

## Budget 2022



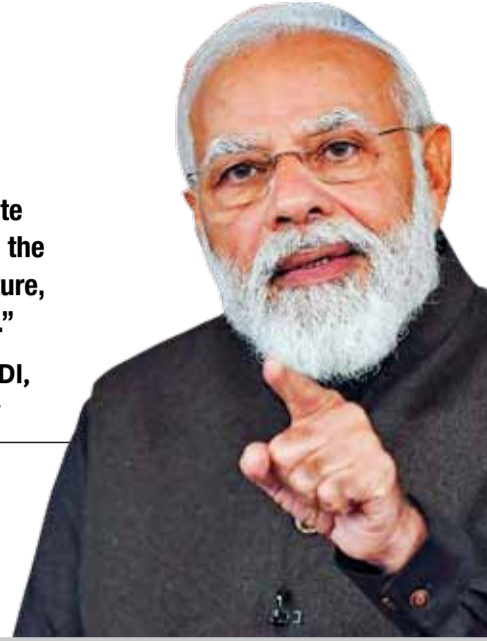
**BANKING & FINANCE**  
Crypto not currencies as they are not issued by the central bank: FM **P4**

**ECONOMY & POLICY**  
Lower, middle and higher income groups tend to agree mostly on Budget **P5**

**INDUSTRY**  
PM-DevINE to boost livelihood activities for youth, women in NE: Industry bodies **P7**

“The Budget is people-friendly and progressive. Along with strengthening economy, it will create new opportunities in the sphere of infrastructure, investment and jobs.”

**NARENDRA MODI,**  
Prime Minister



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### VANTAGE POINT

**Delhi govt receives 1,300 responses from people for its 'Swaraj Budget'**  
Delhi Budget 2022-23 will bring back the derailed economy of the city on track and foster economic growth **P2**

**Budget focuses on welfare: Nadda**  
The Union Budget focused on upliftment of the poor and weaker sections **P3**

**66.8 pc feel Budget will strengthen the economy**  
The Budget well when it comes to long-term prospects despite the hardships they are facing at the moment **P5**

**Govt cuts customs duty on some mobile parts**  
The govt on Tuesday announced duty concessions on certain mobile phone parts that may make some of the mobile handsets cheaper. **P7**

## EYE ON 8% GROWTH

WITH 35% HIKE, HUGE PUSH FOR CAPITAL EXPENDITURE; DIGITAL ASSETS TAXED

**NEWDELHI:** With a special focus on capital expenditure, Union Finance Minister Nirmala Sitharaman presented a bigger Rs 39.45 lakh crore Budget 2022-23 in Lok Sabha. Eyeing 8% growth in the upcoming fiscal, the government has planned to extend Rs 1 lakh crore interest-free loans to states. The personal income tax rates have been left untouched. The growth projection is based on oil price projection of \$70-75 per barrel next fiscal and against the current price of \$90. The CapEx head saw a rise by 35.4%, around Rs 2 lakh crore, as the economic blueprint pegged it at Rs 7.50 lakh crore against the last year allocation of Rs 5.54 lakh crore. In the current financial year, the growth rate is expected to be 9.2%. The draft also indicates that economic activity has recovered to pre-pandemic level and it is well placed to take on challenges in 2022-23. The Finance Ministry has increased tax deductions for investments in pension schemes for government employees



besides proposing 30% tax on cryptocurrencies. The fiscal deficit has plunged to 6.9%. This is estimated to be at 6.4% in the next financial year. National Highways will be extended by 25,000 km with

### Nothing for poor, middle class: Rahul

**NEWDELHI:** Terming it a “zero-sum budget”, Congress leader Rahul Gandhi alleged that the Union Budget 2022-23 had nothing for those hailing from poor and middle class families. “There is despair all around our country, our youth have no future and once again the Modi govt’s budget completely ignores this painful reality,” he wrote on Instagram. Meanwhile, taking a dig at him, Finance Minister Sitharaman said Rahul, as a leader of the oldest political party, should understand what was being said.



a hike of Rs 1 lakh crore. The scope of PM GatiShakti National Master Plan will encompass the seven engines — Roads, Railways, Airports, Ports, Mass Transport, Waterways and Logistics Infrastructure — for economic transformation, seamless multimodal connectivity and logistics efficiency. The MGNREGA’s allocation is Rs 73,000 crore. The fund for Rural Development Department has been hiked to Rs 1,35,944 crore. In agriculture sector, the government will boost the use of Kisan Drones for crop assessment, pesticide spray and land record

### Who Said What



“The visionary Budget will help make India the world’s leading economy. The Budget will change the economy scale. Its size (Rs 39.45 lakh crore) shows our economy is rapidly growing even in the pandemic.”

**AMIT SHAH,** Union Home Minister



“The Budget is mostly for capitalists. The country is gradually turning into unequal as nothing is offered to the poor and the farmers while sops have been provided to the big industrialists.”

**P. CHIDAMBARAM,** Former Finance Minister



“People had high expectations from the Budget during Covid period. It has left people disappointed as the Union Budget offers nothing for them. Nothing has been done to bring respite from inflation.”

**ARVIND KEJRIWAL,** Delhi Chief Minister

### WHAT'S UP



- Headphones
- Earphones
- Smart meters
- Imitation jewellery
- Solar modules
- X-ray machines
- Electronic toys
- Unblended fuel
- Loudspeakers
- Solar cells
- Umbrellas

### WHAT'S DOWN



- Phone camera lens
- Phone charger
- Methyl alcohol
- Polished diamond\*
- Computer, laptop
- Apparel
- Frozen mussels
- Cocoa beans
- Acetic acid
- Asafoetida

\* Barring diamond traders, the Budget has nothing much to offer to the jewellery industry.

### THE HIGHLIGHTS

Following are the highlights of the 2022-23 Budget presented by Finance Minister Nirmala Sitharaman:

#### HEALTH AND SANITATION

- The Ministry of Ayush has got Rs 3,050 in the Union Budget 2022-23, a slight increase of 2.69% from 2021-22 when Rs 2,970 crore was earmarked for the same.
- Budget documents show that the spending on medical and public health has been reduced from Rs 74,820 crore in 2021-22 to Rs 41,011 crore in 2022-23 due to lower requirement of vaccination.
- The health sector has been allocated Rs 86,200.65 crore. This is an increase of 16 per cent over Rs 73,931 crore in 2021-22.

#### DEFENCE

- The defence budget has been hiked to Rs 5.25 lakh crore from last year when the allocation was Rs 4.78 lakh crore.
- The major thrust is on procurement of weapons and military platforms from domestic players as well as to involve them in defence research and development.
- According to Finance Minister Nirmala Sitharaman, 68% of the outlay for defence procurement will be set aside for buying from domestic industry and that 25% for defence research and development (R&D) will be kept for collaboration with the private sector.
- An independent nodal umbrella body will be set up for private players to meet their requirements for testing and new technologies and to get the certification.
- The overall defence budget of 5,25,166 crore including Rs 1,19,696 crore for defence pensions is an increase of 9.8% compared to last year’s total outlay. The defence budget excluding the pension component stands at Rs 4,05,470 crore.
- Separately, Rs 20,100 crore has been set aside for the Ministry of Defence (civil).

#### EDUCATION

- The allocation for the education sector has been increased to Rs 1.04 lakh crore from Rs 93,224 crore (Budget estimate) in 2021-22.
- The Finance Minister, Nirmala Sitharaman, laid emphasis on digital modes of education to reverse learning losses caused by the Covid pandemic. The revised estimate for 2021-22 is Rs 88,001 crore.
- ‘One class-one TV channel’ programme of PM eVIDYA will be expanded from 12 to 200 TV channels. This will enable all states to provide supplementary education in regional languages for Class I-XII.
- School education has got Rs 63,449.37 crore, SamagraShiksha Abhiyan Rs 37,383.36 crore, Kendriya Vidyalayas Rs 7,650 crore and Jawahar Navodaya Vidyalayas Rs 4,115 crore. Higher Education has been allocated Rs 40,828 crore

#### AGRICULTURE

- The Ministry of Agriculture and Farmers’ Welfare has got Rs 1,32,513 crore, which is a hike of 4.5 per cent than the last year’s budgetary allocation.
- Rs 6,407.31 crore has been kept aside for the Ministry of Fisheries, Animal Husbandry and Dairying. This is around 44 per cent compared to the last year’s sum.
- The Food Processing Industry has been allocated Rs 2,941.99 crore, a hike of over 200 per cent.
- Pradhan Mantri Kisan Yojana has been allocated Rs 6,75,000 crore and crop insurance scheme Rs 15,500 crore.

## Opposition leaders see Lollypop, Pegasus spin in govt blueprint

**NEW DELHI:** Amid the Central leadership hailing the Budget as people-friendly, Opposition leaders have slammed the government, terming it a “Pegasus spin budget”. After Finance Minister Nirmala Sitharaman presented the Rs 39.45 lakh crore Budget 2022-23 in the Lok Sabha, Congress leaders, including Rahul Gandhi, said it was a “Lollypop budget”. They alleged it had exposed the government’s “anti-farmer and anti-poor” face. West Bengal Chief Minister Mamata Banerjee termed it a “Pegasus spin budget” that provided nothing to the common people who have been “crushed” by unemployment and inflation. Senior Congress leader and former finance minister P Chidambaram dubbed the



Budget as “the most capitalist” and said the country was turning into “very unequal” as nothing is offered to the poor and the farmers while sops have been provided to the big industrialists. Congress general secretary Priyanka Gandhi Vadra said the Budget was nothing but an attack on subsidies and old rhetoric. The Congress wrote on Twitter that the salaried and middle classes waited in

“Why are those who amassed wealth during the pandemic, while joblessness, poverty grew, not being taxed more?”

anticipation for a Budget to help them through their troubles, but the Lollypop Budget has proved that time spent waiting for ‘achhe din’ to come under BJP rule is nothing but time wasted.” Delhi Chief Minister Arvind Kejriwal dubbed the Union Budget as “disappointing” and said it has nothing for the common people. CPM general secretary Sitaram Yechury questioned the

government on the purpose of the Budget and asked why the wealthy have not been taxed further. “Budget for whom? The richest 10% Indians own 75% of the country’s wealth. The bottom 60% own less than 5%. Why are those who amassed super-profits during the pandemic, while joblessness, poverty & hunger have grown, not being taxed more?” Yechury asked in a tweet. Bahujan Samaj Party chief Mayawati said the Budget has been brought to “woo the public with new promises” and alleged that the Centre has forgotten to implement its old announcements. Swaraj India president Yogendra Yadav said the government took its “revenge” on farmers for leading a successful movement against the now-repealed farm laws. **AGENCIES**

### NEW POLICY

## 30% tax, but crypto won't be legal: Govt

**FINANCE SECRETARY TV SOMANATHAN SAYS CRYPTOCURRENCY, JUST LIKE GOLD & DIAMOND, WILL NEVER BE A LEGAL TENDER**



**MUMBAI:** Presenting the Budget, Finance Minister Nirmala Sitharaman proposed to tax any virtual digital asset at 30 per cent and impose a 1 per cent tax deduction at source of transactions above a monetary threshold. Sitharaman said it should not be seen as a step towards legalising or recognising cryptocurrencies. “There is a process of consultation, which is going on, about crypto,” she said. Though it made some experts feel that the measure was a step towards legitimising it, a day later, Finance Secretary TV Somanathan cleared the air that

cryptocurrency would never be a legal tender. In an interview, Somanathan said just like gold and diamond, despite being valuable, are not a legal tender, private cryptocurrencies too will never be a legal tender. Earlier, Sitharaman said taxing the digital currencies was justified as there had been a phenomenal increase in transactions in virtual digital assets,

making it imperative to provide for a specific tax regime. There will also be no deduction in respect of any expenditure or allowance except the cost of acquisition while computing this income. Also, the loss from transfer of virtual digital assets cannot be set off against any other income. Estimates put the number of crypto investors between 1.5 and 2 crore.

