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WEATHER

Max: 30°C
Min: 20°C
RH: 86%
Rainfall: Nil
Forecast: Cloudy sky.
Misty morning. Max/Min temp. 30/19°C

ASTROGUIDE

Sarvari: Uttarayana
Tithi: Pushya Bahula Panchami till 4:18 pm

Star: Hasta till 10:31 pm
Varijam: 7:50 am to 9:20 am;
6:03 am (Wednesday)

Durmuhurtham: 9:06 am to
9:52 am; 11:13 pm to 12:04 am

Rahuakalam: 3 pm to 4:30 pm

HIJRI CALENDAR

Jumada al-Sani 19,1442 AH

PRAYERS

Fajar: 5:46 am
Zohar: 12:40 pm

Asar: 4:36 pm
Maghrub: 6:18 pm

Isha: 7:27 pm

SUNSET TODAY 6:11 PM

SUNRISE TOMORROW 6:47 AM

MOONRISE TODAY 9:42 PM

MOONSET TODAY 9:29 AM

IMA to protest over mixopathy

New Delhi: The IMA said its members and modern medicine doctors have started a relay hunger strike from Monday at over 50 places across India in protest against a notification by the Central Council of Indian Medicine (CCIM) authorising PG practitioners of Ayurveda to perform general surgical procedures. The Indian Medical Association said the new procedure will lead to "mixopathy". IMA national president, secretary general and others will various places in India to boost public safety movement, the body said.

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 CJI, 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 Niña, which is associated with the cooling of Pacific waters, was an important element influencing Indian monsoon.

Report on Page 3

74%

₹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



IMPORT DUTY CHANGES ALTER PRICES

COSTLIER ● Compressors for refrigerators and air conditioners ● LED lamps, parts and spares such as printed circuit board ● Automobile parts like safety and toughened glasses, windscreens, wipers, signalling equipment ● Mobile phone parts like PCBA, camera module, connectors, back cover, side keys ● Mobile phone charger components



CHEAPER ● Gold and gold dore ● Silver and silver dore ● Precious metals like platinum and palladium ● Medical devices imported by international organisation and diplomatic missions ● Customs duty cut on number of steel items to provide relief to MSMEs

HIKE IN FDI LIMIT FOR INSURANCE SECTOR

SENSEX SKYROCKETS

After six days of steep declines, the markets roared back to life
Feb 2 +2,315
-937 Jan 27
-40 Jan 28
-588 Jan 29

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

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

INDIA OPENS PURSE STRINGS

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

MADHUSUDAN SAHOO
NEW DELHI, FEB. 1

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 | Healthcare leaders welcome Budget

to private players.

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

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-

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-

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

Calling it healthcare-centric Budget, Prime Minister Narendra Modi said even as it was pre-

sented amid unprecedent-



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 ₹195.05 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.

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

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

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

Calling it healthcare-centric Budget, Prime Minister Narendra Modi said even as it was pre-

sented amid unprecedent-

NEW SCRAPPAGE POLICY TO BOOST AUTO INDUSTRY

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.

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 revenues will further dip for the next five years, beginning from the 2021-22 fiscal.

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

Prime Minister Modi since the beginning. In fact, he was more supportive of Modi's decisions than some CMs of BJP-governed states. However, Telangana did not gain anything in budgets presented by BJP," he said.

The TRS has failed to pressurise the Centre even to get GST dues, he added.

"Not a single irrigation project of Telangana has been accorded national status. No allocations have been made for any other project. There is no men-

tion of funds for a railway coach factory at Kazipet or a steel plant at Bayyaram. There is nothing to cheer for people of Telangana from this budget," he said.

As per rough estimates, over 12 crore people lost their jobs due to lockdown. No package has been announced for those jobless people, he said.

Reddy alleged the BJP was trying to sell off public assets to private parties. He condemned the proposal for disinvestment in IDBI and two other banks.

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.

Stock market witnessed a mammoth rally buoyed by the Budget announcements as the market was relieved with no adverse tax announcements and finance minister instead resorting to a long list of non-tax revenue mobilisation measures to finance much bigger budgeted expenditures.

There was no looking back for the market even on Budget day, not seen in the recent past when there would be huge volatility as the Sensex gained 2,314 points or 5 per cent, the biggest ever Budget day gains in absolute terms closing at 48,600.61. The Nifty-50 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 announcements like a sharp increase in capital expenditure by 34.5 per cent more than 2020-21 ₹5.54 lakh crore for 2021-22, privatisation of two public sector banks, hike in FDI limit in insurance sector.

Report on Page 5

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 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

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 revenues will further dip for the next five years, beginning from the 2021-22 fiscal.

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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 ₹2,3



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 handover 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. YEDYURAPPA, Karnataka chief minister

They (BJP) lecture others on nationalisation, 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 regarding agriculture allocations reduced. Promising MSP but allocation for price support schemes reduced. Soaring petrol prices additional cess on petroleum product.

— SITARAM YECHURI, CPM general secretary

The Budget presented by finance minister Nirmala Sitharaman will pave the way for an Atmanirbhav 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 health-care; 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 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, windscreen 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.



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.

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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 July 2019 Budget, I provided an additional deduction of interest,

amounting to ₹1.5 lakh, for loan taken to purchase an affordable house 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 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,

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

programme was handed the biggest reduction — of ₹232.71 crore — among all sports heads for the 2021-22 Budget. — 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 though 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 #AtmanirbharBharatKa 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 #AtmanirbharBharatKa 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 21.5 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 dis-investment 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 #Atmanirbhar 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

@sushmitadevinc

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. Assists 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 Metronet 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 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.

More details on the implementation of this decision will be revealed by the Ministry of Road Transport and 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.

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:
 - National 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



Scrapage policy to support auto

MICHAEL GONSALES | DC
PUNE, FEB 1.

Automobiles honchos say the announcement of the Scrapage 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 scrapage 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 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.

Currently the country is utilising two vaccines — Covishield and Covaxin — for country's Covid-19 vac-

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, 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.



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 safe-guarding 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 vac-

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 well-being for 2021-22, compared to ₹94,452 crore in the current financial year, an increase of 137 per cent.

— PTI

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— PTI



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

Booster for village broadband

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

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 and improving mobile services in the North East.

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 install 600 mobile towers for 4G serv-

ices 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 especially for the north east. This will be a life line for our citizens of North East," Goyal said. — PTI

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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 disbursal 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, ₹30,077.09 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 ₹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 household 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.

