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**THERE IS EROSION OF 'TRUST' AND 'TRUSTWORTHINESS' BETWEEN STATES AND CENTRE**



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# Petrol hits Rs 100 per litre

**THIS IS THE 14TH INCREASE IN PRICES SINCE MAY 4, WHEN STATE-OWNED OIL FIRMS ENDED AN 18-DAY HIATUS IN RATE REVISION THEY OBSERVED DURING ASSEMBLY ELECTIONS IN STATES LIKE WEST BENGAL**



**NEW DELHI:** Petrol price on Thursday crossed the Rs 100-a-litre mark in Thane district of Maharashtra, while it was hovering a tad below that level in Mumbai, after fuel prices were raised again. Petrol price was increased by 24 paise per litre and diesel by 29 paise a litre, according to a price notification of state-owned fuel retailers.

The increase 14th this month took petrol and diesel prices to an all-time high across the country. The price of petrol, which had already crossed the Rs 100-mark in several cities in Rajasthan,

Madhya Pradesh and Maharashtra, breached the psychological barrier in Thane district of Maharashtra. In Thane, petrol now comes for Rs 100.06 a litre and diesel comes for Rs 91.99 per litre. In neighbouring Mumbai, petrol price increased to Rs 99.94 per litre, while diesel rates soared to Rs 91.87. Fuel prices differ from state to state depending on the incidence of local taxes such as VAT and freight charges. Rajasthan levies the highest value-added tax (VAT) on petrol in the country, followed by Madhya Pradesh and Maharashtra. In Delhi, petrol price rose to Rs 93.84 a litre and diesel to Rs 84.61.

This is the 14th increase in prices since May 4, when state-owned oil firms ended an 18-day hiatus in rate revision they observed during

## 'Govt should focus on converting 30 cr on-road vehicles to clean fuels'

**NEW DELHI:** The government should focus on converting around 30 crore vehicles currently running on petrol and diesel to clean fuels in a bid to improve the air quality, said Indian Auto LPG Coalition, apex body of Auto LPG stakeholders.

In a statement, the industry body said that with mass adoption of electric vehicles still a distant future, an absence of a near term strategy to convert existing vehicles to cleaner alternatives is a crucial policy oversight. Indian Auto LPG Coalition has said that government's indifference towards immediately available clean alternative fuels is proving to be a major health bane for the country. "Electric Vehicles are still in very early stages of adoption and even the most optimistic



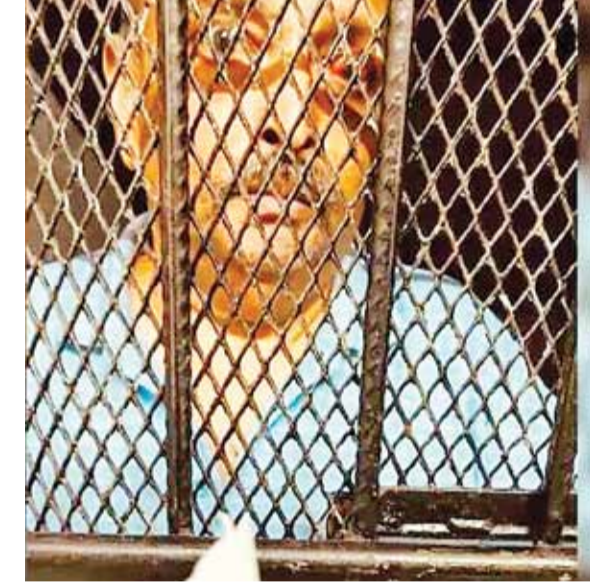
projections suggest that a mass adoption is not likely to begin at least till another decade. Meanwhile, around 300 million vehicles including two wheelers continue to produce toxic emissions," said Suyash Gupta, Director General, Indian Auto LPG Coalition.