In order to capture the transaction details, Sitharaman also proposed TDS on payment made for transfer of virtual digital at 1%. Gift of virtual digital assets is also proposed to be taxed in the hands of the recipient, she said. Security agencies have expressed concerns over the misuse of digital coins on Dark Web for terror acts, drugs trafficking and money laundering. “Virtual digital assets have gained tremendous popularity in recent times and the volumes of trading in such digital assets has increased substantially. Further, a market is emerging where payment for the transfer of a virtual digital asset can be made through another such asset. Accordingly, a new scheme to provide for taxation of such virtual digital assets has been proposed in the Bill,” the explanatory memorandum of the Finance Bill notes. **AGENCIES**

**BUDGET ALLOCATION**

THE HEALTHCARE SPENDING HAS BEEN DOUBLED TO RS2,23,846 CRORE AND RS35,000 CRORE SET ASIDE FOR DEVELOPMENT OF TWO COVID VACCINES, IN ADDITION TO COVISHIELD AND COVAXIN.

**BUDGET 2022**

**WHAT THEY SAY**



On behalf of the Ministry and all stakeholders, I express our deep gratitude to the PM for extending the tenure of the Khelo India Scheme for another five years”

**ANURAG THAKUR**  
Sports Minister



It's the platform where all state governments participate and let the union finance ministry know about their financial requirements, but unfortunately Maharashtra's finance minister Ajit Rao Pawar didn't attend the meeting, even after repeated calls”

**DR BHAGWAT KARAD**  
MoS for Finance



Siddaramaiah said that the Union Budget, presented on Tuesday, has not given priority to any sector, not given solution to any of the problems, and is a 'sab ka vinash' budget”

**SIDDARAMAIAH**  
Karnataka Chief Minister



Andhra Pradesh's ruling YSR Congress Party (YSRCP) has termed the Union Budget 2022-23 "disappointing”

**V. VIJAYASAI REDDY**  
YSRCP Parliamentary Party leader

**Delhi govt receives 1,300 responses from people for its 'Swaraj Budget'**

**NEW DELHI:** The Delhi government has received 1,300 responses from the people ranging from setting up mohalla libraries to providing cheaper parking for electric vehicles for its 'Swaraj Budget', according to sources. Introducing "participatory budgeting" in Delhi, the government has sought the suggestions of people for its 2022-23 Budget. As on date, around 1,300 responses have been received from all sections of the society.



"The suggestions aim to overcome on-ground problems faced by the residents. A major share of responses concern the areas of education, health and economic growth, all of which the government devotes a major share of its budget to every year," said a source. Apart from these, citizens have also given their opinion on

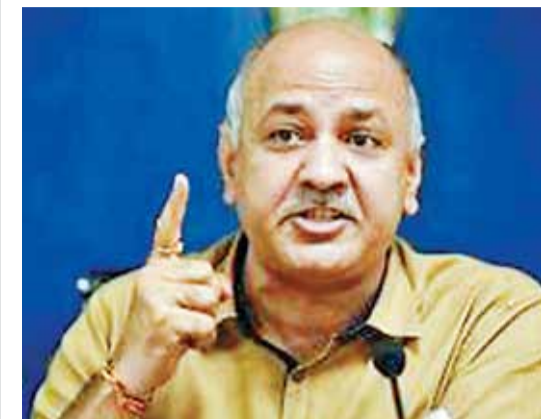
of small scale community solar power plants, localised sewage treatment plants, use of treated water for irrigation of parks, and e-waste collection from doorsteps.

Deputy Chief Minister Manish Sisodia, who is also the finance minister, had earlier said the Arvind Kejriwal government was conducting surveys to find ways to boost the capital's economy and increase job opportunities during the times of COVID-19. "Delhi Budget 2022-23 will bring back the derailed economy of the city on track and foster economic growth," he had said. The upcoming budget would be very important for industrial development and will focus on developing Delhi as a hub for business and services. Different schemes of public welfare, including education, health, electricity, clean drinking wa-

ter, would also be focussed on in the budget, he had said. Last year, the Delhi Government had called its budget for fiscal year 2021-2022, the Deshbhakti Budget. Under the Deshbhakti Budget, the Kejriwal Government had allotted 25 per cent of the funds to education.

During the 2021 Delhi Budget, the Deputy Chief Minister Manish Sisodia had announced the introduction of the 'Deshbhakti Curriculum' to instil the spirit of patriotism and nationhood among every child studying in Delhi government schools and prepare them to be responsible citizens who shall contribute to nation-building. The focus of the Deshbhakti Budget lay on key areas such as health, education and infrastructure including electricity and water supply. **AGENCIES**

**MCD should have been allocated some amount in Union Budget: Sisodia**



**NEW DELHI:** Slamming the Union Budget 2022-23, Delhi Deputy Chief Minister Manish Sisodia on Tuesday said that the Centre has not even allocated a single penny to the Municipal Corporation of Delhi (MCD).

"The Centre never allocates money to the Delhi government, but it should at least give something to MCD ruled by its own (BJP) party. Total Rs 69,421 crore have been assigned to the rest of the civic bodies in the country, except that of Delhi's," he said in a virtual press conference this evening. Noting that it is the Bharatiya Janta-led MCD which is always crying over not having enough money, he said: "The Central government should have given some-

thing to MCD to improve its condition." "Meanwhile, the Delhi government has been getting only Rs 325 crore from the Centre for last 21 years, whereas the rest of the states/Union Territories get Rs 8,16,000 crores. I mentioned this to the Union Finance Minister in a meeting but nothing has been done about it lately," Sisodia, who is also the state Finance Minister, said. He also termed the Budget "anti-farmer", "anti-education", "anti-health", and "anti-employment". Terming Budget 2022-23 "disappointing", Delhi Chief Minister Arvind Kejriwal said that it has nothing to ease the burden of common masses hit by the rising inflation amid Covid-19. **AGENCIES**

**Kashmiri Pandits demand 2.5 pc of J&K's annual budget for migrants' resettlement**

**SRINAGAR:** Kashmiri Pandits on Thursday demanded the inclusion of 2.5 per cent of Jammu and Kashmir's annual budget for resettlement and rehabilitation of Kashmiri migrants as recommended by the office of Prime Minister Na-

rendra Modi. In a statement, Satish Mahaldar, chairman of reconciliation and rehabilitation of migrants, an influential organisation of Pandits, said: "Finance department of J&K government has denied inclusion of 2.5 per cent of the

annual Budget towards Resettlement and Rehabilitation of Kashmiri Migrants despite the Recommendation from the office the Prime Minister of India through its communication reference number A16030/07/2020- J&K dated

11/02/2021 towards the Resettlement & Rehabilitation of Kashmiri Migrants.

"The Dept of Disaster Management, Relief, Rehabilitation and Reconstruction, Civil Secretariat Jammu has also submitted the

above recommendations to the Financial commissioner (Finance Department of J&K) for inclusion of 2.5 per cent of the annual Budget for Relief, Rehabilitation & Resettlement of Kashmiri migrants. **AGENCIES**

**Three more NE state capitals to be linked by rail 2024-2026: NFR**

**GUWAHATI:** One more northeastern state capital would be connected by railway by next year and three of the remaining four between 2024 and 2026, a railway official said on Thursday.



commissioned in 2024, and the 83-km-long Dimapur-Zubza (near Kohima) in Nagaland would be completed in 2026. "Meghalaya's commercial town Byrnihat (73 km from Shillong) would be linked by the railway line when the

works of the under construction new 22-km-long railway project would be completed in March next year," Gupta told the media in a virtual talk. Assam's main city of Guwahati (adjoining capital Dispur), Tripura capital Agartala, and Arunachal Pradesh's Naharlagun (adjacent to capital city Itanagar) are already connected on railway networks.

Gupta also said that the railways has been focusing about the international railway connectivity, particularly with Nepal, Myanmar and Bangladesh. **AGENCIES**

**Union Budget 2022-2023 garners mixed response from country's leading educationalists**

**NEW DELHI:** The Union Budget gains applause for digitalization of education and making it accessible at the grassroots level. Still, many believe more could have been done to elevate the quality of education as well. The leading names among the country's higher education fraternity welcomed the Union Budget 2022, announced by Finance Minister Nirmala Sitharaman on February 1. The sector appreciated the budget being in line with promoting human capital through digital tools such as the 'one class one TV channel' programme proposed under the PM e-Vidya scheme.



It laid out a progressive vision the Government holds for capitalizing on India's demographic advantages by suggesting a digital university, creating a conducive environment for inter-university collaborations, and introducing a number of skill development programmes. The Union budget 2022-2023 has allocated Rs 63,449.37 crore to the Department of School Education and Literacy, an increase of about 6.6 per cent (Rs 9,000 crore) over the current financial years. It sets a straight road for the Government to achieve its long-term mission of increasing the employability of the country's youth by promoting upskilling, reskilling and several learning measures equipping them with new-age skills. Dilip Puri, Founder & CEO, Indian School

of Hospitality, appreciated the move stating, "We welcome the new initiatives introduced by the Government in the Union Budget 2022 to revive and boost our economy. The Government has identified areas that need financial assistance and support, and a clear focus is laid on the education sector. The setting up of digital universities is a progressive move by the Government by reaching out to every student in the remote corners of our country, they will give them access to education by collaborating with world-class institutes and educators. We hope the execution comes through swiftly and accelerates the growth of edtech. We are also delighted that the Government showed specific interest to promote and facilitating upskilling and reskilling programmes. We hope through continuous skilling avenues we are able to direct our efforts towards skilling aspirants and increase employability in the hospitality

sector." Shishir Jaipuria, Chairman FICCI Arise and Chairman Seth Anandram Jaipuria Group of Educational Institutions, also commended the government's efforts in aligning the budget provisions with the progressive elements of National Education Policy 2020. Shishir Jaipuria said, "The Union Budget 2022 takes forward the vision of universalizing quality education as enshrined in the National Education Policy 2020. The decision to expand the PM e-VIDYA scheme to 200 TV channels and to also develop high-quality e-content in all spoken languages will benefit the students of grades 1 to 12, who suffered learning loss due to the closure of schools during the Covid-19 pandemic." The formation of Digital University, as announced in the budget, will be a laudable initiative. The Digital University will help to make world-class education accessible in different Indian languages to all students, even in far-flung areas. The simultaneous proposal to train teachers to build their competency and empower them to develop quality e-content will ensure better learning outcomes. I welcome the move to set up 750 e-labs in science and mathematics and 75 skilling e-labs that will nurture scientific temperament and critical thinking skills important for 21st-century learners. "Going beyond the e-learning initiatives, the government has rightly decided to designate five academic institutions as 'centres of excellence to deliver courses in urban planning and design. The move will take forward the vision of India-specific urban development. The budget 2022 is aimed at providing a major push to e-learning, reduce learning gaps and make education inclusive." Niranjan Hiranandani, Provost - HSNL University appreciated the government's construct of a well-rounded budget, promoting equal accessibility of education and growth mindset among students, irrespective of their backgrounds. Hiranandani said, "Industry lauds & welcomes the thrust to the digital ecosystem while focussing on building and upgrading the digital infrastructure for quality education. Setting up of digital universities will enhance the availability of education to the rural students following the hub and spoke model. **AGENCIES**

**Indians welcome financial inclusion, infrastructure and MSME emphasis**

**NEW DELHI:** One area where a majority of Indians approved of the Budget was its efforts to improve financial inclusion, infrastructure and further relief for the small-scale sector, which has been hit hardest by the Covid pandemic and its aftermath. Respondents to the IANS-CVoter Post Budget survey were asked what they thought of the Budget decision to integrate all post offices and their savings bank and other accounts with the banking system of the country. As many as 56.5 per cent of the respondents think

it is a very good idea while another 42.9 per cent say it is a good decision though more needs to be done.

