for the country to get back to the trajectory of pre-Covid growth track and create much needed jobs at the bottom of the pyramid. The setting up of a Development Finance Institution (DFI) to finance infrastructure and key sectors of the economy will address the long-term funding problem of the infrastructure sector.

India at present spends a meagre 1.3 per cent of GDP on healthcare, that is lower than the desired level of six per cent. Hence, the government's prescription to make an unprecedented 137 per cent hike in expenditure on healthcare and well-

being is spot on. The specific allocation for Covid vaccination is also significant as it will boost sentiments and help in the economic recovery. The launch of a new Centrally funded scheme, the Pradhan Mantri Swasthya Suraksha Yojana, Mission Poshan 2.0 and the commitment of providing ₹35,000 crores for Covid-19 vaccines in FY22 are all encouraging developments.

The finance minister has made bold announcements in the direction of making the financial sector future ready. These include setting up a "bad bank" in the form of Asset Reconstruction and Management Company, increasing the FDI limit in the insurance sector to 74 per cent and the proposal to disinvest two public sector banks, the IPO of LIC and one general insurance company in FY22. These are game-changing initiatives that would buttress growth revival in the real sector of the economy.

The Budget has taken major strides towards building a climate of business confidence among entrepreneurs. Announcements such as extending decriminalisation of business laws to LLPs under Companies Act 2013, setting up the Dispute Resolution Committee to reduce litigation among taxpayers, strengthen-

ing of the NCLT framework for speedy dispute resolution, making the Income Tax Appellate Tribunal faceless and jurisdiction-less, will be well received. The other announcements like reducing the timeframe for reopening of income-tax assessment cases from six years to three years, putting a monetary limit of over ₹50 lakhs in a year for reopening of serious tax evasion cases will improve the business climate by reducing harassment to taxpayers.

On the indirect tax front, the reduction in customs duty on certain inputs and raw materials including long products of alloy & non alloy stainless steel, copper scrap, among others, that have seen a sharp price increase in the last few months, is laudable as it will help to keep the prices of the final products competitive. The government has also reiterated its commitment to help industry get integrated in global value chains by focusing on facilitating import of raw material and thrust on value added exports.

Overall, this is a development-oriented and pragmatic Budget which will help reset growth while promoting social inclusion.

The writer is the director-general of the Confederation of Indian Industry

SHORT TAKES

ISRO GEARS UP TO LAUNCH SATELLITE

DC CORRESPONDENT
NELLORE, FEB. 1

Indian Space Research Organisation (Isro) is gearing up to launch the first mission in 2021 with a host of satellites, including some commercial satellites, onboard Polar Satellite Launch Vehicle (PSLV) -C51 from Satish Dhawan Space Centre, Shar, Sriharikota tentatively before the end of February.

The main payload will be an earth observation satellite 'Amazonia' developed totally by the National Institute for Space Research (INPE) for the first time in Brazil.

One among the other satellites, Anand is also an advanced earth observation satellite made for the first time by an Indian Startup called Pixxel.

Shar said a senior official said that the mission is a special one for Indian Space Agency as the satellite 'Anand' was made within eight months after the government set up Indian Space Promotion and Authorisation Centre IN-SPACe as part of opening the space sector for private players.

In addition to this, PSLV-C51 would also carry a communication satellite built by the students part of a Bangalore based firm-Space Kidz India and another satellite-UNITYSat built by a consortium of three Indian universities.

The Chairman of Isro Dr K. Sivan, while inaugurating Ground stations for the UNITYSat four days back, said that the satellite is a combination of three satellite'.

They were designed and built as a Joint Development by Jeppiaar Institute of Technology, Sriperumpudur (JITSat), G.H. Raisoni College of Engineering, Nagpur (GHRCEsat) and Sri Shakthi Institute of Engineering and Technology, Coimbatore (Sri Shakthi Sat).

The ground stations located at Chennai, Nagpur and Coimbatore will monitor the UNITYSat in orbit after its launch through PSLV C51, Dr Sivan added.

AP RECORDS 64 COVID CASES, ONE DEATH

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

Andhra Pradesh registered 64 fresh cases of Covid-19 with one death in the last 24 hours.

The state health authorities released Covid-19 bulletin here on Monday reporting that out of 21,922 persons tested, 64 were infected with confirmed Coronavirus. Out of a total number of 1,31,59, 794 samples tested, 8,87,900 persons were found infected with the virus and of them, 8,79,504 were discharged after recovery while 1,242 are still active with the virus.

Among the daily cases of Covid-19, East Godavari topped the state with 15 followed by 10 in Visakhapatnam, nine in Krishna, eight in Nellore, seven in Guntur, four each in Anantapur, Chittoor and Kadapa, two in Kurnool and one in Srikakulam.

With regard to the cumulative Covid-19 active cases, Krishna reported 268 followed by 170 in East Godavari, 142 in Chittoor, 115 in Visakhapatnam, 94 in West Godavari, 74 in Nellore, 69 in Kadapa, 57 in Prakasam, 48 in Kurnool, 34 in Anantapur, 22 in Srikakulam and 12 in Vizianagaram.

AP registered only one death of Covid-19 infected person in Krishna district, rising toll to 7,154.

State health authorities discharged 99 infected persons after recovery in the state.

RATION DOOR DELIVERY COMMENCES

DC CORRESPONDENT
KADAPA, FEB. 1

Ration door delivery system organised all over the district municipal areas on Monday. It was started by the Joint Collector (Revenue) Midde Gowthami in Kadapa corporation limits.

She and sub-collector Prithvitej inspected the distribution system through mobile distribution utility (MDU) vehicle at Housing board colony, Saipet and 36 division areas in the city limits. She said that the ration distribution system was implemented in all the municipal areas.

Back to school



Government aided and unaided private schools in Andhra Pradesh have started functioning full day for primary sections (Classes I to V) from Monday onwards, following the academic calendar set by the State Council of Educational Research and Training (SCERT). As per the directions of SCERT, schools have allowed only 20 students to sit in one classroom, while those not having sufficient numbers of classrooms were planning to conduct classes on alternate days to accommodate all students. On the first day, students having written consent of parents/guardian and wearing masks were allowed to attend physical classes, while teaching and non-teaching staff were advised to wash hands frequently as a precaution to contain the spread of Covid-19.

Atchannaidu's threat to YSRC man is viral

Krishna Das asks SEC to take action against Atchannaidu

DC CORRESPONDENT
SRIKAKULAM, FEB. 1

The audio clip of TD AP president K. Atchannaidu's indirect threat to the YSRC-supported candidate K. Appanna, his cousin, went viral in the state. The incident took place on Sunday, the last day for filing nominations for the first phase of the panchayat elections in AP. Appanna wanted to file nomination for Nimmada panchayat, the home village of Atchannaidu. What began as a humble request turned into a veiled threat by the time the conversation ended. As per the clip, Atchannaidu requested Appanna to rethink over filing the nomination as "we are related to each other".

Appanna replied that after he lost his job, he had gone to their house 20 times but nothing was done to help him.

When Atchannaidu told Appanna that getting back the job was easy as it was not the president's post,

YSRC LODGES COMPLAINT AGAINST TD'S STATE CHIEF ATCHANNAIDU

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

YSRC state general secretary Lella Appi Reddy, its Vijayawada central MLA Malladi Vishnu and other leaders lodged a complaint on Monday with the State Election Commission seeking action against Telugu Desam AP president K. Atchannaidu for his "outrageous act" against YSRC at Nimmada.

Vishnu alleged that Atchannaidu resorted to outrageous acts in his native village Nimmada, by causing obstruction and forcibly sending a candidate out while he was filing the nomination for panchayat polls.

He said Atchannaidu threatened local leaders and candidates with dire consequences if they

failed withdraw from the election.

"We have submitted evidence to the SEC against TD, sought the arrest of Atchannaidu for outrage and demanded that he be put behind the bars," he said till completion of the gram panchayat elections so as to ensure peaceful polling.

Appi Reddy alleged that TD leaders, with support from local leaders, were threatening YSRC men and candidates and demanding that they stay away from elections in Chittoor district. He refuted TD allegations against AP Police and sought stern action against Atchannaidu and other TD leaders for causing obstructions to candidates filing their nominations.