The statement also noted that there remains a large untapped market for vehicle conversions in India with consumers actively looking to cleaner as well as cheaper alternatives to petrol and diesel. In this situation, a positive messaging from the government supported by regulatory easing and fiscal incentives can bring about a largescale clean switch. **AGENCIES**

Assembly elections in states like West Bengal. Oil companies revise rates

of petrol and diesel daily based on the average price of benchmark fuel in the international market in the preceding 15-days, and foreign exchange rates. **AGENCIES**

## Fugitive bizman Mehul Choksi moved to govt quarantine facility in Dominica: Sources



**NEW DELHI:** Fugitive diamondaire Mehul Choksi has been moved to the government quarantine facility in Dominica, sources said on Sunday.

On Saturday, pictures of Choksi released by Antigua Newsroom showed him behind bars and with injuries on his hands and a swollen and bruised left eye.

These were the first public pictures of Choksi, who had reportedly gone missing on Sunday (May 23) evening. He was later apprehended by Dominica Police on Wednesday and had been in their custody since then.

On Friday, the Eastern Caribbean Supreme Court allowed Choksi to be transported to a hospital for medical attention and for the administration of a Covid-19 test.

Efforts have been scaled up to bring back the fugitive businessman to India. ANI has learnt that multiple agencies are in touch with the government of Dominica on the issue, which has been told that Choksi is originally an Indian citizen and had taken new citizenship to escape the law in India after having committed a fraud of almost two billion US dollars.

It is learnt that India through back channel and diplomatic route has clearly told Dominica that Choksi should be treated as a fugitive Indian citizen who has an Interpol Red Corner notice against him and he should be handed over to Indian authorities for deportation and to face the law in India for his alleged deeds which have robbed the Indian public of billions of dollars.

A Dominican court has extended till June 2 its order restraining the extradition of Choksi from Dominica. The High Court will also hear the Indian fugitive's habeas corpus plea on that date. **AGENCIES**

**India through back channel and diplomatic route has clearly told Dominica that Choksi should be treated as a fugitive Indian citizen who has an Interpol Red Corner notice against him.**

## Covid second wave rendered One crore Indians jobless: CMIE

**MUMBAI:** Over 10 million Indians have lost their jobs because of the second wave of Covid-19, and around 97 per cent of households' incomes have declined since the beginning of the pandemic last year, Centre for Monitoring Indian Economy (CMIE) chief executive Mahesh Vyas said on Monday.

The unemployment rate measured by the think-tank is expected to come at 12 per cent at the end of May as against 8 per cent in April, Vyas told, adding this signifies that about 10 million or 1 crore Indians have lost jobs in this period.

Stating that the main reason for the job losses is "mainly the second wave" of COVID-19 infections, Vyas said, "As the



economy opens up, part of the problem will be solved but not entirely". He explained that people who lose jobs find it hard to get employment, specifying that while the informal sector jobs come back quickly, the formal sector and better quality job opportunities take up to a year to come back.

Unemployment rate had touched a record high of 23.5 per cent in May 2020 because

of the national lockdown. Many experts opine that the second wave of infections has peaked and states will slowly start to ease the economic activity-impacting restrictions in a calibrated fashion. Vyas further said an unemployment rate of 3-4 per cent should be considered as "normal" for the Indian economy, hinting that the unemployment number will have to decline for longer before the situation improves.

He said CMIE has completed a nation-wide survey of 1.75 lakh households in April which throws up worrying trends on income generation during the last one year—which has witnessed two waves of the pandemic. **AGENCIES**

## Core sectors' output jumps 56.1 per cent in April

**NEW DELHI:** The output of eight core sectors jumped by 56.1% in April mainly due to a low base effect and uptick in production of natural gas, refinery products, steel, cement and electricity, official data released on Monday showed.