The response was uniformly favourable across all income categories. Similarly, when asked their opinion on the decision by the Budget to invest in building 90 lakh new houses under the PM Awas Yojana, 56.8 per cent of the respondents felt that it was a very good decision, while another 31.2 per cent felt it was a good idea though more needed to be done. Appreciation of the continued

emphasis on infrastructure development was also reflected in the responses given by a majority of Indians.

When asked about their opinion on the Budget decision to invest Rs 20,000 crore in the coming year on highway expansion and to further launch 400 new Vande Bharat trains, 56.4 per cent of the respondents felt it was a very good decision while 30.7 per cent said it was a good decision though more needed to be done. The appreciation was spread consistently across all income groups. **IANS**

**4 plyboard plants to be set up in Haryana**

**SATISH HANDA**  
Haryana

The Haryana government has given permission to set up four plants to manufacture plyboard from crop residue on about six acres each. Costing Rs 5 crore each, the plants will be installed in Karnal, Sonapat, Panipat and Fatehabad in association with the assistance of Ministry of Micro, Small and Medium Enterprise (MSME).

a major problem for residents in Delhi and adjoining states Haryana, Punjab, Rajasthan and UP. It causes respiratory, heart and several other diseases. The Delhi government every year blames Haryana and Punjab for the pollution. Farmers are mostly blamed for the pollution as they burn stubble, inviting fine from the pollution control authorities. According to information, the technique to manufacture plyboard from crop wastes has been developed by the CSIR Bhopal and a plant was set up at Chinnai in South by a industry entrepreneur of Rajasthan expert in Indo-wood design technology to produce eco-friendly Fibre Composite Board from agriculture waste.

**Solar equipment makers to benefit from Budget FY23**



**NEW DELHI:** Domestic solar equipment manufacturers are expected to benefit from the Union Budget FY23's

proposals. In a report HDFC Securities pointed out that proposals such as additional financial allocation under

Production Linked Incentive (PLI) scheme for solar module manufacturing in India will boost the sector.

Accordingly, companies, Tata Power, L&T, Adani Enterprises, and Coal India, which plan to set up solar PV modules are expected to benefit out from this move, said the brokerage house.

Notably, to facilitate domestic manufacturing to reach the ambitious goal of 280 GW of installed solar capacity by 2030, an additional allocation of Rs 19,500 crore was made in the budget for the PLI scheme for manufacture of high efficiency modules, with priority to fully integrated manufacturing units from polysilicon to solar PV modules was made in the budget. Another proposal to replace existing safeguard duty with Basic Custom Duty on solar cells being increased from 20 to 25 per cent and on solar modules from 20 to 40 per

cent is expected to aid the industry.

"Significant boost to domestic solar cells and module manufacturing industry will as to compete with cheaper imported solar equipment provider." "Positive for domestic solar cells and solar module manufacturers like Tata Power, Adani Enterprises, L&T, Coal India, etc." Besides, proposal of issuing green bonds for mobilising resources for setting up green infrastructure projects in the public sector will further support the sector. Further, the budget has provided for giving infrastructure status to energy storage systems, including grid-scale battery systems. "Access to cheaper long-term finances for funding infrastructure projects in renewable and clean energy projects." **AGENCIES**

"AS INDIA CELEBRATES AZADI KA AMRIT MAHOTSAV, IT IS A BUDGET DEDICATED TO RURAL AND AGRICULTURE DEVELOPMENT, WELFARE OF OUR WORKERS, AND PROGRESS OF OUR HIMALAYAN AND NORTH-EASTERN STATES"

# Budget focuses on welfare: Nadda

THE UNION BUDGET FOCUSED ON UPLIFTMENT OF THE POOR AND WEAKER SECTIONS

**NEW DELHI:** BJP chief J.P. Nadda on Tuesday said that the Union Budget focused on welfare and upliftment of the poor and weaker sections and it will empower the poor and make them self-reliant.

In a statement, Nadda said, "As India celebrates Azadi Ka Amrit Mahotsav, it is a budget dedicated to rural and agriculture development, welfare of our workers, infrastructure development, and progress of our Himalayan and North-Eastern States." "The budget also emphasizes the commitment of the Narendra Modi government towards social justice, equality, life with dignity and equal opportunity to all. The budget will further facilitate 'ease of living', which has been the hallmark of the BJP government led by our Prime Minister Modi," he said. Referring to budget outlay, he said that in the budget the expenditure has been pegged at Rs 39.45 lakh crore which showcases India's strength as a rapidly growing economy and the government has also done a



commendable job in reducing the fiscal deficit target from 6.9 per cent to 6.4 per cent. Nadda mentioned that the union budget comes at a time when India, under the leadership of Prime Minister Modi, is fighting a decisive battle against the Corona pandemic.

"This Budget fulfills the hopes and aspirations of all sections of the society, particularly the micro, small and medium enterprises sector, besides giving India's infrastructure development a whole new dimension. The budget is not a one-year economic agenda, our budget is a solid blueprint of the coming 25 years of economic development that will lay a strong foundation of making India world's strongest economy and a developed nation," BJP chief said.

Nadda congratulated and thanked Prime Minister Modi, Finance Minister Nirmala Sitharaman, and her entire team for giving such a progressive and growth-oriented budget which touches the lives of all sections of our society, and it addresses the needs of all sections of our economy. Nadda lauded several announcements like Rs 1 lakh crore Gati Shakti Yojna, provision for construction of 25,000

BUDGET WILL MAKE INDIA STRONG: FADNAVIS

**PANAJI:** Former Maharashtra Chief Minister Devendra Fadnavis said on Tuesday that the new Union Budget presented by Finance Minister Nirmala Sitharaman will lay the foundation for a modern, self-reliant and strong India. Speaking to reporters in Panaji, Fadnavis also said that the budget would put India on the global digital map with its strong initiatives in the digital currency sector and use of improved technology for governance and popular benefit. "The budget is aimed at making India a modern, self-reliant and strong country," said

Fadnavis, who is the Goa in-charge for the February 14 Assembly polls. "It is an inclusive budget and one which will take the country on the path of development. The most important thing is that even after the pandemic, the budget has estimated growth of 9.2 per cent, which shows that India can become the fastest growing economy. This is proof of a self-reliant and strong India." **AGENCIES**



## Nothing new for common man in the Budget: Opposition

**NEW DELHI:** Opposition parties on Tuesday said that there was nothing for the common man in the Budget 2022-23 and it only served the interests of the corporate sector. Reacting to the Budget presented by Finance Minister Nirmala Sitharaman, Leader of Opposition in the Rajya Sabha Mallikarjun Kharge said that this budget was not for the poor but only for the rich people.

"You are reducing the corporate taxes, doing dis-investments, you are not filling up the vacancies and you are talking about new jobs. The government has promised to build four crore houses but they built only two crore and now they again said that 80 lakh new houses will be built," the Congress leader said.

On unemployment, he said: "The government has failed to fill the existing vacancies... how can I believe that they will be providing new jobs to people. A total of 32 lakh vacancies are there in both state and Central government, they should first fill these vacancies and then talk about the new jobs." Shiv Sena Rajya Sabha member Priyanka Chaturvedi said that her initial impression was that this Budget would be "a very interesting and transformational one, but when it was elaborated, we realised that there was nothing for the common people". "There is nothing to reduce the burden of expenses of the 'aam aadmi' and also nothing to increase their income.

This was unfortunate that the government of India has missed the opportunity. Rejecting the government's claim that this was a futuristic Budget, she said how could this be futuristic "when you are not giving anything to the hands of the common people". "The government is not addressing the biggest challenge of unemployment that the country has been facing and they continue to talk about a futuristic budget your data do not match up to the reality," she added. Congress MP Shaktisinh Gohil said that this Budget lacks foresightedness and direction.

"The people of the country were expecting some relaxation and the Economic Survey presented yesterday, indicated that the income of the majority of the population was shrinking because of many factors including Covid pandemic the citizens of the country were waiting that the government will do something for them but there was nothing for them in the Union Budget." This government has extracted over Rs 1,40,000 crore from GST but when people wanted some relaxations from the government, they were thoroughly disappointed, Gohil added. RJD Rajya Sabha member Manoj Kumar Jha, asked for his reaction on the Union Budget, said that he looked for a reaction but he did not find it. "This is one of the most tasteless Budgets I have seen, this is one of the Budgets where I cannot see a green signal in any direction.

The idea of the Budget should have been to give relief to the common people but did you get anything fundamentally to get relief to neither the poor nor to the middle class," he said. "My biggest concern, a scary concern, is the issue of unemployment." **AGENCIES**

But actions matter more. On that front, the Modi govt is on a destructive path." **AGENCIES**

### WHAT THEY SAY



**CONG LEADER AND FORMER KARNATAKA CM SIDDARAMAIAH** said that the Union Budget has given neither priority to any sector, nor solution to any problems. It's 'sab ka vinish' budget.

SIDDARAMAIAH  
Former Karnataka CM



The Union Budget 2022-23 is such a budget that appears to have forgotten welfare of the country's people. The Budget presented in the Parliament by Union Finance Minister Nirmala Sitharaman is a usual budget and it has nothing more than decorative words"

M.K. STALIN  
Tamil Nadu CM



"Central Government, through this budget, is helping the common people to earn more, especially farmers. The Centre has shown commitment to purchase more quantities of paddy and wheat. It will help farmers earn money. There is also a provision of 80 lakh houses under the Prime Minister affordable housing projects which will help the poor get their own houses"

NITISH KUMAR  
Bihar CM



I congratulate 25 MPs of our state and also our CM. The Union Govt has rained sops and funds on K'taka. The state has a big zero in all sectors. There is no reference to the state in the central budget"

D.K. SHIVAKUMAR  
State Congress President

## 'Zero Sum budget', Rahul Gandhi slams Modi govt

**NEW DELHI:** After the presentation of the Union Budget former Congress President Rahul Gandhi has said that its a zero sum budget by the Union Government. Rahul Gandhi tweeted, "Modi Government's Zero Sum Budget!" In his tweet, Rahul Gandhi deliberately put the figure 'zero' instead of the letter 'O', criticising the Budget in totality. He further said, "Nothing for the Salaried class,

Middle class, The poor & deprived, Youth, Farmers and MSMEs."