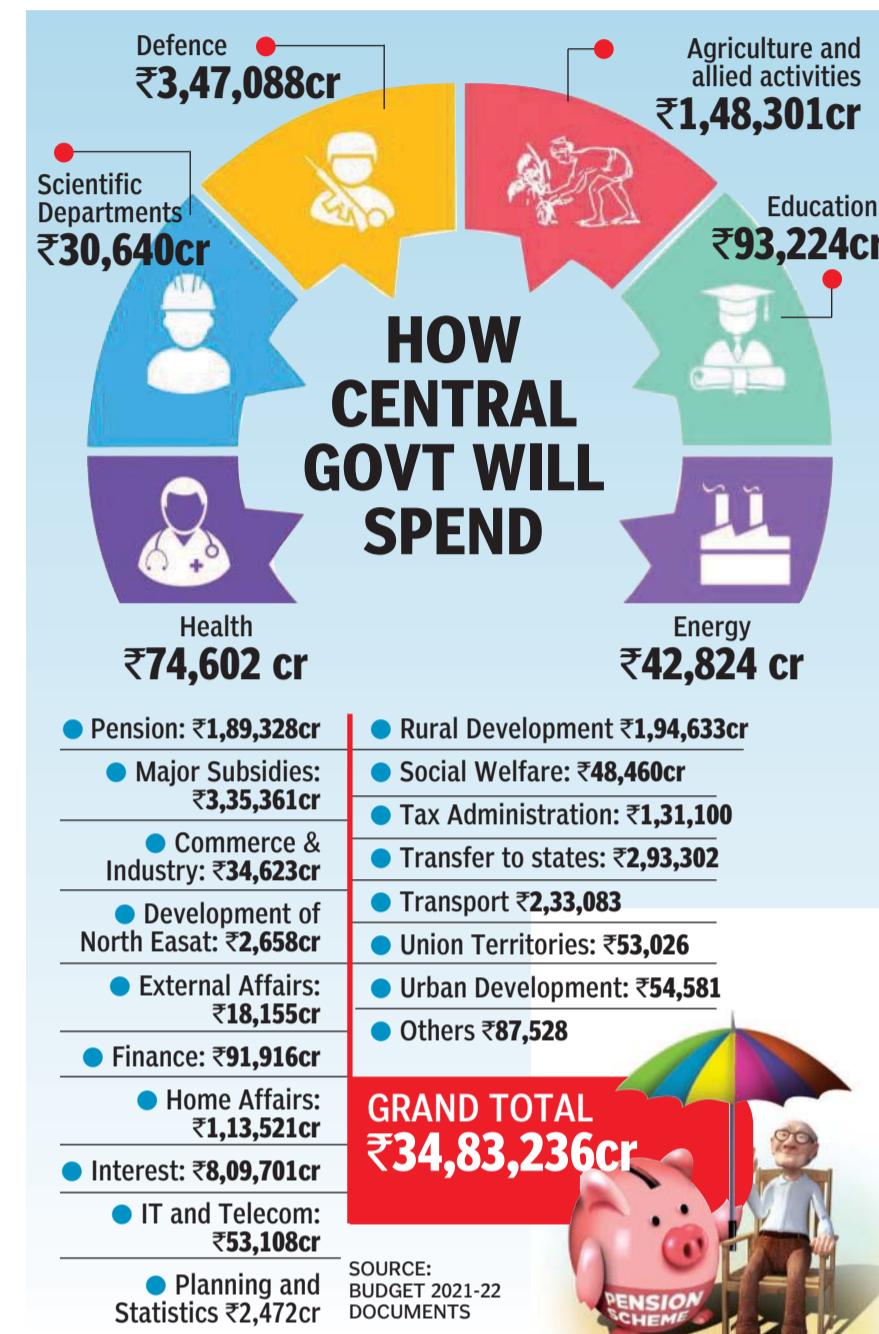
Three crore tap water connections have been provided under this so far. ~ PTI

₹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 ₹38 crore, and to ₹48 crore in hilly and difficult areas. "This will 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, 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



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. During the pandemic, the govern-

ment had increased the allocation for the scheme against ₹11,150 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 announced an extra allocation of ₹40,000 crore for MGNREGA. During the pandemic, the govern-

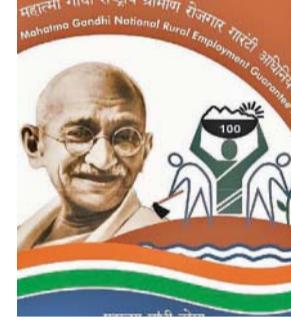
ment had increased the allocation for the scheme in order to help the migrant labourers moving back to their rural homes.

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 industries 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.

Singer 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 disbursal 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-

ment of fishing harbours, fish landing centres and promote seaweed farming.

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

ment of fishing harbours, fish landing centres and promote seaweed farming.

When the minister was mentioning about 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 modernization 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-principle 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 capital allocation for 2021-22 when compared to revised esti-

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.

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

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.

—Faklnaaz 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 PIDS," 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

Powered by
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 2021-22, 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 safe guards."