The eight infrastructure sectors of coal, crude oil, natural gas, refinery products, steel, cement and electricity had contracted by 37.9% in April 2020 due to lockdown restrictions imposed to control the spread of coronavirus infection. In March this year, the eight sectors had recorded a growth rate of 11.4%. "This high growth rate in April 2021 is largely due to low Index



base in April 2020 consequent to the low industrial production across all sectors caused by nationwide lockdown imposed to contain spread of Covid-19 last year," the ministry said.

According to the commerce and industry ministry data, production of natural gas, refinery products, steel, cement and electricity jumped by 25%, 30.9%, 400%, 548.8% and 38.7% in April, as against (-) 19.9%, (-) 24.2%, (-) 82.8%, (-) 85.2% and (-) 22.9% in April 2020, respectively. **AGENCIES**

## CII elects Tata Steel CEO, MD as its new president

**NEW DELHI:** Tata Steel CEO and MD TV Narendran has been elected CII president for 2021-22. He takes over from Uday Kotak, MD & CEO, Kotak Mahindra Bank, the CII statement said. He has been engaged with CII for many years at various levels. Sanjiv Bajaj, CMD, Bajaj Finserv Ltd., has been elected president-designate of CII for 2021-22. He has also been engaged with CII for many years and was chairman of CII Western Region during 2019-20. Pawan Munjal, chairman, Hero MotoCorp, will take over as CII vice-president for 2021-22. He was chairman of CII Northern Region during 1996-97. **AGENCIES**

## Kala Diwas: Farmers mark six months of their morcha



**CHHAVI BHATIA Tikri**

On May 26, the otherwise green and yellow hues of Tikri border had turned black as farmers marked completion of six months of their protest on Delhi borders with Kala Diwas or Black Day. Lakhs of farmers including women wore black to register their indignation towards the Centre for not heeding to their demands of repealing the three controversial Farm Laws and assured MSP.

Wearing Black turbans and dupattas, a departure from their usual green and yellow—representing colour of kisan and farmers' union, thousands of agitating farmers raised black flags and burnt effigies of the central government and Prime Minister Narendra Modi for failing to address their issues. They also put black flags atop their tractors and trolleys, their makeshift homes, as a sign of protest. "We are raising our voices against

anti-farmer policies of this corporates driven government. We will continue to do so till the laws are rolled back," said Abhimanyu Kumar, member, Samyukta Kisan Morcha.

For six months now, lakhs of farmers from Punjab, Haryana and western Uttar Pradesh are camping on various Delhi borders, demanding a rollback on the new farm laws which farmers say will put them at mercy of corporates. The sit-in began

on November 26 when hundreds of farmers from these parts of the country reached the outskirts of Delhi. A lot of these peasants have now even set up homes of bricks and mortar to deal with the vagaries of weather, expecting the battle to go on for long. "If this government is so obstinate, we are no less. It is hon di ladaai (it is a fight for our existence). We can live here for six years if need be," 51-year-old Ranjodh Singh, a farmer from Moga district, Punjab.

Thousands like Singh are unanimous in this decision, swearing to fight to finish. "We are being forced to do this. Who wants to live on the roads for months, away from families? The moment the government accepts our demands of dissolving the new Act and gives us assurance of MSP, we will go back," said Joginder Singh Ugrahan, president, Bharatiya Kisan Union (Ugrahan).

Multiple rounds of talks between the farmers' unions and the government have hit a roadblock.

Earlier this year, Modi's government had offered to put the farm laws on hold for 18 months, but the farmers rejected the offer, saying they want a complete repeal.

*A complete* **KNOWLEDGE CAPSULE**

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PRAVEEN CHAKRAVARTY SAYS THERE IS EROSION OF 'TRUST' AND 'TRUSTWORTHINESS' BETWEEN STATES AND CENTRE

# The end of the road for India's GST?



tax filing systems to restore GST to its initial promise is akin to applying a pain balm to an injury that needs surgery.

The States paid a huge price for GST in terms of loss of fiscal autonomy. The promised economic gains are invisible, and India's federalism has been ruptured.