Earlier, Congress Chief Spokesperson Randeep Singh Surjewala said, "India's salaried class & middle class were hoping for relief in times of pandemic. All round pay cuts and back breaking inflation. FM & PM have again deeply disappointed them in Direct Tax measures. This is a betrayal of India's Sala-



After the presentation of the Union Budget former Congress President Rahul Gandhi has said that its a zero sum budget by the Union Government'

ried Class & Middle Class. #Budget2022" However, the Finance Minister, in some relief to the taxpayers, announced that updated income tax returns can now be filed within two years. But there was no change

## MVA mauls 'aimless, meaningless' Union Budget

**MUMBAI:** In a sharp critique of the Union Budget 2022-23 presented by Finance Minister Nirmala Sitharaman, leaders of Maharashtra's ruling MVA on Tuesday slammed it as an "aimless, disappointing and meaningless" exercise while continuing the tradition of meting out injustice to the state. Leading the Maha Vikas Aghadi (MVA) charge, Chief Minister Uddhav Thackeray said the budget has been a let-down on all fronts for all sections of society, despite high expectations owing to the havoc caused by coronavirus in the past two years. "The Covid-19 pandemic has hit every sector of the economy especially the MSMEs or jobs while dependence has increased on agriculture, but nothing has been said to address these critical issues," he said.



He labelled the budget as "frustrating on all fronts with nothing for farmers, labourers, middle-class, small traders, women, unemployed, students, Dalits or minorities barring the select few industrialist friends of the BJP government" and eyeing the upcoming Assembly elections in five states. Shiv Sena's farmer face, Kishore Tiwari attacked the budget for keeping mum on burning issues of the peasantry like economic problems afflicting farmlands, hiking the MSP, promise to double the farmers' incomes, crop insurance, crop loans, but instead resorting to slash subsidy on foodgrains for the poor which is unjust. He said the Centre has not said anything on how it will credit MSP directly to the farmers, or the increased production costs considering the spiralling prices of fertilisers, seeds, diesel, and overall inflation.

He urged all the MPs from the state to take the issue with the Central leaders. Congress legislative party leader and Revenue Minister Balasaheb Thorat said while unemployment has skyrocketed to its highest levels ever, the government is showing false dreams of new 60 lakh jobs without any strategy, either to protect existing jobs or for opening up newer employment opportunities.

While lauding the Centre's move to allocate Rs 15,000 crore interest-free loans to states for capital expenditure and hiking the provision for next year to Rs 1 lakh crore, Thackeray urged that the government should not impose tough conditions for this or the states would not get any benefits from the increased limits. Deputy Chief Minister and Finance Minister Ajit Pawar said that the budget is full of hollow announcements and even the claim of it being a "blueprint for 25 years" development will go up in the air like similar ones of 'Make In India' or 'Atmanirbhar India'. Accusing the Centre of "continued injustice", Pawar said the government collected a total GST of Rs 220,000 crore in the current fiscal including Rs 48,000 crore from Maharashtra, but in return, the state got back only Rs 5,500 crore, and

## J&K gets Rs 35,581.44 cr as Central assistance in Union Budget

**NEW DELHI:** The Union Budget on Tuesday allocated Rs 35,581.44 crore to the Union Territory (UT) of Jammu and Kashmir for the financial year 2022-23 as part of the central government's assistance and grants. While Jammu and Kashmir has been given Rs 35,581.44 crore for 2022-23, as compared to Rs 34,704.46 crore in the current fiscal, Ladakh has been allotted Rs 5,958 crore, same as the current fiscal.



The bulk of the funds is under central assistance. The erstwhile state of Jammu and Kashmir was bifurcated on August 5, 2019 into two UTs Jammu and Kashmir

and Ladakh after the abrogation of Article 370. Both the UTs are currently under central rule. The Budget has also allocated Rs 273 crore as grants

NGOs working for the elderly, children, women and the disabled have expressed their displeasure over the budgetary allocation in the social sectors and raised concern over the "reduction" in funds for various schemes. The budget allocated to the Women and Child Development Ministry stood at Rs 25,172.28 crore in 2022-23, a slight increase of three per cent from 2021-22 with cut-backs in some schemes. For the Social Justice and Empowerment Ministry, budgetary allocation increased by 12 per cent but the outlay for several schemes has been reduced. Puja Marwaha, CEO at Child Rights and You (CRY) said, "While there has been an increase in absolute terms, there has been a reduction in the share of child budget in the overall allocation." "In terms of overall allocations, there is an increase of Rs 7,023.94 crore. But compared to last year, there is a 0.11 percentage point reduction in the share of allocation for children. Despite the huge toll the Covid pandemic has taken on children, their share in the budget has further fallen this year," she said. This year's budgetary al-

## Social sector's grant worries NGOs



locations for children as a proportion of the Union Budget is the lowest in the last 10 years. It has reduced by 2.41 percentage points, Marwaha said. "In terms of GDP, the percentage share of child budget of the GDP was 0.38 in 2021-22 budgetary estimates, which has dropped to 0.36 in 2022-23." The Kailash Satyarthi Children's Foundation (KSCF) said a decline is noted in the allocation for the National Child Labour Project (NCLP). The allocation for NCLP has been reduced to a paltry Rs 30 crore from Rs 120 crore during FY22, it said. An analysis of the last few years indicates a continuous reduction in the budgetary allocation for NCLP, the foundation said. With a budgetary allocation of Rs 30 crore, the existing institutions which are a part of the project will face great financial distress and may even find it difficult to function, it said. HelpAge India said there were high expectations from the budget given the pandemic

The Union Territory of Ladakh has been allotted Rs 5,958 crore, same as the current fiscal. Jammu and Kashmir's share has been given a hike as it is Rs 35,581.44 crore whereas Rs 34,704.46 crore had been allocated last time. Andaman and Nicobar Islands gets Rs 5,763.65 crore.

proposal for the current fiscal, with a hike of 6.98 per cent, the Union Territory of Andaman and Nicobar Islands has been allocated Rs 5,763.65 crore, an increase of Rs 376.24 crore from last year's Rs 5,387.41 crore. For Chandigarh, the total allocation is Rs 5,382.79 crore for the 2022-23 fiscal, an increase of Rs 196.67 crore from Rs 5,186.12 crore allotted in the year 2021-22. The Dadra & Nagar Haveli and Daman & Diu has been allocated Rs 3,781.10 crore, an increase of Rs 217.51 crore (6.10 per cent) from last year's Rs 3,563.59 crore.

which has adversely affected the income, pension and health needs of the nearly 14 crore elderly population. "The budget has left those unaddressed," it said. Prioritising vaccination of the elderly is commendable. But bolstering and integrating geriatric care within the public health system is an urgent need, HelpAge India said. "We hope the overall ecosystem takes on an elderly-inclusive approach through the various schemes and provisions put in place, such as enabling senior citizens access within National Digital Health framework and including age-friendly cities in the paradigm shift envisaged in urban planning," it said.

The National Federation of Indian Women (NFIW) alleged that the Budget "does not reflect the existing socio-economic reality of our country." "It is a budget for increased corporate profit in the name of development and at the cost of the people," it alleged. "The 'Saksham Anganwadis-Poshan 2', integrating different schemes for health and nutrition of children up to six years and adolescent girls and pregnant and lactating women, did not get a further allocation. Sitharaman said 2 lakh Anganwadis will be upgraded but there is no enhancement in allocation." The NFIW demanded immediate action and legitimate allocations to address this "crisis and ensure our constitutional Right to a Life with dignity". It is imperative that the government addresses malnutrition and anaemia by strengthening the public distribution system, it said. Muralidharan, the General Secretary of the National Platform for the Rights of the Disabled (NPRD), said President Ram Nath Kovind's address to the joint sitting of both Houses of Parliament had rekindled some hopes in the disabled community. "Such hopes were completely belied the very next day... Unlike last time, which saw a nearly 12 per cent reduction in allocations to the Department of Empowerment of Persons with Disabilities, this time there has been a marginal increase," he said. Even then, there is a shortfall of Rs 112.97 crore as compared to the 2020-21 budget estimates, Muralidharan said. He said even the allocation to the Artificial Limbs Manufacturing Corporation of India (ALIMCO) has been drastically reduced from Rs 50 crore last year to a mere Rs 0.10 crore this time. **AGENCIES**

THE GOVERNMENT ALLOCATES A SUM OF RS 20,000 CRORE FOR PUBLIC SECTOR BANKS (PSBS) IN 2021-22 TO MEET REGULATORY NORMS.

**WHAT THEY SAY**



the budget numbers are realistic and the staggered transition to a lower fiscal deficit is in perfect consonance with the growth objective”

**RAJNISH KUMAR**  
Chairman, State Bank of India



This is a holistic budget that takes into consideration the needs of various sections of the population. PPP model is pronounced in this budget and this is indicative of the government's focus on involving private sector towards building aspirational India”

**CHANDRA SHEKHAR GHOSH**  
MD & CEO, Bandhan Bank



The Union budget presents the government's intent to boost consumption and support inclusive growth. The revision of the income tax rates and the option for individuals to opt for a simpler and lower tax regime is likely to incentivise consumer spending and stimulate demand”

**SUOJIT SHOME**  
CEO, DBS Bank India



“The Budget finely balances the objective of supporting growth while adhering to fiscal prudence in the medium term”

**ZARIN DARUWALA**  
CEO, India, Standard Chartered Bank

# Crypto not currencies as they are not issued by the central bank: FM



**CLARIFYING THE CENTRE'S STANCE ON CRYPTO-CURRENCIES, FINANCE MINISTER NIRMALA SITHARAMAN ON TUESDAY SAID THE GOVERNMENT DOES NOT RECOGNISE SUCH DIGITAL FINANCIAL ASSETS AS THEY ARE NOT ISSUED BY THE CENTRAL BANK**

**NEW DELHI:** Clarifying the Centre's stance on crypto-currencies, Finance Minister Nirmala Sitharaman on Tuesday said the government does not recognise such digital financial assets as they are not issued

by the central bank. The issue was raised during post-budget interaction with the Finance Minister as she introduced the Central Bank Digital Currency (CBDC) in her budget speech on Tuesday in the Parliament,

saying that it will give a big boost to the digital economy. The government's outlook on this is that the Digital currency will also lead to a more efficient and cheaper currency management system.

It was, therefore, proposed to introduce Digital Rupee, using blockchain, she said in the parliament while presenting the Budget 2022-23. “I said that the reserve bank (RBI) will be issuing a digital currency... a currency is a currency only when it is issued by a central bank, even if it's a crypto. So,

let's understand that we are not taxing currencies which are yet to be regularised,” Sitharaman said while clarifying the government's stance on crypto currency. In her budget speech, she said that in recent years, digital banking, digital payments and fintech innovations have grown at a rapid pace in the country.