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

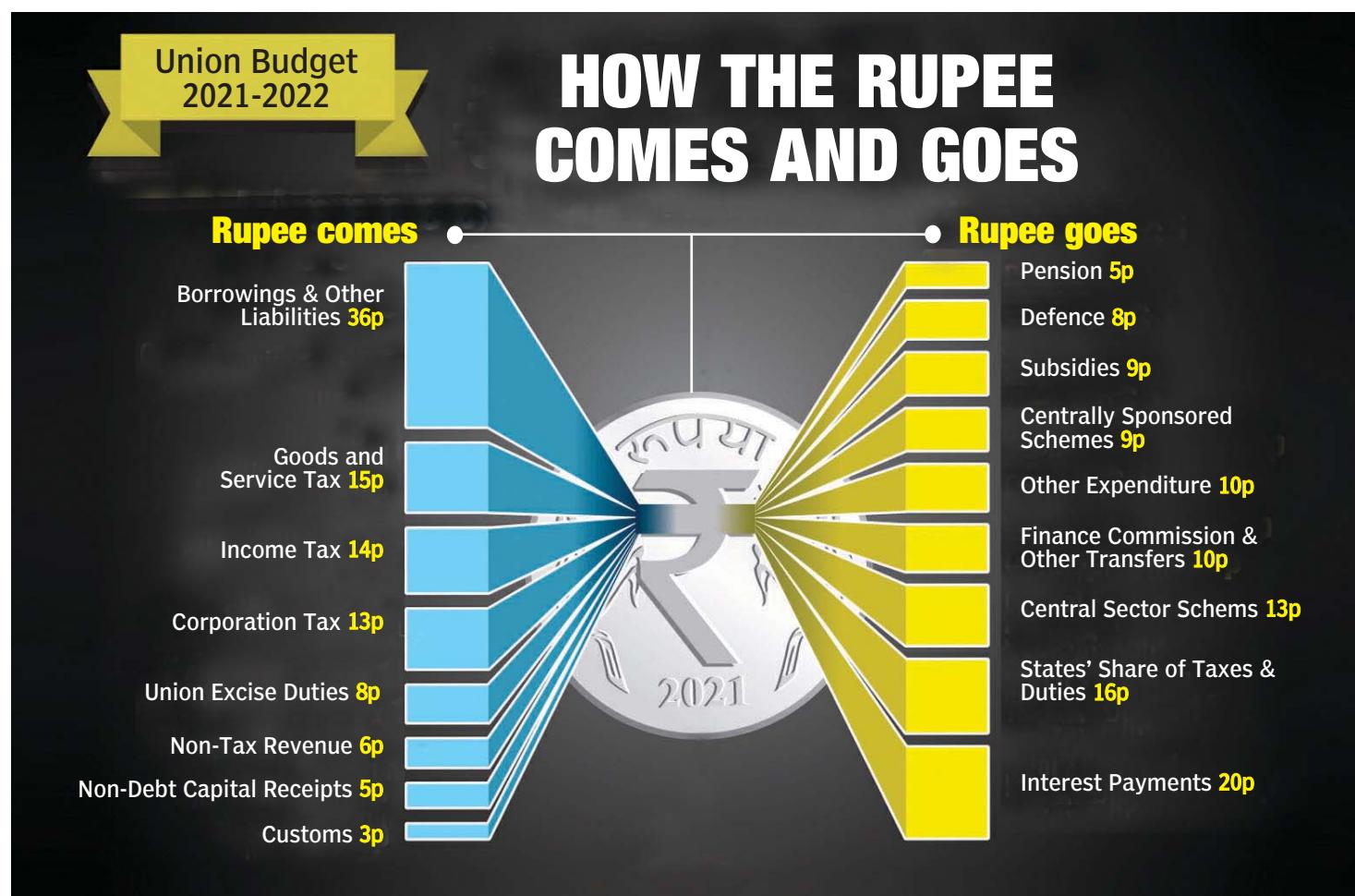
The textile industry finds the 10 per cent import duty on cotton as a "severe blow" for the downstream industries. The duty will make products like bed sheets and fine shirting dearer.

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 Safta countries and the import duty will further make Indian products costlier, said Ashwin Chandran, chairman, Sima.



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.

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.

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, Creditchat 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 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

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 Altermat Investment Funds and other potential investors for eventual value realisation," the FM said.

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

FY21 fiscal deficit pegged at 9.5%

MADHUSUDAN SAHOO
NEW DELHI, FEB. 1

for the next fiscal has been pegged at Rs 34.83 lakh crore, which includes Rs 5.54 lakh crore of capital expenditure. The fiscal deficit for FY21, pegged at 9.5 per cent of GDP, will be brought down to 6.8 per cent in FY22," she said, adding the Centre will move the market to borrow Rs 80,000 crore more to fund FY21 fiscal deficit.

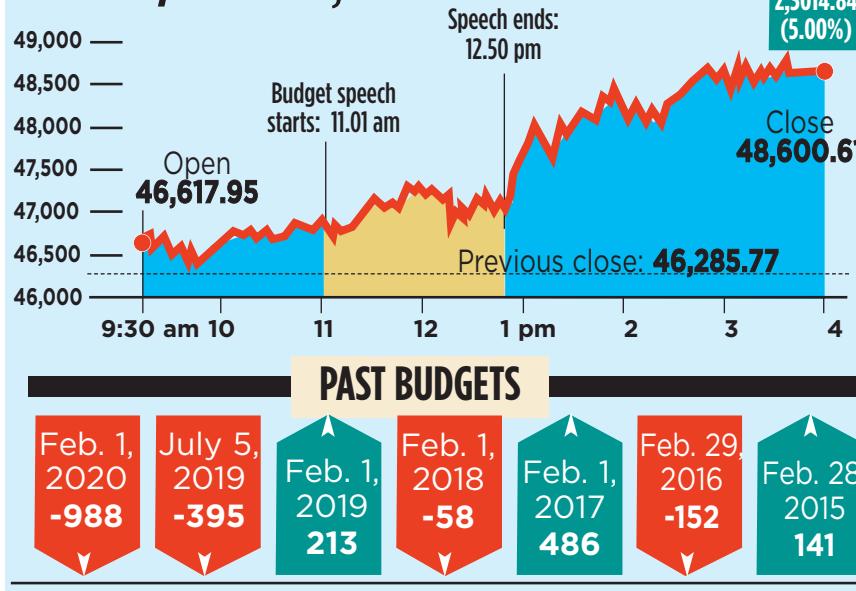
The finance minister accepted the recommendations of the 15th Finance Commission (FFC) and also raised the ceiling for state borrowing to 4 per cent from 3 per cent allowed earlier, with the facility for additional 0.5 per cent conditional borrowing.

The FFC's recommendation to retain 41 per cent share for states in the divisible pool of taxes was also accepted by the FM.

Union Budget 2021-22

BUDGET IMPACT ON SENSEX

Intra-day on Feb. 1, 2021



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.

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

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 jibed 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-



THE SIX PILLARS

- 1 Health & wellbeing
- 2 Physical & Financial capital and infrastructure
- 3 Inclusive Development for Aspirational India
- 4 Reinvigorating Human Capital
- 5 Innovation and R&D
- 6 Minimum Government & Maximum Governance

- 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

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 AatmaNirbhav 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

● **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? 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."

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."

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 ₹2.50 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.

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 CHOURHURY | DC
 BHOPAL, FEB. 1

Shivraj Singh Chouhan

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

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.

"It was a vengeful act against the thousands of farmers who took out the longest tractor rally in history. It was also a cruel blow to federalism because the states do not get a share of the revenue from cesses," the former finance minister said while addressing a press conference.

He said this was a "cruel blow" to the average citizen, including farmers. "She deceived the people

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.

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

of them.

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.