Appanna got angry and said it was not as easy as buying fish from the market.

The conversation lasted 4 minutes and 40 seconds and ended with Atchannaidu telling

Appanna that it was up to him to decide.

Earlier, TD activists attacked Duvvada Srinivas, YSRC Tekkali incharge when he accompanied Appanna to file nomination.

Srinivas met the State Election Commissioner N. Ramesh Kumar on Monday and gave him a representation on the violence caused by the TD activists at the behest of Atchannaidu.

"How can he instigate an attack on him while holding the post of the party president? There was also assurance from the State Election Commission that anyone can file nomination without fear," Srinivas said.

Soon after the attack, deputy chief minister Dharmana Krishna Das issued a statement asking the State Election Commissioner to take action against Atchannaidu. He told the SEC that how could Atchannaidu, as president of an Opposition party, compare the president's post to an ordinary government job.

APIC SEEKS PRIVILEGE NOTICE TO SEC

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

The AP Intellectuals and Citizens Forum (APIC) has urged the Governor to intervene in the matter so as to protect and uphold the spirit of the Constitution.

Former RTI commissioner, P. Vijaya Babu, said the SEC looking at the HC verdicts as "conduct certificates" to him and using court verdicts as a weapon to use against others was objectionable. He said the SEC dealt with the government advisor and ministers as an autocrat, and the government did not take a serious note of this.

He felt that the SEC was troubling the government and ignoring the rights of a legislator. "One constitutional body (SEC) cannot suppress the rights of another constitutional body (government)." The SEC went on the Ontimitta tour with public money though it was a personal visit. He urged the AP Assembly Speaker Tammineni Sitaram and governor Biswabhusan Harichandan to issue a privilege notice.

The State Election Commission issued notification for conducting the gram panchayat polls for phase-2 in the state.

Accordingly, elections for the positions of sarpanches and ward members will be held in all 13 districts.

Out of 3,375 gram panchayats located in 13 districts, elections will be held only in 3,335 gram panchayats.

HC INFERS SEC PRESSURISING RESPONDENTS

FROM PAGE 1

The High Court added that it inferred the SEC was mounting pressure on the respondents.

The judge asked SEC's counsel to inform the SEC that it should not give others information pertaining to the petitions it filed in the court.

The SEC had filed a petition in the court alleging that there was no cooperation from the state government with regard to allocation of funds. The court directed the state government to submit a status report. The SEC however filed a contempt of court petition on Dec. 18.

The court asked the registrar general to find out who are the court officials responsible for not posting the petition for hearing for several days. It issued directions to serve notices on former chief secretary Nilam Sawhney, present chief secretary Adityanath Das and panchayat raj principal secretary Gopala Krishna Dwivedi. The case is posted for next hearing on Feb. 15.

In a separate development, SEC Ramesh Kumar refused to react on the Telugu Desam supporters' attack on YSR Congress activists at Nimmada of Srikakulam district during his visit. When the media asked him as to what action was initiated against the culprits, he kept mum.

YSR Congress co-ordinator Duvvada Srinivas complained to the election commissioner on the TD.

Tentative time table for Inter announced

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

The Board of Intermediate Education (BIE) announced the tentative time table for theory and practical examination of IPE March, 2021 beginning from May 5.

BIE secretary V. Rama Krishna in a release issued here Monday said that exams for first-year inter students would begin from May 5 and for second-year students from May 6 from 9 am to 12 noon.

The exam schedule for first-year inter students include: May 5-Second language paper-1, May 7-English Paper-1; May 10-Mathematics Paper-1 A, Botany Paper-1 and, Civics Paper-1; May 12-Mathematics Paper-1 B, Zoology Paper-1 and History Paper-1; May 15-Physics Paper-1 and Economics Paper-1; May 18-Chemistry Paper-1, Commerce Paper-1,

Sociology Paper-1 and Fine Arts, Music Paper-1, May 20-Public Administration Paper-1, Logic Paper-1 and Bridge Course Maths Paper-1 (For BPC students) and on May 22-Modern Language Paper-1 and Geography Paper-1.

For the second year inter students: May 6-Second language Paper-2; May 8-English Paper-2; May 11-Mathematics Paper-II A, Botany Paper-2 and Civics Paper-2; May 17-Physics Paper-2 and Economics Paper-2; May 19-Chemistry Paper-2, Commerce Paper-2, Sociology Paper-2 and Fine Arts, Music Paper-2;

May 21-Public Administration Paper-2, Logica Paper-2 and Bridge Course Maths Paper-2 (for BPC Students) and May-23-Modern Language Paper-2 and Geography Paper-2. Ethics and Human Values exam will be held on March 24.

POLICE TO SKIP VACCINATION DUE TO GRAM PANCHAYAT POLL DUTIES: DGP

DC CORRESPONDENT
VIJAYAWADA, FEB. 1

AP DGP Gautam Sawang has said police force of the state has decided to skip corona vaccination in the state, as all its personnel will be on election duties.

He underlined that this decision was taken by the entire police department after detailed discussions.

Addressing a media conference on Monday, Sawang pointed out that as police form part of the frontline Covid warriors, Union government had decided to include police in the second phase of Covid vaccination drive in the country. But Andhra Pradesh police will forego the vaccination as the forces will have to be busy with panchayat polling duty.

The DGP said the schedule of vaccination announced

by the Union government may not match with election schedule of Andhra Pradesh. However, polling will be disrupted if police go for vaccination. He pointed out that duties and responsibilities of police are different from other polling staff. This is because every policeman remained engaged in election duty. Police bandobast will be a must for all panchayats.

Gautam Sawang pointed out that police personnel will have to be in remote areas and it will not be possible for them to get their vaccination shots. In this context, he recalled that 14,362 police personnel had been infected with Corona and 109 of them sacrificed their lives to save the lives of people of Andhra Pradesh during the Corona pandemic time.

POOR RESPONSE TO UNANIMOUS POLLS IN ANANTAPUR DISTRICT

DC CORRESPONDENT
ANANTAPUR, FEB. 1

Only one gram panchayat reported having unanimous polling after completion of nomination process under phase-I gram panchayat polls in the district.

Polls are being held in Kadiri revenue division under the first phase.

Kondakinda gram panchayat in Nallamada mandal in the district had only one nomination.

The sarpanch seat was reserved for ST woman candidate.

egory, and Parvathi Bai of YSR Congress supporter filed nominations for the sarpanch post while no others in the contest. Parvathi Bai will be declared officially after a scrutiny process.

Meanwhile, a significant number of nominations received for several gram panchayats while the political parties were trying to convince candidates for unanimous where poor competition witnessed.

Scrutiny of nominations will be done on Tuesday.

SANITARY WORKERS STAGE RELAY HUNGER STRIKE, DEMAND CONTINUATION OF SERVICES

DC CORRESPONDENT
KADAPA, FEB. 1

Sanitation workers are demanding to continue their jobs appointed during the corona.

About 170 sanitation workers were hired under outsourcing nine months ago during the Covid-19 pandemic. The corporation recently decided to withhold the services. They are all worried about this and demanding to continue

their jobs. Under the auspices of CITU the workers staged a relay hunger strike in front of the Kadapa Corporation Office. The CITU city secretary Ravishankar demanded to continue their service. He also demanded to recruit the Sanitary Master workmen (Masteries) as sanitary supervisors in Ward secretariats.

Long ago from 2005 they are working under the panchayat management.

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MAINTAINING VIGIL

ICG deployed 50 ships, 12 aircraft to monitor Economic Zone

Coast Guard observes Raising Day

DC CORRESPONDENT
VISAKHAPATNAM, FEB. 1

The Eastern Board of the Indian Coast Guard observed the 45th Raising Day in a simple ceremony at the headquarters on Monday. Additional Director General and coast guard Commander of Eastern Board V.S. Pathania cut the cake and 200 personnel who participated in the event.