She said the government is continuously encouraging these sectors to ensure that the benefits of digital banking reach every nook and corner of the country in a consumer-friendly manner. “Taking forward this agenda, and to mark 75 years of our independence, it is proposed to set up 75 Digital Banking Units in 75 districts of the country,” the Minister said. The financial support for the digital payment ecosystem announced in the previous Budget will continue in 2022-23. “This will encourage further adoption of digital payments. There will also be a focus to promote use of payment platforms that are economical and user friendly,” Sitharaman said in her budget speech on digital financial banking and digital payment ecosystem. **AGENCIES**

# India to get its own digital currency by RBI next year: FM



**MUMBAI:** Union Finance Minister Nirmala Sitharaman on Tuesday announced the launch of India's own digital currency by the RBI next year that will be based on Blockchain technology, while the much-expected Cryptocurrency Bill is yet to see the light of the day. With this, India will join certain countries that have their own central bank digital currency (CBDC) that refers to the virtual form of a fiat currency. “Digital rupee to be issued using Blockchain and other technologies by the RBI starting 2022-23. This will give a big boost to the economy,” said Sitharaman

in her Union Budget 2022-23 speech in Parliament. The Reserve Bank of India (RBI) has already been deliberating upon various aspects relating to the central bank digital currency and private crypto currencies.

The central bank has been working on modalities for central bank digital currency. However, it has expressed reservations on private cryptocurrencies. RBI Governor Shaktikanta Das has already said that cryptocurrencies are a very serious concern from the macro-economic and financial stability perspective. CBDCs are presently mostly in the hypothetical

stage, with some in proof-of-concept programmes. However, more than 80 per cent of central banks are looking at digital currencies.

China's digital RMB was the first digital currency to be issued by a major economy. On September 27, 2021, Tajikistan announced the creation of a CBDC with the Fantom Foundation, and Nigeria was the first African country to launch its CBDC on October 25. The Bank of America said in its recent report that a US CBDC would differ from the digital money currently available to the public because it would be a liability of the US Federal Reserve, not a commercial bank, and so would have no credit or liquidity risk. The US Fed has also published a discussion paper on the benefits and risks of a CBDC. Earlier, the Indian government was slated to introduce new regulations for cryptocurrency during the Winter Session of Parliament, which kicked off on November 29. **AGENCIES**

## Budget FY23: 1.5 lakh post offices to be brought under core banking system

**MUMBAI:** The Centre plans to bring 1.5 lakh post offices in the country under the core banking system, Finance Minister Nirmala Sitharaman said in her Budget speech in Parliament on Tuesday. She said that the move will enable financial inclusion and access to accounts various other means. “In 2022, 100 per cent of 1.5 lakh post offices will come on the core banking system enabling financial inclusion and access to accounts through net banking, mobile banking, ATMs, and also provide online transfer of funds between post office accounts and bank accounts. “This will be helpful, especially for farmers and senior citizens

in rural areas, enabling interoperability and financial inclusion.” Besides, she proposed to set up 75 Digital Banking Units.

“In recent years, digital banking, digital payments, and fintech innovations have grown at a rapid pace in the country. Government is continuously encouraging these sectors to ensure that the benefits of digital banking reach every nook and corner of the country in a consumer-friendly manner. “Taking forward this agenda, and to mark 75 years of our independence, it is proposed to set up 75 Digital Banking Units in 75 districts of the country by Scheduled Commercial Banks.” **AGENCIES**

## 35 cr Post Office accounts with deposits of Rs 10 lakh cr connected to banking system



**MUMBAI:** More than 35 crore Post Office deposit accounts with deposits aggregating Rs 10 crore will now be connected to the banking system. Finance Minister Nirmala Sitharaman announced connecting 1.5 lakh Post Offices to the core banking system in her Union Budget

speech on Tuesday. Sanjay Doshi, Partner and Head, Financial Services Advisory, KPMG in India said this will mean financial inclusion of account holders across 1.5 lakh Post Offices. At present, the Post Office deposits limited transfer of funds within their

ecosystem as the same was not connected to the banking ecosystem. Doshi said more than 35 crore Post Office deposit accounts with deposits aggregating to more than Rs 10 lakh crore will be connected to the core banking system. Being part of the core banking will result in ease of managing funds, including transferring funds from the Post Office savings to bank accounts and vice versa.

This means access for banks to Post Office accounts and deposit holders, ease of access to banking customers is an opportunity for the Post Office savings schemes to tap the deposits lying with banks. Interoperability will provide banking infrastructure access (for example Bank ATMs) to Post Office customers. **AGENCIES**

## Surety bonds instead of bank guarantees in govt procurements: FM



**NEW DELHI:** Union Finance Minister Nirmala Sitharaman on Tuesday gave thumbs up for surety bonds as a substitute for bank guarantees in case of government procurement and also for gold imports. Presenting the Union Budget 2022-23, she said that in order to reduce indirect cost for suppliers and work-contractors, the use of surety bonds as a substitute for bank guarantees will be made acceptable in government procurements. She said gold importers may also find this useful and the Insurance Regulatory and Development Authority of India (IRDAI) has given the framework for issue of surety bonds by the insurers.

Recently, the IRDAI came out with the IRDAI (Surety Insurance Contracts) Guidelines 2022 laying down the norms for this line of business. It has capped the quantum of surety insurance contracts for an insurer at 10 per cent gross premium written subject to a maximum of Rs 500 crore per year. The IRDAI has also stipulated that the non-life insurers wanting to underwrite the surety

insurance risks should have a solvency margin of 1.25. Non-life insurers are allowed to carry out this business from April 1 onwards. “The norms will help regulate/develop surety as a business in India which otherwise is an accepted norm in the western countries,” said Vikash Khandelwal, CEO, Eqaro Guarantees, a Mumbai-based surety solutions provider. “However, it would have been ideal if the final norms had also provided for a specialist surety insurance company,” he added. According to Khandelwal, allowing the surety insurers to work alongside the banks and other financial institutions to share risk-related information and technical expertise will help foster a robust ecosystem and prevent contagion.

“The guidelines are also silent on the right of recourse available to a surety insurance company in the event of a default by the contractor. These are critical and may impede the creation of surety-related expertise and capacities and eventually deter insurers from writing this class of business,” he added. **AGENCIES**

## India's PSBs expected to source capital to be competitive



**NEW DELHI:** India's state banks are expected to source their own fresh capital to compete with the country's much better-capitalised private banks, Fitch Ratings said on Friday. Accordingly, the ratings agency said that

the state is inclined to place the burden of raising growth capital on its banks, as indicated by a lack of capital allocation for state banks in the government's latest budget. “This lack of capital allocation arguably indicates

the government's belief that bank financials will remain healthy in the near term, enabling banks to support capital adequacy by sourcing fresh capital on their own,” Fitch said. “We do not regard this as signifying

diminished prospects of extraordinary support from the government.” Notably, the Centre has injected close to \$47 billion cumulatively since 2020, or about 0.4 per cent of their risk-weighted assets. “We believe that Indian banks are less likely to need fresh core capital to meet minimum regulatory capital requirements up to FYE25, as regulatory forbearance has enabled banks to spread related credit costs over a longer period, resulting in a more manageable impact on profitability and capital,” Fitch said.

As per Fitch, improving internal accruals are gradually adding to the capital base, but the average common equity Tier 1 (CET1) ratio at state banks stood at 10.8 per cent at end-1HFY22, against 16.5 per cent at private banks, which have been reporting above-average loan growth in recent quarters. “This may make it difficult for state banks to remain competitive, unless

their capital raising efforts are supplemented by state capital injections.” The state banks have raised around \$3 billion cumulatively since 2020, or about 0.4 per cent of their risk-weighted assets. “We believe that Indian banks are less likely to need fresh core capital to meet minimum regulatory capital requirements up to FYE25, as regulatory forbearance has enabled banks to spread related credit costs over a longer period, resulting in a more manageable impact on profitability and capital,” Fitch said.

“There is a risk that state banks may use their modest capital accretion to support the government's growth agenda, rather than keep it as insulation against losses when unrecognised bad loans start unwinding in FY23.” **AGENCIES**

## India's official digital currency to debut by early 2023: report

**FINANCE MINISTER NIRMALA SITHARAMAN IN HER BUDGET SPEECH LAST WEEK TALKED ABOUT LAUNCHING A CENTRAL BANK-BACKED 'DIGITAL RUPEE' SOON**

**NEW DELHI:** India's very own official digital currency is likely to debut by early 2023, which will mirror any of the currently available private company-operated electronic wallets, but with a change that it will be a sovereign-backed facility, a top

government source said. Finance Minister Nirmala Sitharaman in her budget speech last week talked about launching a central bank-backed 'digital rupee' soon. A top government source, who wished not to be identified said, the digital currency issued by the RBI would be numbered in units, just like every fiat currency has a unique number.

“The units issued in digital rupee would be included in the currency in circulation. It would not be very different from fiat currency. It would be more like an electronic form of fiat currency, so in a sense it would be a government-mandated elec-



tronic wallet,” the source said. The RBI has indicated that the digital rupee would be ready by the end of next financial year, the source added. The digital rupee blockchain, being developed

by the Reserve Bank, would be able to trace all transactions, unlike the current system of mobile wallet offered by private companies. Explaining further, the source said that using elec-

tronic wallet offered by private companies, people currently transfer money to the private company who holds the money on his/her behalf and pays to a merchant when there is any transaction.

“In the case of a digital rupee instead of holding a note you will be holding a digital currency in your phone and it would be with the central bank and from there it would be transferred to any merchant. It is fully backed by the sovereign,” the source said.

If the money is transferred to the e-wallet of a private company, then credit risk of that company is also attached to the money besides charges levied by such companies. “Instead of carrying this wallet, I will carry money on the phone,” the source said. In the 2022-23 Budget, Finance Minister Nirmala Sitharaman had said that introduction of Central Bank Digital Currency (CBDC) will give a big boost to digital economy. “Digital cur-

rency will also lead to a more efficient and cheaper currency management system. It is, therefore, proposed to introduce Digital Rupee, using blockchain and other technologies, to be issued by the Reserve Bank of India starting 2022-23, the minister had said.

The exact regulation governing this Central Bank Digital Currency (CBDC) is yet to be finalised. CBDC is a digital or virtual currency but it is not comparable to the private virtual currencies or cryptocurrency that have mushroomed over the last decade. Private virtual currencies do not represent any person's debt or liabilities as there is no issuer. The government has already said that private cryptocurrencies will never be a legal tender. The RBI has been strongly opposing private cryptocurrencies as they could have implications on national security and financial stability. **AGENCIES**

THE GOVERNMENT PROPOSES A UNIFIED SECURITIES MARKETS CODE IN ORDER TO BOOST THE FINANCIAL MARKETS IN THE COUNTRY.