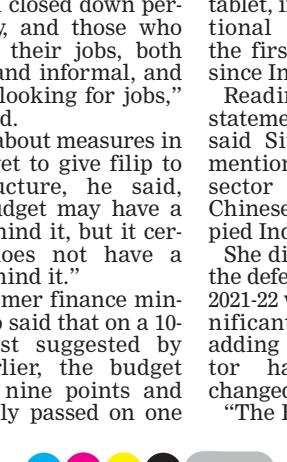
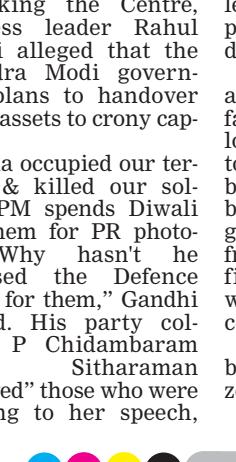
"In the Modi government's budget, all government properties will be sold from airport to rail, godowns to ports, roads to rail, power transmission line to BHEL. That is why 'Sell and eat everything and leave nothing,' he said. Senior Congress leader Anand Sharma

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



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



IN BRIEF
Car catches fire in Hyderabad

Hyderabad: A parked car caught fire in Chintalmet of MM Phadi on Monday morning. No injuries were reported. Locals noticed the car going up in flames on the roadside and immediately alerted the police and the fire department. "Fire personnel reached the spot and doused the flames. The car was badly damaged. The cause of fire will be estimated post inspection," said the Rajendranagar police.

BCOM 2ND YEAR STUDENT BOOKED FOR PAPER LEAK

DC CORRESPONDENT
HYDERABAD, FEB. 1

The Panjagutta police will be filing a chargesheet against a BCom second year student after he was booked for leaking a question paper via WhatsApp.

Following a complaint from the principal of New Science College, Ameerpet, Panjagutta police lodged a complaint against Faizul Rahman Khan, 24, from Shadan College in Khairatabad, stating that he had leaked the BCom second year Statistics question paper on Saturday from the examination centre.

Police said that during the principal's inquiry, she had found that Khan had leaked a question paper through WhatsApp to another student. "We have booked a case against him and sent notices to him. A chargesheet will be filed in the case," police said.

SCRAPPING OF OLD VEHICLES DRAWS FLAK

**SANJAY SAMUEL
PAUL I DC**
HYDERABAD, FEB. 1

The Budget proposal to scrap vehicles as old as 20 or more years and used for domestic purposes, and commercial vehicles that are 15 and more years old, has drawn protests here. It is part of the government's initiatives to control air pollution and give a fillip to the automobile industry.

According to the Federation of App-Based Transport Workers, more than 30 lakh commercial vehicles in Telangana state, which also include auto-rickshaws, will be affected. The Telangana Auto Union JAC said that of the 1.2 lakh auto-rickshaws in the state, half were more than 15 years old. This decision, these outfits alleged, was aimed at helping automobile companies earn more profits.

Used-vehicle dealers felt that the government plan is unjust. Most middle and lower middle class families can only afford to buy used vehicles of around ten years old and are kept by them for many more years, they said.

Sandhya Rani, a school teacher, and her husband who is a private job holder, bought a five-year-old car 15 years ago for about a lakh, which they paid from their savings. "Its condition is good. We take care of this car well. By this May, the car will be 20 years old. We use this only for special occasions. Now selling this as scrap will be very painful to us," she said.

Fazal Khan, an automobile dealer for used cars and bikes at King Koti, said, "Most middle and the lower middle class families buy used cars. These are 10-plus years old and they maintain them in good condition for another 15 years. If this law is enforced, most families will feel hugely hurt. The government should reconsider this move."

A. Sathi Reddy, Telangana Auto Union JAC, said, "Half of the 1.2 lakh autos in the state are 15 years or older. This move by the Centre will break the back of the ordinary people. When a Motor Vehicle Inspector certifies the autorickshaw and gives it a fitness certificate, where is the need for phasing it out? This is to help the rich automobile manufacturing firms sell more cars."

Shai Salauddin, secretary, Indian Federation of App-based transport workers, questioned how the government took such a step without consulting the drivers' unions.

"In Telangana alone, there are around 30 lakh commercial vehicles. After scrapping these, will the government give us a 50 per cent subsidy on purchase of new vehicles? Will the government waive GST and inter-state border taxes," he asked while speaking to Deccan Chronicle.

BJP hails Budget, says it's pro-poor

It will build a strong economy: Kishan

DC CORRESPONDENT
HYDERABAD, FEB. 1

Union minister of state for home G. Kishan Reddy welcomed the Union Budget and said it would help the nation take a giant leap towards building a strong economy and atmanirbhar Bharat as envisioned by Prime Minister Narendra Modi and finance minister Nirmala Sitharaman.

He said the Centre had focused on six pillars — innovation and capacity building, leadership, human capital, information technology, financial resources and health and wellbeing. He praised the the Swasth Bharat proposal as a great scheme. "By safeguarding every citizen from the Covid-19 pandemic, the finance minister earmarked ₹35,400 crore as Covid vaccine fund."

He said the budget proposals will enhance employment opportunities and make India a hub for textile exports.

He pointed out that the NDA government had given cotton farmers ₹25,000 crore, 278 times more than the UPA.

BJP state president Bandi Sanjay Kumar said the Budget will fulfill the

Overall it is a decent budget for reviving the economy, especially with regard to infrastructure and housing benefits. It needs to address more issues of the middle class. The allocations for health and controlling air pollution are good.

— MOHAMMED ABDUL MANNAN, Financial Director, Legazole Plus Eco Pvt. Ltd

The Budget lays stress on Infrastructure, health and education. It provides a boost to making India the manufacturing hub of the world. It gives a big push to rural development, which was impacted by the pandemic. Overall, it is a pro-growth budget.

— SONIT JAIN, CEO of GajShield Infotech

dreams of everyone and promote the Prime Minister's slogan of 'Sab ka saath sab ka vikas sab ka vishwas'. He said the Budget aimed to boost the confidence of the people in the country's leadership.

BJP vice-president D.K. Aruna said it was a matter of pride for all women that the budget was introduced for the third time by a woman. "The Modi government has given high priority to education and health care." BJP senior leader Ponguleti Sudhakar Reddy said the Budget was pro poor, pro-farmer, pro-middle class, and development-oriented.

BJP general secretary Tarun Chugh called the Budget a big step towards reassuring farmers that the Modi government would continue giving top priority to their welfare. A remarkable increase in

disbursement of procurement money to farmers for wheat and paddy crops testified to the fact that the Centre would strengthen the MSP system.

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Boost for growth, says trade

DC CORRESPONDENTS
HYDERABAD, FEB. 1

Industry and trade bodies' representatives welcomed the 2021-22 Budget, hailing it as a development that will drive up investments, result in more foreign direct investment and boost entrepreneurship.