Speaking to DC in connection with the event, Pathania said the ICG,

despite the restrictions imposed by Covid-19 pandemic, maintained a strict vigil in Indian Exclusive Economic Zone by deploying about 50 ships and 12 aircraft daily. The deterrent patrols at sea and air enabled seizure of contraband worth ₹1,500 crore including 24 kg of gold and narcotics on the east coast and apprehension of more than 10 foreign fishing boats with about 80 miscreants operating in Indian EEZ last

year. The incorporation of 'prevention and measured response' concept during the passage of 11 cyclones last year, ensured that more than 6,000 fishing boats with about 40,000 fishermen escorted to safe harbours averting loss of lives and property at sea. This concept paid rich dividends as no life and property were lost during cyclone Amphan and Nivar. "During the cyclones, our forces are sent to the

vulnerable areas in advance so that no time is lost to rescue the fishermen in the sea," the commander said.

Listing out the achievements of the last year, Additional Director General said Indian Coast Guard created a maritime history in dousing raging fire onboard 333 meters long Very Large Crude Carrier MT New Diamond with about three lakh metric tonnes crude oil off Sri Lanka Coast, preventing a major

ecological disaster.

"For this, the current director-general of Coast Guard Krishnaswamy Natarajan was awarded Param Vishisht Seva Medal for handling fire on crude vessel MT New Diamond. The PVS is the first since the inception of Coast Guard," Pathania said.

ICG is also collaborating with littoral countries to combat transitional maritime crimes and enhance Maritime safety.

SHORT TAKES

17 PEOPLE STUCK ON BOAT RESCUED IN ODISHA

AKSHAYA KUMAR
SAHOO | DC
BHUBANESWAR, FEB. 1

Fire services personnel rescued all the passengers from a boat that got stuck in the middle of Odisha's Chilika lake on late Sunday evening.

The incident took place when the boat was returning from Kalijai temple located on an island in the lake. "The machine developed technical glitches at Nalabana when we are returning from Kalijai temple. We all the family members went there to have darshan of Goddess Kalijai," boat driver Sankar Behera said.

The boat carrying around 17 passengers, including some children, developed some technical snags leading to malfunctioning of the engine. Though the boat took the help of another machine of a fellow boat, it didn't support, a passenger said.

"We took the help of a fellow boat's machine. But it didn't support. Fear gripped all the passengers as the boat got stuck in the deep water in the night. Then we called the fire station for rescue," said Sudarshan Behera, a passenger. On being informed, the fire fighters launched an operation to rescue the travellers. They pressed two boats into service.

"We got a phone call that a boat was stranded in the middle of the lake after its machine developed technical glitches. With two boats, we launched the operation to locate the passenger boat. After an hour-long search, we finally traced the boat at around 10.30 pm and successfully rescued all the passengers and the stranded boat," said Nityananda Jena, fire officer.

COURT ISSUES SUMMONS TO KANGANA

SHAHAB ANSARI | DC
MUMBAI, FEB. 1

A metropolitan magistrate court in Andheri on Monday issued summons to Bollywood actor Kangana Ranaut in connection with a defamation suit filed against her by lyricist Javed Akhtar. The magistrate has asked her to remain present before the court on March 1.

R.R. Khan, the magistrate, heard the arguments from Akhtar's lawyer Jay Kumar Bhardwaj on the inquiry report filed by the police. The Magistrate court in December 2020 had ordered the local police to file a report in after hearing Akhtar and his lawyer Niranjana Mundargi. The court had further ordered Juhu police to file a report by January 18, 2021, however, they had sought more time.

In the report, police told the Magistrate that offences alleged against Kangana are made out for further investigation. Advocate Bhardwaj argued that the report stated that offences alleged against Kangana Ranaut were made out for further investigation. The report by Juhu police included statements from the common witness — a doctor — who also testified that no such conversation as alleged by Kangana in the interview took place.

ORDER RESERVED ON VARAVARA RAO'S BAIL PLEA

SHAHAB ANSARI | DC
MUMBAI, FEB. 1

The Bombay HC on Monday reserved its order on a plea seeking medical bail for 81-year-old activist Varavara Rao, who was arrested in connection with the Bhima Koregaon case. Of the 365 days since last February, jailed activist-poet Varavara Rao spent 149 days in the hospital, his counsel Indira Jaising told the court to highlight his poor health condition and push for interim bail.

Opposing the bail plea, Additional Solicitor General (ASG) Anil Singh on behalf of National Investigation Agency (NIA) contended before the division bench of Justice SS Shinde and Justice Manish Pitale that the charges against Rao were very serious.

Upon this, Justice Shinde said that charges were not being framed and speedy trial was also part of the fundamental rights. Referring to the charges under Unlawful Activities Prevention Act, he said the police and military have lost their lives over this.

Singh replied to the court that there has been no mention of the test for dementia in the latest medical report of Rao because the test was not suggested by the neurologist.

Back on track



After nearly 10 months hiatus, Mumbai's local train services have been opened for general public with some restrictions from Monday in Mumbai. Help of local police is being taken to manage the crowd and all authorised entry/exit points and ticket counters have been opened for smooth conduct of the services.

— RAJESH JADHAV

ACTIVE COVID-19 CASES DROP TO 1.68 LAKH

New Delhi, Feb. 1: The tally of active Covid-19 cases in India has dropped to 1.68 lakh which is just 1.56 per cent of the total instances of the viral infection reported so far, while the recovery rate has reached 97 per cent, the Union health ministry said on Monday.

A total of 1,04,34,983 people have recovered from Covid-19 so far. While 11,427 cases were reported in a day till Monday 8 am, as many as 11,858 patients recuperated from the disease during the same period, widening the gap between recoveries and active cases by 1,02,66,748.

With a consistent rise in the number of people getting recuperated, India's Covid-19 recovery rate has reached 97 per cent, one of the highest globally, the health ministry said, adding the country's daily new deaths have fallen below the 120 mark with 118 fatalities were recorded in a day. It said that 86.47 per cent of the new recovered cases are observed to be concentrated in 10 states and UTs. Kerala reported the highest 5,730 single-day recoveries, followed by 1,670 in Maharashtra and 523 in Tamil Nadu.

The ministry said of the fresh cases reported on Monday, 80.48 per cent were from five states and UTs. Kerala continues to report the highest daily new cases at 5,266, followed by 2,585 in Maharashtra and 522 in Karnataka.

Kerala and Maharashtra cumulatively contributed 68.71 per cent of the daily new cases. Six states and UTs account for 76.27 per cent of the new deaths. Maharashtra saw the maximum 40 fatalities, Kerala 21 and West Bengal nine deaths. Till Monday 8 am, more than 37.5 lakh beneficiaries have received shots in 69,215 session conducted so far. — PTI

One more MLA quits TMC ahead of elections

Dipak Haldar is loyalist of ex-Kolkata Mayor Sovan Chatterjee

RAJIB CHOWDHURI | DC
KOLKATA, FEB. 1

With West Bengal inching closer to the Assembly election, its ruling party Trinamul Congress continues to bleed with desertions as another rebel MLA Dipak Haldar has quit it, dealing a blow to Chief Minister Mamata Banerjee's nephew Abhishek Banerjee since his constituency is under the Diamond Harbour Lok Sabha seat of which Banerjee is the MP.

Known to be a loyalist of TMC turncoat and former Kolkata Mayor Sovan Chatterjee who is now in the BJP, the two-time Diamond Harbour legislator in South 24 Parganas sent his resignation

from the party posts in a letter to the TMC leadership on Monday.

Breaking his silence after his exit from the TMC, Haldar said, "I was not being able to work independently in the party for a long time. I had informed the party hierarchy also about it. But it bore no fruit. I was not being invited to any rally other than those of Banerjee. Moreover, I was humiliated many times leaving me in thoughts to not continue with the TMC further. So I quit the party," he said.

His exit from the Trinamul Congress came within three days of former state forest minister Rajib Banerjee's resignation as an MLA, departure

from the party and induction to the BJP with his four loyalists including two MLAs Baishali Dalmiya and Prabir Ghoshal.

Undeterred by the exodus, the Trinamul Congress supremo however argued, "The BJP is a gas balloon which looks growing big now. But it is us who will stay in power. Those, who are deserting us now, minted so much money that they are joining the BJP to wash themselves and come out as white from black. They would not have got tickets this time from the TMC."

Haldar has, however, not resigned as an MLA. He is expected to defect to the saffron party soon.

The MLA also had met

Chatterjee at his residence in South Kolkata recently.