WHAT THEY SAY



The budget does not adequately address concerns over inequitable growth which has been a worry across the globe due to the pandemic”

ABHEEK BARUA  
HDFC Bank's chief economist



Chief economist and head of research at Bandhan Bank said the budget was expected to emphasise supporting the nascent recovery in growth but the quantum of the total fiscal spending has surpassed expectation”

SIDDHARTHA SANAYAL  
chief economist of Bandhan Bank



The budget announcements check all the right boxes for a year that needs unprecedented support from the government to revive economic activities”

RAJNI THAKUR  
RBL bank, chief economist



The measures require a large increase in the fiscal deficit, and an overhaul of the deficit reduction glide path”

RAHUL BAJORIA  
Barclays India's chief economist

# Lower, middle and higher income groups tend to agree mostly on Budget



**NEW DELHI:** It is usually believed that different income groups, given their often vastly diverse economic circumstances, tend to have conflicting reactions to Budget proposals. But a nationwide IANS-CVoter Post Budget survey shows a remarkable conformity and unanimity among various income groups when it comes to reactions to various Budget proposals and their opinions on the economy. There are some differences, of course, but far less than normally expected. This applies to both positive and negative reactions.

For example, when asked if the current Budget was pro-poor, 45.6 per cent of lower income group said not at all, while 50 per cent of the higher income group echoed the same sentiment.

about 25 per cent said yes to a large extent. When asked what they thought of the proposal to build 80 lakh new houses under the PM Awas Yojana, 51 per cent of the lower-income group called it a very good decision while about 56 per cent of the middle-income group also said the same. Surprisingly, 60 per cent of the higher income group agreed with them.

There were differences too, along expected lines. The most significant related to (un)employment. When asked if the Budget will boost employment, 62 per cent of lower-income respondents disagreed while an even larger 64.5 per cent of middle-income respondents disagreed. The figure was a shade above 50 per cent for higher income groups. But it should be noted that a majority of higher income groups don't see any immediate boost in employment.

AGENCIES

## 44 pc respondents say inflation won't come down after Budget

**NEW DELHI:** Some 44.1 per cent respondents in the IANS-CVoter Post Budget survey said that prices (inflation) will "not at all" come down after this Budget. The IANS-Cvoter BUDGET IN-

STAPOLL was conducted right after the live telecast of the presentation of the 2022-23 Union Budget by Finance Minister Nirmala Sitharaman; interviewing approx 1,200+ randomly selected respondents across all demographics. Data weighted to known population profile. Margin of error is +/- 3 per cent at national level and +/- 5 per cent at regional level. Some 26.7 per cent respon-

dents said that prices may come down 'a little bit' while 22.6 per cent said prices will come down by a large extent, as per the survey.

The Union Budget did not have any changes in personal income tax disappointing the middle class which has been struggling with lower incomes and higher inflation in the pandemic era.

AGENCIES

## New legislation proposed to replace SEZ Act

**NEW DELHI:** The Centre plans to implement a new Special Economic Zones Act which will enhance the role of state governments for setting up of these hubs.



On Tuesday, Finance Minister Nirmala Sitharaman, while presenting the Union Budget FY23, said: "The Special Economic Zones Act will be replaced with a new legislation that will enable the states to become partners in a Development of Enterprise and Service Hubs."

"This will cover all large existing and new industrial enclaves to optimally utilise available infrastructure and enhance com-

petitiveness of exports." Besides, the new legislation, she said that Centre will undertake reforms in customs administration of SEZs. "It shall henceforth be fully IT driven and function on the 'Customs National Portal' with a focus on higher facilitation and with only risk-based checks. This will ease doing business by SEZ

units considerably." This reform shall be implemented by 30th September 2022.

Furthermore, Sitharaman proposed various initiatives to make GIFT City more attractive. She proposed that world-class foreign universities and institutions would be allowed in the GIFT City to offer courses in Financial Management, Fin-Tech, Science, Technology, Engineering and Mathematics free from domestic regulations, except those by IPSCA to facilitate availability of high-end human resources for financial services and technology.

AGENCIES

# Budget gives renewed thrust to new-age businesses for \$5 tn economy

**NEW DELHI:** Sensing immense opportunities in new-age businesses, startups and local manufacturing amid the pandemic-induced digital transformation, the government on Tuesday outlined a tech-driven Union Budget to fast-track the goal of achieving a \$5 trillion economy by 2025. From cracking down on private cryptocurrencies along with a soon-to-be-launched digital rupee by the RBI to announcing 5G spectrum auction



this year and more allocations under the PLI scheme, the government went ballistic on its digital-driven 'Atmanirbhar Bharat' agenda. In a significant

move to bring cryptocurrencies and non-fungible tokens (NFTs) under a tax net, Finance Minister Nirmala Sitharaman announced a 30 per cent tax on any income from the transfer of virtual digital assets, specifying that no deductions and exemptions will be allowed.

There will also be a 1 per cent tax deducted at source (TDS) on the payments made for the transfer of digital assets. The government also an-

nounced to bring India's own digital currency by the RBI next year that will be based on Blockchain technology, while the much-expected Cryptocurrency Bill is yet to see the light of the day.

"Digital rupee to be issued using Blockchain and other technologies by the RBI starting 2022-23. This will give a big boost to the economy," said Sitharaman in her Union Budget 2022-23 speech in Parliament.

AGENCIES

## India expected to become \$5 tn economy by FY26 or FY27: CEA

**INDIA IS EXPECTED TO BECOME A \$5 TRILLION ECONOMY BY FY26 OR FY27 IF THE 8 PER CENT GDP GROWTH RATE IS RETAINED, CHIEF ECONOMIC ADVISOR, V. ANANTHA NAGESWARAN, SAID ON TUESDAY**



**NEW DELHI:** India is expected to become a \$5 trillion economy by FY26 or FY27 if the 8 per cent GDP growth rate is retained, Chief Economic Advisor, V. Anantha Nageswaran, said on Tuesday.

In the post-Budget press conference held here, Nageswaran said while replying to a question: "If we continue to retain the path of 8 per cent of real

GDP growth and if we extrapolate it, we should be a \$5 trillion economy in terms of nominal GDP in the Financial Year 2025-26 or 2026-27." Before the

conference, in her Budget speech in the Parliament on Tuesday, Finance Minister Nirmala Sitharaman said that overall, sharp rebound and recovery of the economy is reflective of "our country's strong resilience". "India's economic growth in the current year is estimated to be 9.2 per cent, the highest among all large economies," she said. On Monday, the Economic Survey 2021-22 said that India's economy is expected to grow at 8-8.5 per cent in the next fiscal.

According to the Survey, the building back of the economic momentum along with enhanced vaccination drive as well as the likely long-term benefits of supply-side

reforms in the pipeline, the Indian economy is in a good position to witness GDP growth of 8.0-8.5 per cent in 2022-23. "Growth in 2022-23 will be supported by widespread vaccine coverage, gains from supply-side reforms and easing of regulations, robust export growth, and availability of fiscal space to ramp up capital spending."

"The year ahead is also well poised for a pick-up in private sector investment with the financial system in a good position to provide support to the revival of the economy," the Survey noted. However, the Survey also pointed out that the global environment still remains uncertain.

AGENCIES

## Budget 2022-23 thoughtful policy agenda for India: IMF chief Georgieva

**WASHINGTON:** The Union budget presented by Finance Minister Nirmala Sitharaman recently is a very thoughtful policy agenda for India, International Monetary Fund, Managing Director, Kristalina Georgieva said.

We have been projecting a quite robust growth for India. Yes, there is a small downgrade versus our previous projection from 9.5 per cent to 9 per cent for 2022. But then we also have a small upgrade for 2023, because we think that we will see a stable growth not very different from (those projected by) the (Union) Minister of Finance, Georgieva said during a virtual round table with a group of reporters. The International Monetary Fund (IMF), she noted, sees this being conditioned on a number

of factors, including that in the COVID-19 pandemic they continue to function better and should the pandemic continue to be around, and that the tightening of financial conditions would be done with clear forward guidance and in a prudent manner, not creating any more significant shock.

So far, by the way, what we see is that the tightening of financial conditions is not translating into a big problem for emerging markets. In comparison to previous periods, the impact on rates is not at all significant. Why? Because emerging markets have worked to build buffers and strength for situations like this and because many of them themselves have taken prudent actions once they faced inflationary pressures, she said.

AGENCIES

# FM Sitharaman urges India Inc to open up their purse to push growth

**REFERRING TO THE GOVERNMENT'S DECISION TO CUT CORPORATE TAX RATE, SHE SAID, THE GOVERNMENT HAS ALSO OPENED UP MANY SECTORS INCLUDING ATOMIC ENERGY AND SPACE**

**NEW DELHI:** Finance Minister Nirmala Sitharaman on Saturday exhorted India Inc to take advantage of announcements made in Budget and "quickly" step up capex so that the virtuous cycle of investment gathers momentum. Addressing members of CII, she said increase in capex in the Budget was done with twin objectives of supporting sustained growth and crowd in private investment. She asserted that this is the right time for investment and industry should not lose this opportunity. "Post the pandemic with all the reshuffling happening, reset

happening in the ways in which you do your business and also with that step of October 2019 in which that one condition was please start reducing by March 2023 is also now extended by one more year," she said. The Budget 2022-23 presented on February 1 proposed that the concessional 15 per cent corporate tax rate would be available for one more year till March 2024 for newly incorporated manufacturing units.

The government in September 2019 slashed corporate tax rate for companies that do not avail of any tax



incentive, to 22 per cent. New manufacturing companies have to pay at an even lower corporate tax rate of 15 per cent.

The government slashed corporate tax rate to provide incentive for the private sector to ramp up investment

which was muted for last few years. However, this got further aggravated with the outbreak of the COVID-19 pandemic.

Stressing that many sectors have been opened up, she said, there are immense opportunities in the sun-

rise sectors and New Age sectors like bulk drugs vaccines, and genome. "Do sit back and calmly take a call. India needs all the expansion in capacity and it is that which is going to kick off the virtuous cycle. "I would just want to green flag those areas before you and call upon the industry to quickly join and help the virtuous cycle to gain traction."

The government has not given up its investment in infrastructure and that's going to have a bearing on the core industries directly and soon," she said. The government has hiked public investment by as much as 35.4 per cent to Rs 7.5 lakh crore or 2.9 per cent of the GDP in the Budget 2023-24. She urged industry not to lose this opportunity for India to reach a higher

level of industrialization and manufacturing in India. The global arena is getting opened up where global value chains are not going to be concentrated in one geography but are relocating to countries with rule of law and English speaking people.

"India fits into that very well and industry should take advantage of this global shift," she added. Speaking on the issue of rural distress, she said, that the same was being addressed in multiple ways. The budget has enabled access to tractors and other farm equipment through rentals as well as making credit available. The government has ensured availability of nutrients and fertilisers at affordable prices, despite the increase in global prices, she said, adding, multiple welfare schemes have

provided support for housing, cooking gas, electricity, healthcare etc. Responding to the lower allocation to MN-REGA as compared to the revised estimates of last year, she clarified that the Budget allocation this year has been pegged at the allocation last year, and as the scheme is demand driven, higher allocation would be provided as per the demand.

The Finance Minister said there is need to be watchful of the increases in interest rates in developed countries and the high commodity prices. On the privatisation of the two public sector banks and one general insurance company, as suggested in last year's Budget, she said the government is committed to taking forward the announced privatisations.