S. Purnachandra Rao, national president for Indo American Chamber of Commerce, called the Budget growth-oriented and transformative and said it includes welcome signals for entrepreneurship and foreign direct investment.

Allowing 74 per cent FDI in the insurance sector is a 'game-changing' reform, he said. The boost to healthcare and infrastructure areas dear to American companies, will lead to more FDI and better employment opportunities.

"We welcome the encouragement to NRIs to operate One Person Companies in India," Purnachandra Rao said.

"The budget looks promising for the start-up industry as measures like an extended tax holiday will help the scenario,"

said Prashant Narang, co-founder Agility Venture Partners. Consequently, focus on skill development by partnerships with the



Federation of Telangana Chambers of Commerce and Industry president Ramakanth Inani during the live streaming of the Union Budget at the federations office in Red Hills on Monday.

— P. SURENDRA

Telangana has received raw deal as in previous budgets and no major projects are granted for the state, Inani noted.

The focus of the Budget has been clearly on ensuring a sustainable revival of growth with an enhanced focus on capital expenditure, said Rajeev Radhakrishnan, CIO, Fixed Income, SBI Mutual Fund.

"This is a market friendly budget with respect to equity markets at first glance," he said. The Budget has given a big push to the power sector with close to ₹3.06 lakh crore power distribution sector scheme. This expected to assist discoms in infrastructure creation and give consumers more than one discom choice,

said Prabhahit Kumar Sarkar, managing director and chief executive officer of Power Exchange India Limited.

DISAPPOINTING BUDGET, SAYS BANK UNION

DC CORRESPONDENT
HYDERABAD, FEB. 1

The All-India Bank Employees' Association (AIBEA) has titled the Budget 2021 a "disappointment" and a "futile attempt to tread the beaten path." Ch. Venkatachalam, general secretary, AIBEA, said the Budget was full of claims and rhetoric far from ground reality.

"It was expected that with the experience gained during the pandemic period, there would be some sensible measures to take our economic forward. But this Budget is again another exercise beating the same track, he said.

Venkatachalam pointed out that the Economic Survey talked of poverty reduction as the top priority rather than reducing disparity. "But figures are coming out that while billionaires have swelled their assets, the number of poor people continue to grow under poverty."

The Economic Survey also talks of people spending less money on hospitalisation. But everyone knows that this is not an indication of improvement in the health sector but the fact that people have no money to access the increasing privatized health care system," he said.

Another pain point he pointed out was the announcement that foreign direct investment would be permitted up to 74 per cent in the insurance sector.

Governor Tamilisai Soundararajan felicitates Gussadi dance exponent Kanaka Raju on Monday.

Proud moment for the state and a tribute to the Adivasi dance form. The Governor appreciated Kanaka Raju's efforts in training thousands of youth in the indigenous dance, thus popularising it and ensuring its survival.

The Governor and tribal welfare minister Satyavathy Rathod joining the troupe and dancing a few steps of the Gussadi was hugely applauded by the audiences.

Speaking on the occasion, Dr Tamilisai stated that the selection of Kanaka Raju for the Padma Shri was a huge honour and recognition to Telangana's indigenous dance form. She called it a

welfare of tribal people and the development of all scheduled areas in the state. Tribal welfare and schedule areas development is one of her special interest areas.

The Governor suggested the establishment of a special centre to preserve and promote the Gussadi dance and other tribal art forms.

Gov. honours Kanaka Raju for Padma Shri

Governor Tamilisai Soundararajan felicitates Gussadi dance exponent Kanaka Raju on Monday.

Increasing the interest rates on loans taken for house construction is unfair."

He said the BJP government showed partiality and allotted more funds to states in which the elections are due. Lakhs of families faced problems with the Covid-19 spread and they were eagerly waiting for help from the Centre. Instead of allotting funds for restoration of their lives, the Centre once again betrayed the poor and the middle class and supported corporate companies," he said.

National general secretary of the BJP Kisan Morcha, Polanshi Sugunakar Rao, welcomed the budget. "Even though the Centre faced a lot of pressure due to the Covid-19 pandemic, it is keeping up hope for the future. To achieve Atma Nirbar Bharat, the BJP government introduced the Union Budget, allotting major share to the health sector."

He said the Centre gave more importance to the farming so as to help the rural areas. With the proposal for imposing an agri-infrastructure cess, the development in the sector will speed up. "The budget also gives importance to the aged, the poor and women. There will be a two per cent increase in GDP this financial year," he said.

CPI district secretary Ponaganti Kedari alleged that the Union Budget was a burden on the poor and the middle class. "By increasing the prices of daily essentials like oil, clothes, petrol, diesel etc, the Centre tried to drag people on to the road.

Finance minister Nirmala Sitharaman on Monday. They quoted a 137 per cent increase in health sector and other decisions in the budget. BJP leaders shared their views on social media praising the union budget.

Meanwhile, BJP leaders appreciated the union budget introduced by

finance minister Nirmala Sitharaman on Monday. They quoted a 137 per cent increase in health sector and other decisions in the budget. BJP leaders shared their views on social media praising the union budget.

They said that the budget is useful for all sections of society.

Telangana only state to register surplus, says FC

From Page 1

tion 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 fiscal years.

Except for a fishing hub in Visakhapatnam and a freight corridor between Vijayawada and Kharagpur (in West Bengal), there is no men-

tenure and Telangana state 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."

When it comes to state-specific grants, Andhra Pradesh will get ₹2,300 crore during the 15th Finance Commission

are no subsidies for the poor," he said. The Hyderabad Metro is one of the biggest in the country but did not get funds.

Both the BJP and the TRS are driving the country and state into darkness, he said.

BUDGET TOTALLY NEGLECTED TELUGU STATES, TRS, BJP PUSHING STATE, COUNTRY BACKWARD, SAYS PONNALA

DC CORRESPONDENT
HYDERABAD, FEB. 1

Former minister Ponnala Lakshmaiah on Monday alleged that even though the Union Budget was introduced by a Telugu woman, it did not benefit

the Telugu states.

Speaking to presspersons at Gandhi Bhavan, Lakshmaiah alleged that there is no mention about saving the employment sector. "The government said that it is the poor man's budget but there

are no subsidies for the poor," he said. The Hyderabad Metro is one of the biggest in the country but did not get funds.

Both the BJP and the TRS are driving the country and state into darkness, he said.

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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, 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 even more for the 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.