Chatterjee said, "Those who are leaving the TMC are not joining the BJP to become MLA or minister in future. They want respect in their work which they do not get in the Trinamul Congress."

Haldar was staying away from the TMC and Banerjee's rallies for the last couple of months. He was suspended by the Trinamul Congress from the party after he was arrested by the police for his alleged link in a clash between rival factions of the party's students' wing in a district's college.

Haldar later walked out on bail and was reinstated in the party.

PM condemns attack on Israeli Embassy

DC CORRESPONDENT
NEW DELHI, FEB. 1

Condemning the terror attack outside the Israeli Embassy in New Delhi last Friday, Prime Minister Narendra Modi on Monday spoke to his Israeli counterpart Benjamin Netanyahu and told him that India "accords the highest importance to the safety and security of Israeli diplomats and premises, and would deploy all its resources to find and punish the perpetrators".

Both leaders also "expressed satisfaction about the close coordination between Indian and Israeli security agencies in this context".

They also spoke about cooperation in tackling the Covid pandemic and the issue of produc-

tion and supply of vaccines.

In a statement, India said, "Prime Minister Narendra Modi spoke to His Excellency Benjamin Netanyahu, Prime Minister of Israel on telephone today. The Prime Minister conveyed his strong condemnation of the terror attack near the Israeli Embassy in New Delhi on 29 January 2021. He assured Prime Minister Netanyahu that India accords the highest importance to the safety and security of Israeli diplomats and premises, and would deploy all its resources to find and punish the perpetrators."

Both leaders expressed satisfaction about the close coordination between Indian and Israeli security agencies in this context.

New Delhi, Feb. 1: Farmer unions Monday announced a countrywide 'chakka jam' on February 6 when they would block national and state highways for three hours in protest against the internet ban in areas near their agitation sites, harassment allegedly meted out to them by authorities, and other issues.

Union leaders told a press conference at the Singhu Border here that they will block the roads between 12 pm to 3 pm on February 6.

They also alleged that farmers have been "ignored" in the Union Budget 2021-22, and water and power supply have been curtailed at their protest venues.

The Samkyukt Kisan

Morcha, an umbrella body of protesting unions, also alleged that the Twitter accounts of Kisan Ekta Morcha and a user named 'Tractor2Twitter' have been restricted.

Swaraj Abhiyan leader Yogendra Yadav alleged the action against the Twitter account was taken on the "request of government authorities".

He also claimed that the Union government has "reduced the allocation to agriculture sector" in this budget.

Meanwhile, with parked DTC buses sealing main entry points, multi-layered security arrangements and check points — both by police and farmers' union volunteers — Ghazipur, the new focal point of the ongoing farm-

SC may resume physical court hearing in March

PARMOD KUMAR | DC
NEW DELHI, FEB. 1

Nearly ten months after it had switched to virtual hearing through video-conferencing in the wake of nationwide Covid shutdown, the Supreme Court is likely to resume in March the physical court hearing along with virtual mode being described as hybrid hearing.

This was conveyed by the Chief Justice Sharad A. Bobde on Monday to Manan Kumar Mishra — Chairman, Bar Council of India, representatives of the Supreme Court bar — the Supreme Court Bar Association (SCBA) and the Supreme Court Advocate-on-Record Association (SCAORA) and the Solicitor General of India Tushar Mehta — second highest law officer of India after Attorney General during a meeting convened by the CJI.

Telling the representatives of the bar and the judges of the top court are "willing" to resume the physical court hearing, the Chief Justice asked the top court secretary general "to get the technical problems solved at the earliest so that court could resume its functioning physically from the first week of March 2021", said a BCI release.

The CJI told the representatives of the bar, who are since long asking for the resumption of normal court hearing, that there were "medical and technical" issues which the court registry is trying to sort out and solve, said the statement issued by the BCI Chairman.

The meeting was also attended by senior lawyer Vikas Singh — former president, Supreme Court Bar association who had later in the day organised a lawyers gathering seeking resumption of open court hearing.

The statement by Manan Mishra said that the meeting also "decided" that hybrid system will continue till pandemic was over and as suggested by Vikas Singh that video-conferencing would be available to the lawyers present in Delhi that through cable communications from their chambers or cubicles to be

CENTRE TELLS SC: CAN'T GIVE CHANCE TO UPSC ASPIRANTS

New Delhi, Feb. 1: The Centre told the Supreme Court on Monday that it cannot grant an extra chance to the civil services aspirants who could not appear or prepare well for their last attempt in the UPSC exam in 2020 due to the Covid-19 pandemic, reiterating it would amount to extending differential treatment to similarly placed candidates.

The SC however adjourned the hearing in the matter till Friday after Solicitor General Tushar Mehta sought time to discuss the issue once again.

At the outset, a bench of Justices A.M. Khanwilkar and Dinesh Maheswari was told by Additional Solicitor General S.V. Raju that the Centre was not agreeable to giving a one-time concession to the candidates. — PTI

installed in the premises of the Supreme Court.

Apparently this would to the disadvantage of lawyers — mostly well established senior lawyers — addressing the court from any part of the country and even overseas.

"No lawyer should be allowed to join the video conference through the internet as it creates a lot of problems and it results in strong resentment among the members of the Supreme court bar. The Hon'ble Chief Justice of India also, agreed to such proposal", said the release issued by BCI Chairman.

"The resumption of physical hearings in a hybrid manner will be based on normal listing of cases and not based on consent of the Advocates On Record/Advocates," a statement by SCAORA said.

In September last year, the top court had made an attempt to resume physical hearing of the cases and a few court rooms too were prepared for the same but it did not take off at all due to lukewarm response of the bar.

Farmers to hold 'chakka jam' on Feb. 6, to block highways

New Delhi, Feb. 1: Farmer unions Monday announced a countrywide 'chakka jam' on February 6 when they would block national and state highways for three hours in protest against the internet ban in areas near their agitation sites, harassment allegedly meted out to them by authorities, and other issues.

Union leaders told a press conference at the Singhu Border here that they will block the roads between 12 pm to 3 pm on February 6.

They also alleged that farmers have been "ignored" in the Union Budget 2021-22, and water and power supply have been curtailed at their protest venues.

The Samkyukt Kisan

Morcha, an umbrella body of protesting unions, also alleged that the Twitter accounts of Kisan Ekta Morcha and a user named 'Tractor2Twitter' have been restricted.

Swaraj Abhiyan leader Yogendra Yadav alleged the action against the Twitter account was taken on the "request of government authorities".

He also claimed that the Union government has "reduced the allocation to agriculture sector" in this budget.

Meanwhile, with parked DTC buses sealing main entry points, multi-layered security arrangements and check points — both by police and farmers' union volunteers — Ghazipur, the new focal point of the ongoing farm-

ers' agitation, witnessed heightened restrictions on Monday.

The Delhi-UP border site, which is galvanising farmers from Rajasthan, Uttar Pradesh and Uttarakhand days after BKU leader Rakesh Tikait's emotional appeal, is a fortress in the making with security arrangements being amplified with every passing day.

Concertina wires — a new addition in at least three points — boulders in between the barriers. No major road is open for movement of vehicles and people which is proving to be a growing problem for many passing the stretch.

Rakesh Tikait, the star farmer leader, while addressing a packed crowd from the main stage

also mentioned the newly put barbed wires in his speech.

"They (the administration) have put these barbed wires, not us. They are not allowing people to come to Delhi. We are not the one blocking the roads. If we block roads, they ask us to vacate, but no action is taken when the same is done by these security forces," he said to a cheering crowd.

On January 27 night, the atmosphere was tense at Ghazipur. The Ghaziabad administration had issued an "ultimatum" to the protesters to vacate a stretch of the Delhi-Meerut expressway they were occupying as the January 26 clashes painted a not-so-peaceful picture of the peasant community. — PTI

NUTRITIOUS PACKAGE

The government aims to boost the immunity of students ahead of opening of schools

Odisha to give 'happiness kits' to school students

AKSHAYA KUMAR
SAHOO | DC
BHUBANESWAR, FEB. 1

Odisha school and mass education department has come up with a special kit to boost the immunity of the school students across the state.