AGENCIES

THE GOVERNMENT INCREASES CAPITAL EXPENDITURE FOR 2021-22 BY 34.5 PER CENT TO ₹5.5 LAKH CRORE TO PUSH GROWTH THROUGH INFRASTRUCTURE CREATION.

WHAT THEY SAY



Rs 1,500 crore for livelihood activities in the northeast will help improve the economic scenario of the region. Allocating Rs 100 crore for bamboo link roads in Mizoram is commendable."

ABHIJIT BAROOAH, Chairman, CII, North East Council



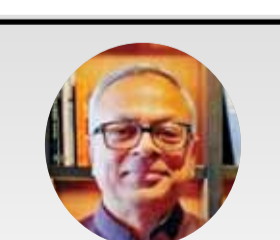
The capital expenditure-led Union Budget is aimed at reviving the Covid-hit economy and creating more jobs in the next two decades. The government will invest Rs 7.50 lakh crore as capital expenditure next year, a rise of Rs 5-54 lakh crore."

PABITRA BURAGOHAIN, FINER president



The Budget is well-balanced, fiscally prudent and growth-oriented. Keeping fiscal deficit at 6.9% and hiking capital expenditure considerably is a masterstroke. It also paves the way for post-pandemic longer-term restructuring of the Indian economy. The concerning part of the Budget is that it lacks tangible measures to increase revenue generation."

KARUN RISHI, president, USA India Chamber of Commerce



This is a balanced Budget with 35% increase in capital expenditure to speed up infrastructural development and job creation. Special focus on the northeast will result in the region's development."

PRADEEP BAGLA, Chairman, CII Assam State Council

# If cos have views on Chairperson, MD posts separation, Sebi should hear them: FM

**NEW DELHI:** As Sebi plans to implement norms for separation of posts of Chairperson and MD of listed companies, Finance Minister Nirmala Sitharaman on Saturday said the regulator should also hear if Indian companies have a view on the matter even as she made it clear that she was not "giving a diktat". The Securities and Exchange Board of India (Sebi) has asked listed entities to split the roles of chairperson and managing director before the April 2022 deadline.



It is to be noted that financial sector regulator Reserve Bank of India (RBI) has implemented this in the banking sector a few years ago. Listed entities were initially required to separate the roles of chairperson and MD/CEO from April 1, 2020 onwards. However, based on industry representations, an additional time period of two years was given for compliance. On issue of split of CMD position, Sitharaman said, "I had reviewed it with Sebi.

Some good number of companies has followed it...this norm was brought in by Sebi four years ago. It was one of the global best practices and introduced with the aim of moving towards best practices so that companies are professionally run, she said. "But I do agree that the way Indian companies are run and built over the decade and over century also depends so much on the family and related members being on the board." So, I am of the view that Sebi which is an independent regulator...I

am not giving them diktat I am voicing my view I think if Indian companies have a view then Sebi should also hear them. I will leave it there and I hope that it indicates where I am coming from.

## NE industry associations welcome budget



**GUWAHATI:** The North East and Assam chapters of the Confederation of Indian Industry (CII) and the Federation of Industry and Commerce of North Eastern Region (FINER) on Tuesday welcomed the Union budget saying it is balanced and help the people of the region getting livelihoods.

Chairman of CII, North East Council, Abhijit Barooah thanked Union Finance Minister Nirmala Sitharaman for earmarking Rs 1500 crore for developmental initiatives to enable livelihood activities for youths and women in the region. "I am sure that this initiative will improve the economic scenario of the region in the long run. Out of this Rs 1500 crore, Rs 100 crore has been allocated for the construction of Bamboo-Link Road at different locations in various districts of Mizoram, which is commendable and has been the result of tireless efforts of Mizoram Chief Minister Zoramthanga," he said. Chairman, CII Assam State Council, Pradeep Bagla, said

that it is a balanced budget with 35 per cent increase in capital expenditure to drive infrastructure and job creation while the special attention on the North East will lead to the region's development. FINER President Pabitra Buragohain, hailing the budget, said that the finance minister has presented a capital expenditure-led Budget aimed at reviving the Covid-hit economy and creating more jobs over the next two decades. A sharp jump of 35.4 per cent in capital expenditure to fund various infrastructure projects in 2022-23 was announced and the government will invest Rs 7.50 lakh crore as capital expenditure next year, a rise from Rs 5.54 lakh crore in the current fiscal, and this increase in capex allocation indicates more jobs and opportunities, he said. "Overall in the budget, there is increased focus on employability, e-skilling, employment generation in the MSME sector and recruitment with a view to formalising entrepreneurial opportunities," Buragohain added. **AGENCIES**

## Union Budget FY23's Capex push to boost cement demand

**NEW DELHI:** Union budget FY23's Capex push as well as continued focus on infrastructure development is likely to boost cement demand. India's Budget 2022-23 has earmarked a massive budgetary outlay of Rs 7.50 lakh crore for Capex. In her Budget speech to Parliament on Tuesday, Finance Minister Nirmala Sitharaman proposed to increase the capital budget outlay by over 35 per cent.

According to India Ratings and Research (Ind-Ra), the increase in the budgeted Capex over the revised spending estimate for FY22 is likely to drive infrastructure spending that accounts for around one-fourth of the cement demand. Besides, the cascading impact it has on the employment generation will aid in demand creation. "After a 53 per cent increase in the estimated spend in FY22 to revive the urban spending which led to a recovery in the cement



with this provision. Currently, many companies have merged the two posts as CMD (chairman-cum-managing director), leading to some overlapping of the board and management, which could lead to conflict of interest and consequently the regulator in May 2018, came out with its norms to split the post.

The norms were part of the series of recommendations given by the Sebi-appointed Uday Kotak committee on corporate governance. On the scrapping policy, Revenue Secretary Tarun Bajaj said, there should be some concrete action on that in the next few

months. Prime Minister Narendra Modi in August 2021 launched the national vehicle scrapping policy and had said it will help phase out unfit and polluting vehicles and also promote a circular economy. Under this policy, people who give their old vehicle for turning it into scrap will be given a certificate by the government. People having this certificate will not be charged any registration fee on the purchase of a new vehicle. The policy aims to build scrapping infrastructure in the form of Registered Vehicle Scrapping Facilities and Automated Testing Stations in India. **AGENCIES**



demand from the segment, the allocation to the urban infrastructure increased marginally to Rs 635 billion for FY23 from the revised estimate of Rs 619 billion in FY22. "Around 100 'Gati Shakti' cargo terminals for multimodal logistics facilities are likely to come up in the next three years."

As per the agency, the cement demand from the housing segment which constitutes around 65 per cent of the total cement demand is likely to be supported by the govern-

ment's continued focus on affordable housing, with the allocation of Rs 480 billion for the completion of 8 million houses under the 'PMAY' scheme. "The allocation is in line with the revised estimate of Rs 478 billion for FY22, up 70 per cent from the budgeted estimate for the year. "The housing segment has been a key demand driver in the past few years, with the individual home builder segment displaying a remarkable resilience to the pandemic." **AGENCIES**

## MEA organises outreach programme on export control

**NEW DELHI:** The Ministry of External Affairs on Wednesday said it organised an outreach programme on export controls in cooperation with the Indian Chamber of Commerce focusing on start-ups in various sectors of the economy.

It said the outreach was aimed at enhancing awareness about regulations for the export of sensitive, dual-use

goods and technology. About 200 industries and enterprises including several start-ups companies participated in the webinar.

The outreach shared the relevance of export control systems in the context of India's integration with the global economy, international non-proliferation framework and government's



flagship initiatives of 'Make in India' and 'Aatma Nirbhar Bharat', the MEA said in a statement.

The presentations and discussions covered India's national laws, regulations, implementation mechanisms, procedures, as well as the importance of industry-level measures to uphold the country's impeccable non-prolifer-

ation record "acknowledged globally", it said.

The outreach webinar included participation of the Directorate General of Foreign Trade as part of ongoing industry outreach endeavours of the government of India towards a sound national export control system in line with global standards," the MEA said. **AGENCIES**

# Budget 2022-23 balanced, fiscally prudent and growth oriented: USAIC

**WASHINGTON:** In the midst of third wave of COVID-19, Finance Minister Nirmala Sitharaman has come up with an impactful budget which is balanced, fiscally prudent and growth-oriented, the USA India Chamber of Commerce has said. President of the Boston-based USA India Chamber of Commerce (USAIC) Karun Rishi, however, said it is a matter of concern that the budget lacks tangible measures to increase revenue generation.

Opting to keep the fiscal deficit at 6.9 per cent and increase capital expenditure by 35 per cent is a masterstroke. The annual budget estimates the effective capital expenditure of Rs 10.68 lakh crore in 2022-23, making up about 4.1 per cent of the GDP," he said. "A phenomenal increase in the government's capital expenditure is likely to facilitate the expenditures on infrastructure and create jobs. It also paves the way for



post-pandemic longer-term restructuring of the India economy, Rishi said. Stating that the finance minister has incorporated innovative measures in the budget, Rishi said the new battery swapping policy for electric vehicle sector can offer a practical alternative to increase the adoption of

electric vehicles in India. 'One Nation, One Registration' will facilitate ease of living and doing business.

Building up on the Technologies of the Future' announced during the 2018 budget, digital rupee to be issued by the Reserve Bank of India using blockchain tech-

nology will give a big boost to the economy, he added. The extension of Section 115BAB provision of 15 per cent for newly incorporated manufacturing companies is another excellent step to promote the much-needed investments in the manufacturing sector.

The budget does give a



blueprint of economy from India at 75 to India at 100', the USAIC president said in a statement. Rishi said the budget is balanced, fiscally prudent and growth-oriented. Finance Minister Sitharaman on Tuesday unveiled a Rs 39.45 lakh crore Budget, with higher spending on highways to affordable housing with a view to fire up the key engines of the economy to sustain a world-beating recovery from the pandemic.

While she primed up spending on infrastructure to create jobs and boost economic activity, Sitharaman did not tinker with income tax slabs or tax rates. Her budget for the fiscal

year beginning April 2022 proposed a massive 35 per cent jump in capital expenditure to Rs 7.5 lakh crore, coupled with the rationalisation of customs duty, an extension of time for setting up new manufacturing companies and plans for starting a digital currency and tax crypto assets.

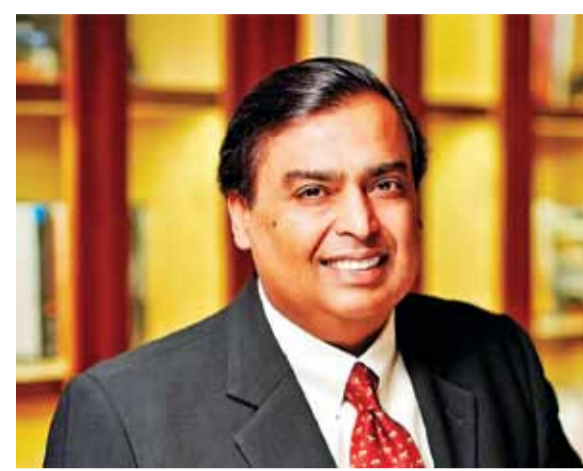
Noting that the pandemic has taught the world the importance of BioPharma Research and Development (R&D), Rishi said for over a decade, USAIC has been nudging India to create an ecosystem of academia, industry, venture capitalists and public institutions to foster innovation in BioPharma. It is encouraging

to see classification of genomics and pharmaceuticals as a sunrise sector. With this, India continues its thrust towards BioPharma R&D, he said.