GST has endured so far primarily because the States were guaranteed a 14% growth in their tax revenues every year, which minimised their risks of this new experiment and compensated for their loss of fiscal sovereignty.

In a situation where the States have no taxation powers, their GST revenues are uncertain, the supposed economic benefits seem phantom, and the hypocrisy of 'cooperative federalism' looms large, what is the incentive for States to continue in a GST regime?

Technocratic cheerleaders of GST failed to factor in India's unique political economy and its ramifications. Striking a balance among diverse interests of India's numerous parties in a larger political climate of spite and suspicion to arrive at a uniform tax policy for the nation is a near impossibility.

The tapestry of India's GST was stitched on a fabric of implicit trust and painted with vibrant economic colours. The fabric is now torn and the colours have faded.

Praveen Chakravarty is a political economist and Chairman of the Data Analytics department of the Congress party

The 43rd meeting of the Goods and Services Tax (GST) Council is to be held on May 28. Representatives of 31 States and Union Territories are expected to attend.

States are dependent on GST collections for nearly half of their tax revenues. The GST Council was mandated to meet at least once every quarter, but it had not met for two quarters, ostensibly due to the pandemic.

The representative from West Bengal will attend the meeting against the backdrop of the Centre using investigative agencies to selectively target and incarcerate some of the State's ministers, soon after their election victory.

stealthily passed legislation to strip the elected Delhi government of its governance powers. The list is endless. These are not acts in the spirit of 'cooperative federalism'.

## The Trust Game

The GST Council is not an inanimate economic body. It is a compact of trust between the States and the Centre, set in the larger context of India's polity.

The 17 members of the ruling dispensation and the 14 members of the non-BJP dispensation

in the GST Council represent exactly one half of India's population each. However, the non-BJP group contributes a higher share of 60% of overall GST revenues and accounts for 63% of the country's GDP.

The 15th Finance Commission report formally acknowledges that GST has been an economic failure that did not deliver on its early promises.

## Problems underpinning GST

Economists and commentators point to the multiple rates structure, high tax slabs and the complexity of tax filings as the problems underpinning India's GST.

DEBMALYA NANDY HIGHLIGHTS THE NEED TO STRENGTHEN THE PUBLIC DISTRIBUTION SYSTEM AND THE MGNREGS

# Tackling the country's rural economic distress



Several States are under lockdown again. This will have severe implications for the livelihoods of those in the informal sector.

A few months ago, the Right to Food campaign and the Centre for Equity Studies published a 'Hunger Watch' report which compared the pre-lockdown situation last year to the situation in October 2020

The migrants have again become vulnerable due to the lockdown in different cities. While many have once again headed to their villages, a large population has got stranded in different parts of the country without work.



## Inadequate provisions

The Centre had allocated Rs 73,000 crore for 2021-22 for MGNREGS and notified an annual increment of about 4% in wages. Both these provisions are inadequate to match the requirements on the ground.

A large population is facing hunger and a cash crunch. The situation is only becoming more dire as the pandemic continues to rage on.

Debmalya Nandy is member of NREGA Sangharsh Morcha. Views expressed are the author's own

reaching out to workers for providing essential help. According to them, 81% of the people whom they reached out to said that work had mostly stopped since April 15, 2021 and 76% of the workers said they are short of food and cash and require immediate support.

In this context, there is an urgent need to strengthen the public distribution system (PDS) and the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS).

PDS coverage immediately and include all eligible households under the schemes. According to an independent study, about 100 million people are excluded from the ration distribution system owing to a dated database based on the 2011 Census.

The Centre should also extend the free foodgrains programme to a year instead of limiting it to two months. The economic crisis is likely to last for a long time.

## FIVE OBSERVATIONS

ON WHATSAPP PRIVACY POLICY AND NEED FOR DATA PROTECTION LAWS

**1 CHINA'S NEW THREE-CHILD POLICY** Experts blamed the policy for making China's population age faster than other countries, impacting the country's growth potential.