According to state school and mass education minister Samir Ranjan Dash, the department will distribute happiness kits among the students of Class I to Class VIII to boost their immunity ahead of the opening of

the schools.

The distribution of the kits will begin from the February first week. No specific date on opening of school has been announced till yet.

The happiness kit will consist of wheat, chana, turmeric powder, cardamom, peanuts and jaggery. Moreover, there will be a pen, pencil, notepad, sanitary napkin, toothpaste, iodised salt and soap.

In the first phase, these kits will be distributed among 1.83 lakh students

● HAPPINESS KIT will consist of wheat, chana, turmeric powder, cardamom, peanuts, jaggery, pen, pencil, notepad, sanitary napkin, toothpaste, iodised salt and soap.

of 1,916 schools in five districts — Nayagarh, Puri, Cuttack, Khordha and Sundargarh through an NGO. Later, all schools across Odisha will be covered under this exercise.

"As the department could not provide meals to the

students due to the closure of schools, we have come up with this initiative. Under this initiative, 1.83 lakh students of five districts will get the happiness kit in the first phase," Dash said on Monday.

"This is an effort to provide nutritious food to the students so that they can resume their physical classes with full vigour and immunity to stay safe in the Covid times," said an official of the NGO involved in the exercise.

Welcoming the move by the Odisha government,

parents have said it will benefit the students. "We failed to provide nutritious food to our kids during the Covid lockdown and closure of schools so we hope that this move will be helpful for us," said Ramachandra Behera, resident of Rayagada district.

There are more than 30 lakh students at 60,000 primary schools across Odisha. As of now, the schools across the state are yet to reopen for students of class 1 to 9 and class 11 owing to the Covid-19 pandemic.



Contents of the Happiness Kit.

SHORT TAKES

FAKE DRIVE-BY SHOOTING: PIO CHARGED

Los Angeles, Feb. 1: A 27-year-old Indian-origin law enforcement officer in the US state of California has been arrested for allegedly faking a shocking drive-by shooting incident last year following which he was hailed as a hero who had a miraculous escape, authorities have announced.

Sukhdeep Gill, who held the post of Deputy at Santa Clara County Sheriff's Office, was arrested on Friday as he on January 31, 2020 had reported that he was shot from a passing car as he stood on a dark rural road. Following the incident when the officers responded, no serious injuries were found on Gill and it appeared that he had been shot only once on his body camera, which was destroyed, the report said, citing a statement issued by the district attorney's office. Gill's report triggered a manhunt for the alleged shooter.

MAINE COMPANY PASSES ROCKET LAUNCH TEST

Brunswick (US), Feb. 1: A Maine company that's developing a rocket to propel small satellites into space passed its first major test on Sunday.

Brunswick-based bluShift Aerospace launched a 20-foot (6-metre) prototype rocket, hitting an altitude of a little more than 4,000 feet (1,219 metres) in a first run designed to test the rocket's propulsion and control systems.

It carried a science project by Falmouth High School students that will measure flight metrics such as barometric pressure, a special alloy that's being tested by a New Hampshire company — and a Dutch dessert called stroopwafel.

The company, which launched from the northern Maine town of Limestone, the site of the former Loring Air Force Base, is one of dozens racing to find affordable ways to launch so-called nano satellites.

SNOWSTORM TO BLANKET U.S. EAST COAST

New York, Feb. 1: A powerful winter storm is set to dump feet of snow along a stretch of the US east coast, including New York City on Monday, after blanketing the nation's capital. The National Weather Service issued storm warnings from Virginia to Maine — a swathe home to tens of millions of people — and forecast snowfall of 18 to 24 inches (45-60 centimetres) in southern New York, northeastern New Jersey and parts of southwest Connecticut.

The NWS warned New Yorkers to expect a snowfall rate of two to four inches per hour beginning on Monday, with "near blizzard" conditions closer to the coast.

Mayor Bill de Blasio issued a local state of emergency as the city of over eight million braced for the storm, restricting non-essential travel to keep roads clear for emergency vehicles. "This winter storm will be dangerous with heavy snowfall and strong winds. If you can stay home, stay home," he said.

SHABAAB RAID ON MOGADISHU HOTEL: 5 KILLED

Mogadishu, Feb. 1: At least five people were killed in an hours-long Al-Shabaab attack on a Mogadishu hotel which ended around midnight on Sunday, Somali police said.

The Al-Qaeda-linked jihadists detonated a car bomb at the entrance to the Hotel Afrik at a busy junction near the airport before gunmen stormed the hotel, exchanging fire with security personnel.

Somali police spokesman Sadik Dudihe told a press conference that four attackers had also died.

"Among the dead are five civilians and the gunmen — three of them shot and another who detonated himself. The death toll can be higher and some of the wounded people may succumb," He said 10 people had been injured.

The information ministry said in a statement that one of the victims was well known retired military official General Mohamed Nur Galal.

Ali Ato, who went to the hotel to recover the dead body of a colleague who was killed during the raid, described the scene. "I have never witnessed such a level of devastation," Ato said.

Military takes control of Myanmar, detains Suu Kyi

Commander-in-Chief Senior Gen. Min Aung Hlaing to be in charge for 1 yr

Naypyitaw, Feb. 1: Myanmar's military staged a coup Monday and detained senior politicians including Nobel laureate Aung San Suu Kyi — a sharp reversal of the significant, if uneven, progress toward democracy the Southeast Asian nation has made following five decades of military rule.

An announcement read on military-owned *Myawaddy TV* said Commander-in-Chief Senior Gen. Min Aung Hlaing would be in charge of the country for one year. It said the seizure was necessary because the government had not acted on the military's claims of fraud in November's elections — in which Suu Kyi's ruling party won a majority of the parliamentary seats up for grabs — and because it allowed the election to go ahead despite the Coronavirus pandemic. The takeover came the morning the country's new parliamentary session was to begin and follows days of concern that a coup was coming.

The military maintains its actions are legally justified — citing a section of the constitution it drafted that allows it to take control in times of national emergency — though Suu Kyi's party spokesman as well as many international observers have said it amounts to a coup. It was a dramatic backslide for Myanmar, which was emerging from decades of strict military rule and international isolation that began in 1962.

It was also a shocking fall from power for Suu Kyi, a Nobel peace laureate who had lived under house arrest for years as she tried to push her country toward democracy and then became its de facto leader after her National League for Democracy won elections in 2015.

While Suu Kyi had been a fierce antagonist of the army while under house arrest, since her release and return to politics, she has had to work with the country's generals, who never fully gave up power.



Donald Trump

IMPEACHMENT: DON ANNOUNCES LEGAL TEAM

Washington, Feb. 1: Former US president Donald Trump has announced his legal defence team for his Senate impeachment trial which is scheduled to begin on February 8. Trump became the first president in the US history to be impeached twice when 10 of his fellow Republican Congressmen joined Democrats in the House of Representatives on January 13 to charge him with inciting an unprecedented insurrection at the US Capitol on January 6.

The Democrats need two-thirds of the vote for the Senate impeachment. If convicted, he could face being barred from ever holding office again. Trump is the first US president facing an impeachment trial after he left the presidency. This is for the second time in about a year that he is likely to be acquitted by the Senate, as the Democrats do not have enough votes.

Currently, both the Democrats and the Republicans have 50 members each in the 100-seat Senate. The Democrats need the support of at least 17 Republican Senators to reach the two-thirds majority mark. Trial lawyers David Schoen and Bruce L. Castor Jr will head Trump's impeachment defence legal team, bringing national profiles and significant trial experience in high-profile cases to the effort. — PTI



Myanmar migrants hold up portraits of Aung San Suu Kyi as they take part in a demonstration outside the Myanmar embassy in Bangkok on Monday, after Myanmar's military detained the country's de facto leader Suu Kyi and the country's president in a coup. — AFP

Myanmar shuts down all flights in country

Naypyitaw, Feb. 1: Myanmar's government agency in charge of air travel says it has stopped all passenger flights in the country.

The US Embassy in Myanmar said on its Facebook page that the road to the international airport in Yangon, the country's biggest city, had been closed Monday. On Twitter it said that "reports indicate that all airports in Myanmar are closed."