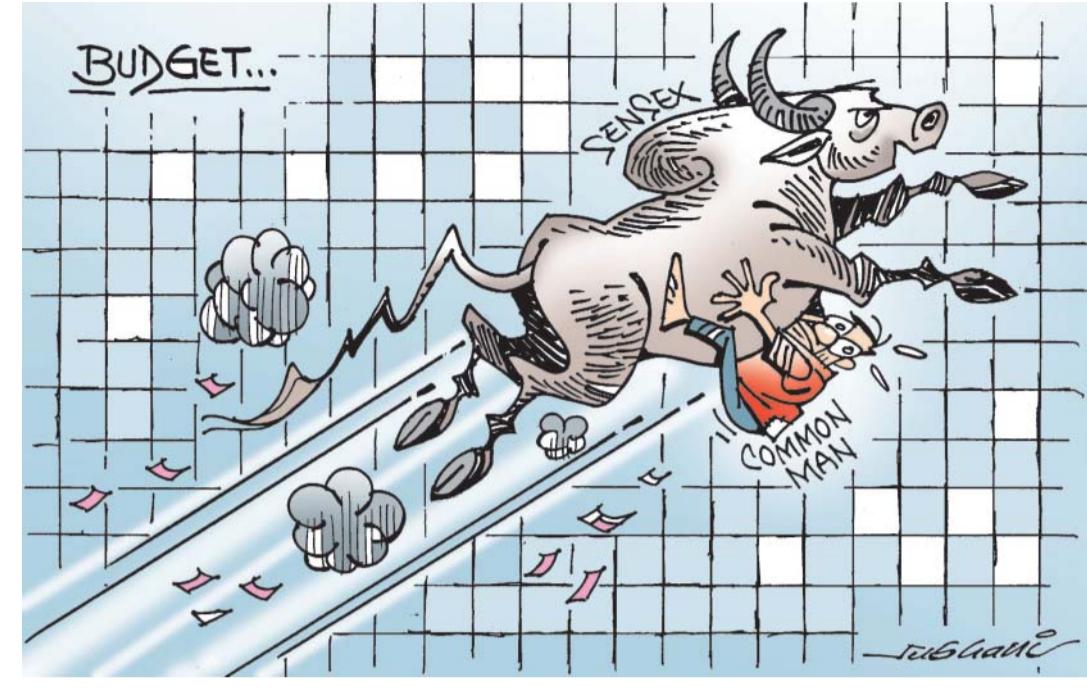
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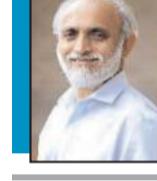
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Subhani



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 Development 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-

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.

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 not 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 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

LETTERS

INNOVATION SOPS

Kudos to employees, workers and vegetable vendors for making an innovation that converts vegetable waste into biogas (*Bowenpally catches Modi's eye, DC, Feb. 1*). It is indeed a turning point for these vendors when small things can make a big difference. The government should encourage such initiatives by giving them incentives.

Fatima Zafar
Secunderabad

PROBE DEATHS

The national committee on adverse events (AEFI) has rightly asked for an explanation from the Centre over the death of 11 health care and frontline workers who died within hours or days after taking the Covid vaccine (*Clear air on Covid jab fatalities, Centre urged, DC, Feb. 1*). Instead of government officials just stating that the deaths were not due to vaccination, each death has to be scientifically analysed to arrive at the right reason for the fatalities.

P.J. David
Hyderabad

HEALTH BUDGET

The Union Budget, 2021 will be significant for allocating ₹64,180 crore for health. The pandemic is a reminder of the importance of a well-functioning public health system. We will succeed in turning Covid into an opportunity if all citizens across all income groups can use public health system equitably. Focus on healthcare is the need of the hour.

Ravi Teja Kathuripalli
Hyderabad

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 Hussainiwala checkpost 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 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 channelling 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

OTHER STORIES

FATHER AND SON ATTACK RELATIVES, BLAME SORCERER

DC CORRESPONDENT
KOMARAM BHEEM
ASIFABAD, FEB. 1

Father and son together on Monday attacked their relative Sedmaki Thukaram, 50, with sticks and hacked him to death after branding him a sorcerer. They were performing witchcraft causing ill health to their family members in the village in Dhanora (P) in Sirpur (U) mandal in Komaram Bheem Asifabad district. The local police registered a case and are investigating the incident.

The accused were identified as Sedmaki Namdev and son Sedmaki Bheemrao of the same village and were absconding. Sedmaki Namdev's wife was suffering from ill health for some time and her family members had developed a feeling that Thukaram was responsible for her ill health.

DOCS ON HUNGER STIKE AGAINST 'MIXOPATHY'

DC CORRESPONDENT
HYDERABAD, FEB. 1

Senior doctors on Monday started a relay hunger strike to protest against 'mixopathy' proposed by the Centre, at the Indian Medical Association's (IMA) local headquarters at Abids. The protest will go on till February 14. The IMA has given a call to all its units to strongly oppose the mixing of different medical streams, a proposal made by the Centre under which doctors from traditional medicine streams will be trained in modern medicine and can even be allowed to perform surgery. The doctors stated that they were not against the AYUSH systems but do not want mixing of medical streams. The IMA in a statement said that they do not want the government to interfere with modern allopathic system of medicine. All streams must practice their systems and mixing will lead to confusion and bad outcomes for patient care.

HC SEEKS GOVT REPLY ON PETITION AGAINST TSCHIE CHIEF

DC CORRESPONDENT
HYDERABAD, FEB. 1

Telangana High Court has asked the state government to explain its stand following a petition filed in court challenging the G.O. issued for further continuation of T. Papi Reddy as chairman of Telangana State Council for Higher Education (TSCHIE), even though he has attained the age of 65 years.

The petition pointed out that this is in violation of Section 5 (1) of Andhra Pradesh State Council for Higher Education (APSCHE), as adopted by Telangana State Council for Higher Education (TSCHIE).

Justice Abhinand Kumar Shavili sought an explanation in this regard from the government within two weeks. He was dealing with the quo warranto petition that wanted the GO extending tenure of Papi Reddy to be declared by court as arbitrary and illegal. APSCHE was formed by an act of 1988. After bifurcation of Andhra Pradesh into AP and Telangana, Telangana government issued G.O. Ms. No. 5, adopting the Act of 1988. Under it, the Telangana State Council for Higher Education will have one chairman, vice chairman, and members, who shall be appointed by the government ordinarily for a term of three years, with provision to reappoint them for a second term, provided that the appointee as chairman or vice chairman has not attained the age of 65 years. Papi Reddy had been appointed as chairman of TSCHIE on August 5, 2014 for a term of three years. The term expired after completion of three years. On August 4, 2017, the government issued another G.O. extending his term as chairman for a further period of three years. This term also expired August 3, 2020. Meanwhile, Papi Reddy attained the age of 65 in 2019.