**2 OLYMPICS DURING PANDEMIC** A green signal to the games by IOC and the Japanese govt, despite the raging pandemic, is unwise. If Japan is the first to call off the games, it has to pay a hefty penalty to IOC.

**3 POWER CUTS DUE TO STORM IN PUNJAB** Storm bares Punjab's power; blackout in several districts' is grim reminder of the bad condition of PSPCL. With paddy season about to start, power engineers are worried how to cope with the situation.

**4 THE REAL HEROES** It is heartening to see the gurdwaras stepping up the essential facilities for Covid patients. Such places of worship had become hospitals and were giving 24-hour service to all.

**5 CORONA- DON'T TAKE IT FOR GRANTED** The second wave seems to be subsiding, but it's way too early to take it easy. Nobody is safe until everyone is safe — it's as simple as that.

**LETTERBOX** Readers' feedback adds value to the newspaper. Please email comments on reports, features and columns to fletters@gmail.com. We will publish them on this page.

## BOOKS: REVIEW

# Book documents how 7 migrants pedalled home

Filmmaker Vinod Kapri has come out with a book that documents a seven-day arduous journey undertaken by seven migrant workers on their bicycles from Ghaziabad in Uttar Pradesh, battling hunger and exhaustion to reach their homes in Bihar during the 2020 lockdown.

"1232 km: The Long Journey Home" is about this trip by Ritesh Kumar Pandit, Ashish Kumar, Ram Babu Pandit, Sonu, Krishna, Sandeep Kumar and Mukesh to Sahara in Bihar that spanned 1,232 km. A documentary based on this journey, directed by Kapri, has just been released on Disney+ Hotstar.

"When I set out on this journey, I had a deep curiosity about what makes the migrant labourers bi-

cycle 1,232 km without food or any help in such extreme circumstances. I wanted to know who these people are. I wanted to see them up close," Kapri says about his book, published by HarperCollins India.

"This is not only a journey about courage, willpower or grit. It is about good and bad people in our society. The migrants I filmed were getting unexpected help from strangers, while the authorities, who one would expect cooperation from, were harassing them," he says.

Kapri, who has won a National Award for his film "Can't Take This Shit Anymore" (2014), says as a filmmaker, he saw the migrant exodus right from day one through

'... All I can say is these seven labourers represent the desperate millions you saw during the lockdown on your television screens, crying, hassled and dejected'

the perspective of a documentary.

"I initially had no plans of writing a book, though I did feel that the camera couldn't catch many aspects of the journey (partly because I had set strict rules for shooting that gave the seven men their privacy and the right to speak to the camera at a time of their choosing and only if



1232 km: The Long Journey Home By Vinod Kapri, HarperCollins, 232 pages, Rs223

they wished to," he says.

He had used his phone to jot down his thoughts, observations and notes of what the men had shared at other times.

He thus decided to write about this "memorable and unbelievable journey." "They had cycled, walked, and occasionally been given a lift by a kind truck driver. They had covered 1,232 kilometres in unimaginable conditions - braving police lathis, starvation and heat - wavering between fear and hope," Kapri says.

According to Ridhima Kumar, commissioning editor at HarperCollins India, "The painful images of labourers (often with children) walking or cycling home at the peak of summer will long remain implanted in my memory.

Here's an incisive reportage of the seven of them, angry and frustrated yet full of hopes and dreams, on their way home - 1,232 kilometres away." Kapri says the exodus was covered on TV and by the newspapers.

"But it's very hard to understand just how hard these journeys were. They were difficult, life-threatening and almost impossible - as much for these seven men, as for those millions who undertook them."

But, why only these seven labourers?

"... All I can say is these seven labourers represent the desperate millions you saw during the lockdown on your television screens, crying, hassled and dejected," he says.

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