The US Embassy also issued a "security alert" saying it was aware of the detention of Myanmar's leader Aung San Suu Kyi as well as the shutdown of some Internet service, including in Yangon. "There is potential for

civil and political unrest in Burma, and we will continue to monitor the situation," it said, using Myanmar's former name. The US State Department earlier issued a statement saying it was "alarmed" by Monday's military takeover.

China said it was still gathering information about Monday's developments in Myanmar. China is one of Myanmar's most important economic partners and has invested billions of dollars in mines, infrastructure and gas pipelines in the Southeast Asian nation.

Foreign Ministry spokesman Wang Wenbin said at a daily news briefing: "We have noted what hap-

pened in Myanmar, and we are learning the further situation now," He added: "China is a friendly neighbour of Myanmar. We hope that all parties in Myanmar will properly handle their differences under the constitutional and legal framework and maintain political and social stability."

While China's ruling Communist Party tends to favour fellow authoritarian regimes, it has had a fractious history with Myanmar's military, sometimes related to its campaigns against ethnic Chinese minority groups and the drug trade along their long, mountainous border. — AP

Cops pepper-spray 9-year-old

1 dead, 1 injured in mall shooting

New York, Feb. 1: A nine-year-old PoC girl was handcuffed and pepper-sprayed by police in the US city of Rochester, footage released Sunday showed, sparking new outrage over excesses committed by the country's law enforcement.

Deputy Police Chief Andre Anderson said Sunday the girl — who has not been named — had been suffering from a serious mental health emergency, reportedly threatening to take her own life and that of her mother.

Officers called to the scene on Friday responded by handcuffing her, before trying to force her into a car and pepper-spraying her when she resisted, body cam videos released by the city's police force showed.

Footage of police violence against African-Americans, including the May killing of George Floyd, sparked a summer of protests across the US against racial injustice and police brutality last year.

Rochester police on Saturday claimed they were "required" to use hand-

cuffs and the irritant against the girl for her own safety.

Mayor Lovely Warren condemned their use of force against a child, pledging an internal review of the city's law

enforcement practices. "It is clear from the video that we need to do more supporting our children and families," she said at a press conference Sunday. — AFP

arrived. Police said they were interviewing witnesses and following leads. No motive was immediately released. Photos from the scene showed officers and what appeared to be customers walking out with their hands in the air. Haylie Mirr, who works at a mall restaurant called Box Lunch, said she didn't know anything about the shooting, but said: "People just started running. We just locked the doors, and we had four customers in the store, we brought them to our back room." — AP

TENNESSEE MAN STABS MAN, WIELDS BATS

Nashville, Feb. 1: A Tennessee man is accused of stabbing a man with whom he got into an argument over not wearing a mask and later swinging two metal baseball bats at police officers, according to police documents.

A Metro Nashville police affidavit says Jerry Cowan, 53, began arguing with another man outside of an apartment complex early Sunday because Cowan was not wearing a mask. Cowan allegedly pulled out a pocket knife and a "long blade with a makeshift wooden handle" and stabbed the other man in his arm and near his chin.

The victim escaped into a nearby residence and called police. Investigators wrote that Cowan retreated into his home and officers heard "a metallic object hitting the back of the door twice," *The Tennessean* reported. — AP

Plea to suspend release of Pearl killer rejected

Islamabad, Feb. 1: The Pakistan Supreme Court on Monday rejected the government's request to suspend the order to release British-born al-Qaeda terrorist Ahmed Omar Saeed Sheikh and his three aides in the brutal murder of American journalist Daniel Pearl, days after it announced to formally join the review proceedings against the acquittal of the accused amid mounting international pressure.

The court, however, extended the interim detention order of main accused Sheikh and his aides — Fahad Naseem, Sheikh Adil and Salman Saqib — by one day to hear the government's position on the case.

During the hearing on Monday, the Attorney General of Pakistan requested the Supreme Court to suspend the decision to release the accused so that he could argue the case in detail. The apex court rejected the request, according to a report in *The Express Tribune*.

The Supreme Court on Thursday ordered the release of the accused by dismissing appeals against their acquittal by the

Sindh High Court. The judgement was denounced by Pearl's family as "a complete travesty of justice". The Sindh government on Friday filed a review petition in the apex court against the acquittal of Sheikh and his three accomplices.

Amid mounting pressure from the US and the UN, a spokesman of the Attorney General of Pakistan (AGP) on Saturday announced that the federal government will file an appropriate application before the apex court to be allowed to join as a party in the proceedings and further seek review and recall of the court's January 28 judgement.

Pearl, the 38-year-old South Asia bureau chief for *The Wall Street Journal*, was abducted and beheaded while he was in Pakistan investigating a story in 2002 on the links between the country's powerful spy agency ISI and al-Qaeda.

Let's hear the government's position till tomorrow, the court said.

The government should tell the court how a citizen can be detained, it further said.

— PTI

Boeing: India, US discuss multi-role combat aircraft

Washington, Feb. 1: The US and India have held discussions on F-15EX fighter jets and the two respective air forces have exchanged information about it, a top Boeing official has said after the aerospace major received approval from the American government to offer its latest multi-role combat aircraft to the Indian Air Force.

The F-15EX is the latest and most advanced version of the multi-role, all-weather, and day and night versions of the F-15 aircraft family.

"There have been discussions between the two governments and the two Air Forces have exchanged information about the F-15EX," Maria H. Laine, vice president, Boeing International Sales and Industrial Partnersh-

ips said in a joint interview with Jeff Shockey, vice president, Global Sales and Marketing, Boeing Defense, Space & Security and Boeing Global Services. "Since the US Government approved our license request to offer F-15EX to India, we are starting to have more discussions about the platform," Laine said.

The US Air Force awarded Boeing an indefinite-delivery/indefinite-quantity contract with a ceiling value of nearly \$23 billion in July 2020, she added. "It certainly sends a powerful signal when the US government makes a commitment to a platform like this that they're in it or the long haul and are showing faith and confidence," Shockey said. — PTI

Biden, GOP in virus relief talk

Washington, Feb. 1: President Joe Biden has invited to the White House a group of 10 Republican senators who have proposed spending about one-third of what he is seeking in Coronavirus aid. White House press secretary Jen Psaki said Sunday that Biden had spoken with the leader of the group, Sen. Susan Collins, R-Maine.

The invitation came hours after the lawmakers sent Biden a letter urging him to negotiate rather than try to ram through his \$1.9 trillion package solely on Democratic votes. Though Biden is wanting "a full exchange of views," Psaki reiterated

that he remains in favour of moving forward with a far-reaching relief package. "With the virus posing a grave threat to the country, and economic conditions grim, the need for action is urgent, and the scale of what must be done is large," Psaki said.

The meeting would amount to the most public involvement for Biden in the negotiations for the next round of virus relief. Democrats and Republicans are far apart in their proposals for assistance. The group said that its counterproposal will include \$160 billion for vaccines, testing, treatment and personal protective equipment. — AP

HEALTH | DATA

Just 11% of vaccines administered to residents went to PoC, 15% to Latinos

Racial disparities in NYC vaccination rates

New York, Feb. 1: Persons of Colour and Latino New York City residents are receiving Covid-19 vaccines at far lower rates than white or Asian New Yorkers, Mayor Bill de Blasio acknowledged Sunday as he vowed to continue expanding access to the shots in communities that have been ravaged by the virus.

The data released by the city's health department shows that 48% of the New York City residents who have gotten at least one vaccine dose are white, a

figure that far exceeds the roughly one-third of the city's population that is non-Hispanic white. The vaccine numbers are incomplete because about 40% of people who have been vaccinated in the city haven't provided demographic information.

Still, the figures mirror vaccination data from other cities and states, with PoC in all locations getting inoculated at levels below their share of the population. Just 11% of vaccine doses administered to New York City res-

idents went to PoC and 15% to Latinos, although PoC and Latino New Yorkers make up 24% and 29% of the city's population, respectively. The percentage of vaccine doses that went to Asians, 15%, is about the same as their proportion of the city's

population, 14%. "Clearly, we do see a profound disparity that needs to be addressed aggressively and creatively," de Blasio said in a conference call with reporters. "We've got a profound problem of distrust and hesitancy, particularly in communities of colour."