But putting aside norms, the state government again issued G.O. 115, dated July 17, 2020 stating that the period of chairman, vice chairman and members of Telangana State Council for Higher Education is being extended until further orders. The petitioner complained that given the norms under the act, continuation of Papi Reddy as chairman of TSCHIE is against statutory provisions.



Students come to school with masks maintaining social distance after long holidays due to Covid-19 pandemic in Karimnagar on Monday.

— BY ARRANGEMENT

SCHOOLS, COLLEGES REOPENED IN NIZAMABAD

DC CORRESPONDENT
NIZAMABAD, FEB. 1

High schools and colleges have reopened in undivided Nizamabad district on Monday. Following Covid-19 protocol, students attended classes. After a gap of ten months, educational institutions opened for regular classes. Students enthusiastically attended for classes in private and government educational institutions.

In high schools, only 9th and 10th standard students allowed for regular classes on Monday onwards. Junior, degree, post-graduation and technical educational institutions opened for regular classes for 2020-2021 academic year. District education department, Telangana state board of intermediate education (TSBIE) and Telangana University monitored the classes.

Speaking to *Deccan Chronicle*, Gangashankar, a parent said that his daughter gets up early to go to school on Monday. "She readied in her school uniform and bag to attend the classes regularly", he said. Students faced difficulty to attend online classes, he opined. Being a ninth standard student, she is interested to attend regular classes, he said. State government should control private school managements, as they forcibly collect exorbitant fees, he said.

Meanwhile, education department officials and elected representatives at the mandal level visited schools on Monday. They observed face masks for students and teachers, physical distance, hand sanitizers in schools. They also suggested school authorities to provide basic amenities like toilets, drinking water and sanitation in school premises.

According to official sources, only below 50 per cent attendance was registered in a few schools and colleges in Nizamabad and Kamareddy districts.

Forest officials say A-2 has been behaving differently compared to a normal tiger. This is because A-2 has attacked many cattle within a short span of time, unlike a general tiger. This shows that A-2 has gone wild. The male tiger A-2 could have also become restless, as it has been unable to find a female to mate for a long time.

tiger is not merely creating panic among villagers. They are also becoming restless with fears of the wild cat again attacking humans.

It is stated the tiger has been moving within a radius of 30 km along river Pranahitha between Bejjur and Penchikalpet mandals. The tiger is crossing two Digida villages in Bejjur from Manikdevara area in Penchikalpet mandal.

A villager belonging to Digida in Bejjur mandal said villagers they are now scared even when they come across a deer and wild boar while travelling to their villages on bike or bullock carts.

A-2 has been frequently crossing River Pranahitha and entering bordering Maharashtra. However, it is again returning to Telangana, spreading fears among people.

Villagers in Adilabad fear tiger's return

DC CORRESPONDENT
KOMARAM BHEEM
ASIFABAD, FEB. 1

There are chances of the restless male tiger (A-2), which has already killed two persons, attacking more human beings since the wild cat has been coming close to human habitations since the last one week in Penchikalpet and Bejjur mandals of Komaram Bheem Asifabad district.

Forest officials say A-2 has been behaving differently compared to a normal tiger. This is because A-2 has attacked many cattle within a short span of time, unlike a general tiger. This shows that A-2 has gone wild.

On Monday afternoon, a bike rider Saikumar of Siddapur village sighted the tiger near Hettiguda forest area in Bejjur mandal. He got down from his bike and climbed a tree to save his life. Officials say the male A-2 could have also become restless, as it has been unable to find a female to mate for a long time. The tiger killed three cattle in forests near Kammargoat village in Penchikalpet mandal on January 24. At the time, forest officials maintained that they did not find any pugmarks of the tiger near Hettiguda.

Speaking to *Deccan Chronicle*, Gangashankar, a parent said that his daughter gets up early to go to school on Monday. "She readied in her school uniform and bag to attend the classes regularly", he said. Students faced difficulty to attend online classes, he opined. Being a ninth standard student, she is interested to attend regular classes, he said. State government should control private school managements, as they forcibly collect exorbitant fees, he said.

Meanwhile, education department officials and elected representatives at the mandal level visited schools on Monday. They observed face masks for students and teachers, physical distance, hand sanitizers in schools. They also suggested school authorities to provide basic amenities like toilets, drinking water and sanitation in school premises.

According to official sources, only below 50 per cent attendance was registered in a few schools and colleges in Nizamabad and Kamareddy districts.

23 RIMS medicos fall ill due to food poisoning

DC CORRESPONDENT
ADILABAD, FEB. 1

The committee is comprising DMHO Narendra Rathod, Director of RIMS Balaram Banoth, Adilabad RDO Rajeshwar and superintendent of an engineer, RWS.

acted with the medicos who fell sick and inquired about what exactly happened. She ordered for an inquiry into the incident with the four-men committee.

Collector asked Balram Banoth, Director of RIMS, Adilabad to submit the report after conducting an inquiry the next day.

The committee comprises DMHO Narendra Rathod, Director of RIMS Balaram Banoth, Adilabad RDO Rajeshwar and superintendent of an engineer, RWS.

The medicos fell sick due to food poisoning after having lunch. It is learnt that total of 200 medicos, including 100 male medicos, were allowed to attend classes today.

Officials of RIMS says that all the medicos who fell sick are stable and undergoing treatment.

The medicos fell sick due to food poisoning after having lunch. It is learnt that total of 200 medicos, including 100 male medicos, were allowed to attend classes today.

Collector Sikta Patnaik visited the RIMS and inter-

CM wants Sircilla ZPHS type schools, says KTR

School building was renovated during Covid pandemic

DC CORRESPONDENT
KARIMNAGAR, FEB. 1

Sri Raja Rajeshwara Swamy Devastanam priest explains about Dwajastambham importance to IT minister K.T. Rama Rao as he visits Vemulawada in Rajanna Sircilla district on Monday.

— BY ARRANGEMENT

that, he advised the managing panel.

Rama Rao said many students who studied in the ZP high school in Sircilla, established in 1960, reached top positions.

The school building was renovated during the Covid-19 pandemic period with help from voluntary organisations and a corporate high school. It now has 39 spacious classrooms, a large dining hall that can seat 400 students and a well-equipped computer lab.

The minister said chief minister K. Chandrashekhar Rao desires to have such schools across the state. While the school was well-built, its maintenance must also be like

securing high ranks at national level competitive examinations," he added. The minister said it would be great on the part of parents to provide good education to their children. Students must focus on their studies to attain heights in their life.