De Blasio said that measures intended to boost vaccination rates in communities of colour will include streamlining the cumbersome application process and translating the materials into additional languages.

Outreach efforts aimed at combating vaccine distrust in some communities have included virtual appearances by the mayor at churches serving PoC congregations.

Coronavirus has killed PoC and Latino people at disproportionately high rates in New York City and across the nation, and advocates who feared that the vaccination data would show similar disparities had pressed de Blasio to release the numbers. "The demographic data on vaccine distribution that the

city finally released today after long delays confirms what we feared and expected — that people and communities of more colour, disproportionately harmed by the pandemic, have been disproportionately hindered in equitable access to vaccination," Public Advocate Jumaane Williams said. Gov. Andrew Cuomo said the statewide breakdown of who has been vaccinated will be released in the coming days, but he expects those numbers to show racial disparities too. — AP

SHORT TAKES

Sports takes a big hit in budget

New Delhi: The impact of the Covid-19 pandemic was felt on the national sports budget as the central government on Monday allocated ₹2,596.14 crore for the financial year 2021-22 — a reduction of ₹230.78 crore when compared to the amount earmarked initially for the previous year. In the last financial year, the government had allocated ₹2,826.92 crore for sports, which was later revised to ₹1,800.15 crore because of the lack of activity caused by the pandemic. This year's allocated amount is ₹795.99 crore more than the revised budget of 2020-21. However, the spending last year was severely impacted after Tokyo Olympics was postponed, domestic events were cancelled in almost all sports and no foreign training and competition was possible for most of the Indian athletes. The sports ministry bears the cost of all foreign training and competition, including participation in the Olympics. — *PTI*

Corent-in as tennis out of quarantine

Melbourne: France's Corentin Moutet burnished his credentials with a battling come-from-behind win over American Frances Tiafoe, but his veteran compatriot Richard Gasquet crashed at the first hurdle as the ATP Tour resumed on Monday. NextGen star Moutet, 21, ousted 2019 Australian Open quarterfinalist Tiafoe 3-6, 6-4, 6-4 in the Murray River Open, one of two ATP events being run concurrently at Melbourne Park ahead of next week's Australian Open. But 14th seed Gasquet didn't fare as well, crashing to 194th ranked American Mackenzie McDonald 7-6 (7/2), 7-5. Top seeds Stan Wawrinka and Grigor Dimitrov had byes into the second round. Slovenian Aljaz Bedene and big-serving South African Kevin Anderson were among the winners. The biggest names in the game, including Novak Djokovic and Rafael Nadal, are playing the ATP Cup teams event, starting on Tuesday. — *AFP*

Hockey women hold Argentina

Buenos Aires: The Indian women's hockey team put up a spirited performance to hold formidable Argentina to a 1-1 draw and end their Tour on a high note, here on Sunday. Skipper Rani struck for India in the 35th minute while Emilia Forcherio scored for the home team through a penalty stroke. This was India's fourth scheduled match against the world No. 2 ranked side after the third match to be played on Saturday was abandoned due to incessant rains. The Indians played with an intent to secure the elusive win against Argentina in their last match of the tour. But the experienced home team continued to showcase a dominant performance. — *PTI*

Whistleblowing platform launched

Lausanne: The International Testing Agency (ITA) on Monday announced the launch of a new whistleblowing platform to report suspicions of doping in sport. The ITA, which was created in 2018 in cooperation with the World Anti-Doping Agency (WADA) and the International Olympic Committee (IOC), said the "Reveal" platform would be an "additional opportunity for informants to speak out". "Not only does it provide our organisation with a new essential tool which will strengthen our fight for clean sport, it gives the sport and anti-doping community a wider coverage of whistleblowing opportunities," said ITA director general Benjamin Cohen. WADA already runs a similar platform called "Speak Up!". — *AFP*

Live on TV

FOOTBALL

English Premier League: Wolves vs Arsenal from 11.30 pm on Star Sports Select 1, HD; Manchester United vs Southampton from 1.45 am (Wednesday) on Star Sports Select 1, HD

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IN A NUTSHELL

A man of few words, Natarajan vows to stay humble

C. SANTHOSH KUMAR | DC CHENNAI, FEB. 1

T. Natarajan is yet to come to terms with his newfound stardom. The left-arm pacer who hails from a humble background shot to fame after a stellar performance in the IPL and his exploits as a debutant in the Australia series have taken him further to dizzying heights.

Back home after a whirlwind overseas trip, Natarajan's life in Chinnappampatti, a non-descript village in Salem, has turned upside down. He has scores of fans and YouTube crowd his home and he gets mobbed during temple visits.

The Tamil Nadu cricketer is humbled by how the public is celebrating his success, but finds it a bit awkward that he's not able to roam around freely. "Many fans come from faraway places hoping to meet me. It's all new to me. It still feels like a dream. I was waiting for a chance to play IPL. Once I began doing well there, five months just flew past. I have come up the hard way and that (humbleness) will never change," said Natarajan who resumed training on Monday.

Among the surprise visitors are directors and story writers from the Tamil film industry. As Natarajan's rags-to-riches story has caught the imagination of the youth, they want to capture it in a biopic. But Natarajan says his focus remains on playing for the country.

"A lot of people seem to be interested in my biopic. When I wasn't there, they came home to talk about the project. Right now, I don't want to think about anything else. I want to do my job properly and cement my position in the Indian team," he added.

Natarajan has made crores through his IPL contract and an array of sports management companies are trying to rope him in with plum contracts. However, his family hasn't forgotten their humble beginnings. Natarajan's mother still runs a roadside stall that



T. Natarajan. — Instagram

sells fried chicken.

"After I bagged my first IPL contract, I told my parents they needn't to work anymore. But they have their own reasons to continue working and I respect that. My mother said she can't stay idle at home after having slogged throughout her life. When I got married, she said she would stop working gradually. Later, she said she couldn't sleep peacefully without running her shop. So, I left the choice to her," said Natarajan, who brought home a suitcase full of clothes for his newborn daughter after the Australia Test.

Natarajan thought his "life was over" when he was reported for suspect action on his Ranji debut

in 2015. But he worked tirelessly under former TN Ranji spinner Sunil Subramanian to correct the action. "It was a time when I thought everything was over. I struggled a lot. It affected me mentally. But, my friends, coaches at Chemplast, Bharat Reddy sir, motivated me a lot. Sunil sir helped me change my loading and run-up. By working on these two aspects, I was able to bowl again normally. But it took a year's time.

"I didn't understand what was going on at that time. The terminology that they used was foreign to me. My only aim was to go there, correct my action and come back to play for TN again. I was not thinking whether the

method they used was right or wrong. I didn't even doubt if I did this, will it work. I just worked to get it fixed. I bowled for long hours there. Even if they asked me to stop, I continued playing. All I had was the belief that I could overcome this hurdle," he added.

Natarajan said his aim is to play all formats for India. "BCCI is making sure I am managing my workload judiciously. I am keen to work on my strength and endurance levels in the coming months. Having played continuously for the last six months, BCCI had given me rest for some weeks. This is the first time I've played for six long months at a stretch in my life," he said.

50% CROWD TO BE ALLOWED AT SECOND TEST

DC CORRESPONDENT CHENNAI, FEB. 1

The second India-England Test starting here at the M. A. Chidambaram Stadium on February 13 will have spectators with 50 per cent stand occupancy, confirmed a Tamil Nadu Cricket Association official. Tickets will go on sale after the BCCI makes the announcement. TNCA is mulling over the possibility of selling them only online to avoid serpentine queues in front of the box office.

The Chepauk stadium can accommodate 45,000 spectators. But with the BCCI demarking a few areas as no-entry zones, only about 15,000 tickets are expected to go on sale. The TNCA is also contemplating allowing media and officials from member clubs for the opening Test starting on February 5.

According to sources, the England and Wales Cricket Board (ECB) had requested that matches be played behind closed doors. After the latest development, an ECB spokesperson said: "We are not going to comment on speculation. We are still waiting to hear from the BCCI in terms of their protocols for the forthcoming Test series."

TEAM INDIA HIT THE GROUND RUNNING

After completing six days of quarantine, members of Team India began their preparation for the England Test series on Monday evening with a two-hour session under lights. "Three RT-PCR tests for Covid-19 were conducted at regular intervals and all tests have returned negative," said a note from BCCI.

All the England players too are out of quarantine after their PCR tests returned negative. They will train for the first time as a full group at the stadium on Tuesday afternoon.

I DON'T SEE ENG WINNING ANY TEST AGAINST INDIA: GAMBHIR

Mumbai, Feb. 1: Former India opener Gautam Gambhir does not see the visiting England team winning any Test in the upcoming four-match series with the kind of spin attack it has.

England have named the likes of Moeen Ali, Dom Bess and Jack Leach as spinners in their squad. While Ali is an experienced campaigner with 181 wickets from 60 Tests, Bess and Leach have played 12 Tests each, taking 31 and 44 wickets respectively.

"I don't see England winning any of the Test matches with the kind of spin attack they've got," 39-year-old Gambhir was quoted as saying in a Star Sports show.

"It has to be 3-0 India or probably 3-1.

"I'm only going to give a

Pink Ball Test match, probably 50-50 to England just from the conditions point of view."

Gambhir said England skipper Joe Root, who had done well in Sri Lanka in the two-match Test series which his side won 2-0, will find a completely different challenge in India.

"This is going to be a completely different challenge for someone like Joe Root," Gambhir said.

"Yes, he has played really well in Sri Lanka, but when you face people like Jasprit Bumrah on any wicket, or for that matter, R Ashwin, when his confidence is sky-high after what he has done in Australia, I am sure it is going to be a completely different beast and a completely different ball game." — *PTI*



International shooter Kynan Chenai of Hyderabad.

Hotshot Kynan traps Asian gold

DC CORRESPONDENT HYDERABAD, FEB. 1

Kynan Chenai triggered his top performance to win gold in the 1st Asian Online Shooting Championship that saw 274 shooters from 22 countries take part in the two-day competition organised by the Kuwait Shooting Federation.

The Hyderabad shooter won 145 birds out of 150 to emerge winner in the Men's Trap event that concluded on Saturday and make his 30th birthday sweeter.

Kynan was consistent over six rounds, shooting 24 of the 25 birds in five and getting a perfect score in the fourth to aggregate an impressive 145.

Kuwait's Naser Meqlad took silver with a score of 144. He scored a perfect 25 in the first, fourth and sixth rounds but the 23s in the second, third and fifth affected his overall tally.

Prithviraj Tondaiman of India was third with 143.

In Women's Trap, Rajeshwari Kumari led an Indian clean sweep with a score of 138. Shreyasi Singh shot down the same number of birds but was placed second on count-back while Manisha Keer came in third with a score

of 136 out of 150. Manisha got 25/25 in the fourth round.

India's 24-member Shooting contingent topped the medals tally as the squad won four out of the eight gold medals on offer, besides two silver and five bronze medals, for a total of 11 medals.

There were a total of eight events on the roster with no final rounds in the Pistol and Rifle competitions. In the Shotgun events, 150-bird matches were held.

India's other gold winners were Saurabh Chaudhary in the Men's 10m Air Pistol and Divyansh Singh Panwar in the Men's 10m Air Rifle.

Arjun Babuta (silver in Men's 10m Air Rifle), Manu Bhaker (bronze in Women's 10m Air Pistol), Sarabjot Singh (bronze in Men's 10m Air Pistol) and Deepak Kumar (Men's 10m Air Rifle bronze) were India's other medallists.

Abhiram has Star in a spin

DC CORRESPONDENT HYDERABAD, FEB. 1

Abhiram Devarkonda of Swastik Cricket Club hogged the spotlight at the Hyderabad Cricket Association's A-2 Division league matches with a rich haul on Monday.

The off-spinner snared six wickets while conceding just 24 runs to pack off New Star for paltry 95. Abhiram also bowled four maidens in the 11 overs that he sent down.

In reply, Swastik lost four wickets of their own before overhauling Star's score, thanks to Alankrit's unbeaten 47 that enabled them to wrap up the two-day match on the first day itself.

In another match, SN Group made 203 against Lords. Nishanth Reddy (49) and Aryaman (32) were the contributors of note even as Sohail took 3 for 38 for the rival side.

Lords were 125 for 2 by close of play on Day One with Jasper batting on 36.



Abhiram Devarkonda

Brief scores:
A-2 DIVISION (TWO-DAY)
Day-1:
■ New Star 95 in 40.5 overs (Deepak Naik 30, Abhiram Devarkonda 6/24 — 11-4-24-6) lost to Swastik CC 96/4 in 26.5 overs (Alankrit 47 n.o).
Points: Swastik 5, New Star 0.
■ SN Group 203 in 65.5 overs (Aryaman 32, Nishanth Reddy 49, Sohail 3/38) vs Lords 125/2 in 28 overs (Jasper 36 n.o).

Reds back in groove, Tuchel celebrates first Blues win

London, Feb. 1: Mohamed Salah scored twice as Liverpool muscled their way back into the Premier League title race with a 3-1 win at West Ham on Sunday after Thomas Tuchel celebrated his first victory as Chelsea boss.

Jürgen Klopp's injury-hit champions appeared to have lost their way after a five-game winless spell but are back on track after beating Tottenham and West Ham in the space of 72 hours.

Earlier, defenders Cesar Azpilicueta and Marcos Alonso showed Chelsea's misfiring strikers the way, producing stunning finishes in a 2-0 win against toothless Burnley.

Leicester, looking to close to within two points of leaders Manchester City,

lost 3-1 to Leeds and Tottenham went down 1-0 to Brighton in the evening kick-off.

Defeat for Brendan Rodgers' Foxes meant Liverpool — with no fit senior centre-backs and missing forward Sadio Mane — had the chance to climb to third in the table.

Two goals from Egyptian international Salah and a late Georginio Wijnaldum effort lifted them to 40 points after 21 games, a single point behind Manchester United and four behind leaders Manchester City.

Chelsea manager Tuchel celebrated his first victory as manager of the Stamford Bridge club.

The former Paris Saint-Germain boss was brought in to replace Frank

Lampard last week with a brief to haul the stuttering side back into the race for Champions League spots.

He oversaw a frustrating goalless draw against Wolves in midweek but two moments of magic from Azpilicueta and forgotten man Alonso mean the German has four points from six.

MESSI SHOWS HIS WORTH TO BARCA

In Madrid, Lionel Messi underlined his worth to Barcelona by scoring a sensational free-kick on Sunday but Atletico Madrid are in charge of La Liga after beating Cadiz to stand 10 points clear at the top of the table.

Messi's stunning effort in a 2-1 win over Athletic Bilbao had been matched



Liverpool's Mohamed Salah (right) scores against West Ham in their EPL match in London on Sunday. — *AP*

by the Argentinian's friend and former teammate Luis Suarez, who earlier curled in a superb free-kick of his own in Atletico's 4-2 victory over

Cadiz. Atletico end the weekend even further ahead after Real Madrid's defeat by Levante on Saturday, which means Zinedine Zidane's side are

now level with Barca on points, both of them struggling to keep pace in the title race.

Barca's win at least maintains their momentum while Messi's 650th club goal may have carried extra satisfaction for the Argentinian, who had the details of his contract published in the Spanish newspaper *El Mundo* on Saturday night.

El Mundo claimed the deal signed by Messi in 2017 shows he could earn up to 555 million euros over its four years.

PSG SUFFER FIRST LOSS UNDER POCHETTINO

Paris Saint-Germain suffered their first defeat under Mauricio Pochettino as lowly Lorient fought back to

claim a dramatic 3-2 victory on Sunday, allowing Lille to go top of Ligue 1.

Neymar scored two penalties but the visitors collapsed late on at the Stade du Moustoir, as Nigerian Terem Moffi netted an injury-time winner. PSG drop to third, one point behind second-placed Lyon, with Lille a further two points ahead after their 1-0 win over Dijon. It was the first defeat in six games as PSG coach for Pochettino since he took over from the sacked Tuchel.

The win takes struggling Lorient into the relegation play-off spot. "(Moffi's goal) was magical. Against PSG, it's even crazier," said Lorient's Laurent Abergel, who scored the opening goal. — *AFP*