Along with subjects, students must be taught about personality development so as to enable them to do well in life. It is the minimum responsibility of teachers and parents to encourage children play sports and games. "My parents provided me good education.

That's why I was able to reach this position. During my childhood, I studied in the Chintamadaka government school here," he said.

BJP activists attempted to block the way of the IT minister in Konaraoopet mandal in protest against the critical comments being made by TRS leaders against Warangal BJP leaders. As police tried to clear the road, party activists from rival sides edged closer to a clash. Police stopped the TRS men from approaching and arrested the BJP men to bring the situation under control.

SCHOOLS, COLLEGES REOPENED IN NIZAMABAD

DC CORRESPONDENT
NIZAMABAD, FEB. 1

High schools and colleges have reopened in undivided Nizamabad district on Monday. Following Covid-19 protocol, students attended classes. After a gap of ten months, educational institutions opened for regular classes. Students enthusiastically attended for classes in private and government educational institutions.

In high schools, only 9th and 10th standard students allowed for regular classes on Monday onwards. Junior, degree, post-graduation and technical educational institutions opened for regular classes for 2020-2021 academic year. District education department, Telangana state board of intermediate education (TSBIE) and Telangana University monitored the classes.

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TRS, BJP face-off over fund-raiser leaves city tense

DC CORRESPONDENT
WARANGAL, FEB. 1

Police arrests BJP workers after they stage protest at Adalath circle in Warangal on Monday.

— BY ARRANGEMENT

DC CORRESPONDENT
WARANGAL, FEB. 1

In a bid to divert the attention of the people of Warangal from the promises made in the past, a political drama was enacted by the BJP and the TRS, said District Congress Committee president Naini Rajender Reddy.

Responding to the BJP and TRS face-off with reporters here on Monday, Reddy said politics is losing values in the hunger for gaining votes and being in power.

BJP, TRS and MIM parties fight in public, but they sit together at night and chalk out their act and implement it during the day time. They are creating unrest among the people of Warangal, who are known for peace and harmony. BJP and TRS are throwing stones at each other questions the existence of democracy," he said.

Reddy called it unfortunate that Lord Rama is being dragged into murky politics for personal gains. "While one party claims that Lord Rama belongs to them, the other party claims that face receipt books are printed to construct a temple for him.

When an MLA expressed his opinion, the BJP should have retorted by condemning the statements but they have no right to attack," he said. Reddy appealed to the people of Warangal to note the development of these events and think before they vote in the future.

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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 Nirajan 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.

Chatterjee at his residence in South Kolkata recently.

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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 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 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-

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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 — Ghaziabad, 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 Ghaziabad. 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

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, 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.

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

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 jihadis 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 Dusidhe 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 spokesmen 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.



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.

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

— PTI

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.

For some, Monday's takeover was seen as confirmation that the military holds ultimate power despite the veneer of democracy. New York-based Human Rights Watch has previously described the clause in the constitution that the military invoked as a "coup mechanism in waiting."

The embarrassingly poor showing of the military-backed party in the November vote may have been the spark.

Larry Jagan, an independent analyst, said the takeover was just a "pretext for the military to reassert their full influence".

— AP

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: "There is potential for opened 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

Grand Chute (US), Feb. 1:

A suspect left one person dead and another with minor injuries Sunday before fleeing a shooting scene at a northern Wisconsin mall, police said. Police were called to the Fox River Mall in Grand Chute, a suburb of Appleton, at about 3:30 pm Sunday. The unidentified shooter remained on the loose Sunday night, authorities said.

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 handcuffs 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

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

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

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

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 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 US 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 Partnerships, said.

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.

— AP

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."

— BILL DE BLASIO
New York City Mayor

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

Corentin as tennis out of quarantine

Melbourne: France's Corentin Moutet burned 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 2018 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 nondescript village in Salem, has turned upside down. He has scores of fans and YouTubers 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 media. 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.

All the England players

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.

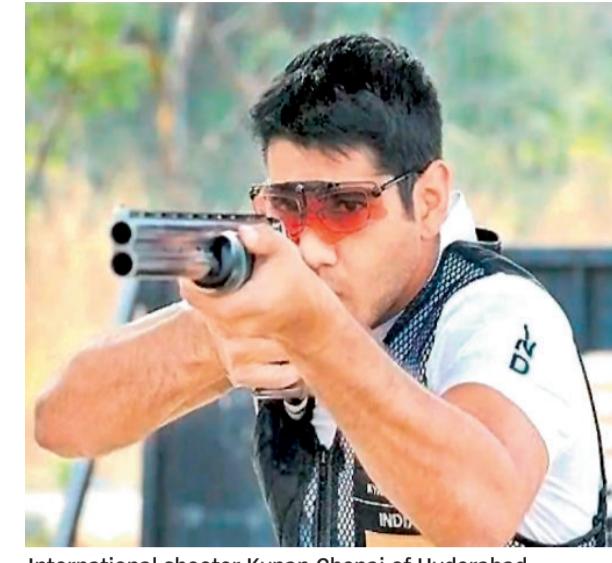
The TNCA is also contemplating allowing media and officials from member clubs for the opening Test starting on February 5.

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.



International shooter Kynan Chenai of Hyderabad.

Hotshot Kynan traps Asian gold

DC CORRESPONDENT
HYDERABAD, FEB. 1

● The Hyderabad shooter got 145 birds out of 150 to emerge winner in the Men's Trap event and make his 30th birthday sweater.

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 Saurob 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), Sarabjeet 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

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

Leach wants to make impact against India

DC CORRESPONDENT
CHENNAI, FEB. 1

● England were the last team to clinch a Test series in India when they pulled off a stunning win in 2012-13.

10 wickets in England's 2-0 Test win over Sri Lanka recently.

England were the last team to clinch a Test series in India when they pulled off a stunning win in 2012-13 with spinners Graeme Swann (20 wickets) and Monty Panesar (17) playing key roles.

With a lot of right-handed batsmen in India's line-up, Leach is excited at the prospect of testing them.

"I see that as a good thing for me and I feel like I can make a good impression."

Leach said he has watched a lot of videos of Swann and Panesar, but he wouldn't be trying to copy them. "Monty bowled a lot quicker through the air, and that on a spinning wicket can be very tricky. For me, I am probably not going to be bowling at the same speeds, but it's probably more about how the ball gets there in terms of trajectory and things like that."

With a lot of right-handed batsmen in India's line-up, Leach is excited at the prospect of testing them.

"I see that as a good thing for me and I feel like I can make a good impression."

"I'm only going to give a

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

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.

Jurgen 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,

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

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

claiming 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.