Proactive focus on vaccination has today enabled India to emerge strong amid the pandemic outbreak. COVID-19 has caused a silent global mental health epidemic. Recognition of the pandemic-infused mental stress and the use of telemedicine to diagnose and treat such patients, with rollout of a National Tele Mental Health Programme' reflects a progressive mindset of the government, Rishi said.

The rollout of an open platform for the National Digital Health Ecosystem consisting of digital registries of health providers and health facilities, unique health identity, consent framework, and universal access to health facilities will facilitate the digitalisation of the sector that is underway and boost the role of health-tech businesses, he added. **AGENCIES**

## Mukesh Ambani's latest buy: A Rolls Royce costing Rs 13.14 crore



**MUMBAI:** Reliance Industries (RIL), headed by India's richest man Mukesh Ambani, has bought an ultra-luxury Rolls Royce hatchback costing Rs 13.14 crore. If RTO officials are to be believed, it is one of the most expensive car purchases ever in the country. The car, a Rolls Royce Cullinan petrol model, was registered by RIL at the Tardeo Regional Transport Office in South Mumbai on January 31, officials aware of the matter said.

The base price of the car, when first launched in 2018, was Rs 6.95 crore, but auto industry experts said customized modifications would have raised the price substantially. The company has opted for the 'Tuscan Sun' colour for the 12-cylinder car weighing over 2.5 tonnes and producing 564 BHP power, and also obtained a special number plate, RTO officials said. A one-time tax of Rs 20 lakh has been paid by RIL for the car whose registration is valid till January 30, 2037, and another Rs 40,000 has been paid towards road safety tax. This could even be the most expensive car purchased in India, said one RTO official. RIL has also paid Rs 12 lakh for getting a VIP number for its chairman and managing director's new car. The number ends with 0001, officials said. Usually a VIP number costs Rs 4 lakh, but since the chosen number in the current series was already taken, a new series had to be started, they said.

With a written permission from the Transport Commissioner, RTO offices can start a new series for assigning registration mark 0001 for which the applicant has to shell out three times the fee specified for a regular number, they added. Rolls Royce Cullinan was launched in India in 2018 as a hatchback capable of taking both paved and rough roads, and this will be a third Cullinan model in the Ambani/RIL garage.

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Commissioner, RTO offices can start a new series for assigning registration mark 0001 for which the applicant has to shell out three times the fee specified for a regular number, they added. Rolls Royce Cullinan was launched in India in 2018 as a hatchback capable of taking both paved and rough roads, and this will be a third Cullinan model in the Ambani/RIL garage.

Some other industrialists and Bollywood celebrities also drive the same model. Cullinan is the first all-terrain SUV from the Rolls-Royce's stable, as per the British manufacturer's website. RIL has several high-end luxury cars in its garage. A few years ago, it had procured one of the most sophisticated armoured vehicles for Mukesh Ambani and his wife Nita Ambani. The company has also given a BMW for the police personnel deployed for the security of the Ambani family besides the latest high-end Morris Garage cars of the Gloster model. **AGENCIES**

IF THE SECTOR GETS AN INDUSTRY STATUS, IT WILL BE EASY FOR DEVELOPERS TO GET CHEAP LOANS AND LAUNCH NEW PROJECTS, THEREBY GENERATING EMPLOYMENT AND BOOSTING THE ECONOMY

WHAT THEY SAY



The extension time limit for the commencement of business to claim benefits of concessional tax regime for manufacturing companies has been extended by a year to 31 March 2024"

SUDARAHAN JAIN  
SG, Indian Pharmaceuticals Association



We will be requesting the government to allow the tea industry also to take advantage of the proposed legislative changes and financial support," he told the media in Guwahati. He also welcomed the decision to enhance support to MSMEs by revamping the CGTMSE scheme"

RANJIT BARTHAKUR  
NE Advisory Council Chairman of FICCI



The finance minister presented yet another progressive, future focussed and inclusive budget that aims to position the economy on an accelerated growth trajectory, especially in the backdrop of an encouraging broader economic recovery. It is heartening to note the government's sustained focus on infrastructure and increased public spending while staying committed to the fiscal discipline and stable policy regime.

T.V. NARENDRAN  
CEO and managing director, Tata Steel



In today's Union Budget for FY2023, FM Nirmala Sitharaman has given a special push to electric vehicles, increasing EV battery production and development will give the private sector special benefits.

SUNIL GUPTA  
MD and CEO, Avis India

# PM-DevINE to boost livelihood activities for youth, women in NE: Industry bodies



**GUWAHATI:** Industry bodies in the northeast largely appreciated the Union Budget 2022-23, terming it as a balanced Budget, adding that the Prime Minister's Development Initiative for North-East (PM-DevINE) would enable livelihood activities for the youth and women of the region. The North East Council Chairman of the Confederation of Indian Industry (CII), Abhijit Barooah, said that earmarking Rs 1,500 crore for

PM-DevINE to be implemented by the North Eastern Council (NEC) would enable livelihood activities for the youth and women of the region.

"I am sure that this initiative will definitely improve the economic scenario of the region in the long run. Out of the Rs 1,500 crore, Rs 100 crore has been allocated for the pilot project construction of bamboo-link road at

different locations in various districts of Mizoram, which is commendable and has been the result of the tireless efforts of Mizoram Chief Minister Zoramthanga," Barooah, who is also the Managing Director of Premier Cryogenics Ltd, told the media. CII Assam state council Chairman, and Managing Director of Amrit Cements Ltd, Pradeep Bagla, said that the Budget is a very balanced one that aims for inclusive growth in different vital sectors.

"Thirty-five per cent increase in capital expenditure would drive infrastructure and jobs. The Finance Minister's special attention to the NE region is praiseworthy," Bagla said. The Federation of Industry and Commerce of North Eastern Region (FINER) leader Pabitra Buragohain hailed the Budget and hoped that the new

Northeast Investment and Industrial scheme, which is expected to be announced by March this year, would provide for spurring investment in the region after investments came down from 8.3 per cent in 2017 to 0.02 per cent in 2019, after the validity of NEIIPP-2007 was over. "It is evident from the allocation of Rs 1,500 crore towards various infrastructure projects across the northeast that the Union government is committed to the development of the region," FINER said in a statement.

Former President of FINER, R.S. Joshi, commented that the Union Budget is certainly an all-inclusive fiscal booster dose which would not only enable the Indian economy to be back on a high growth trajectory, but also pave the way for the next 25 years with a big digital push. **AGENCIES**

## CII welcomes 'growth-oriented' Budget

**NEW DELHI:** The Confederation of Indian Industry (CII) on Tuesday welcomed the Union Budget 2022-23 presented by Finance Minister Nirmala Sitharaman, saying it has set the tone for India's aspiration to be the fastest growing major economy in the world this decade.

"The Finance Minister presented a very growth-oriented and transformative Budget, which will not only strengthen the economic recovery currently underway, but also lay the foundation for bolstering the medium to long-term growth po-



tential of the economy," said CII Director Gen-

eral, Chandrajit Banerjee. He highlighted that the Indian industry welcomes the government's commitment towards boosting investments, creating jobs, improving ease of doing business, maintaining tax stability and certainty in policy regime through the well-designed and prudent measures delineated in the Budget. **AGENCIES**

## Govt panel for PE-VC investment to address pressing issues

**NEW DELHI:** The industry players on Tuesday said that the Union Budget announcement of setting up an expert committee to look up into the issues faced by VC (venture capital) and PE (private equity) shows the seriousness to address pressing issues.



expert committee to address regulatory issues faced by the industry. "The announcement of setting up an expert committee to look up into the issues faced by VC & PE shows the seriousness

to address pressing issues," said CS Murali, Chairman of the Entrepreneurship Cell at SID, Indian Institute of Science (IISc).

The expert panel will suggest "appropriate" measures, Sitharaman said in her Union Budget 2022-23 speech. Venture capital and private equity invested more than Rs 5.5 lakh crore last year. "An expert committee will be set up to examine and suggest appropriate measures," she said. **AGENCIES**

## Despite shortfalls, budget to prepare strong foundation for India's 'techade'

**NEW DELHI:** Hailing the Union Budget on digital skilling and digitisation of education to prepare a strong foundation for India's 'techade', key industry players on Tuesday said that certain areas that have been left unaddressed include industry-led R&D in emerging technologies and clarifications to allow units in SEZ's flexibility to adopt hybrid-work model. IT industry's apex body Nasscom said that some other concerns are easing the taxation of



ESOP by making the taxation regime available to all DPIIT-recognised startups and taxing employees only when they sell the shares. "Lack of action on

enabling direct foreign listing, and tax parity between domestic and foreign investors are some other things that we believe were not included in

the budget," Nasscom said in a statement. The industry players, however, welcomed the budget's focus on digital skilling.

"We are encouraged to see the government focused on digital skilling to encourage continual skilling avenues, sustainability, and employability through online training, programmes, and industry collaborations, as well as the establishment of skilling e-labs for simulated learning settings," Nasscom said in a statement. **AGENCIES**

## K'taka industry leaders give thumbs up to Union Budget

**BENGALURU:** Reacting to the Union Budget 2022-23 that was presented in the Parliament by Finance Minister Nirmala Sitharaman on Tuesday, Kiran Mazumdar-Shaw, the Executive Chairperson and Founder of Biocon Limited, described it as a positive rhetoric with no negative surprises. "Fiscal prudence and business ease has been the theme. Thirty-five per cent increase in capital expenditure will drive infra and jobs -- a balanced Budget with positive rhetoric and no negative surprises," she said.

Chandrashekar, CMD, SASMOS HET Technologies LTD, said, "The Union Budget has opened up an array of opportunities for homegrown defence manufacturing companies with the government's focus on curbing defence imports in India. The FM's provision to earmark 68 per cent of capital for the defence sector for the domestic industry is a commendable move." Tom Joseph, Executive Director for Strategy & Development, International Skill Development Corporation, said, "Skill development in the country has been the need of hour and the Union Budget has rightly addressed it. The government's interest to explore skilling programmes and industry partnerships to establish new skilling avenues, sustainability and employability is a good step."



Rajosik Banerjee, Partner and Head, Financial Risk Management, KPMG in India, said, "Digital rupee using blockchain technology will lead to stable, efficient and regulated payments and settlements and lower the transaction cost. This initiative is expected to boost the digital economy and reduce leakages by lowering dependency on cash." The Budget has ushered

in positive measures in the field of education which will give a boost to the sector especially in the context of the pandemic, said Shweta Sastri, Managing Director, Canadian International School, Bengaluru. "A robust education

system is a necessity for any growing nation and this is all the more important when the country is aiming to normalise education," she said. Sohinder Gill, Director General, Society of Manufacturers of Electric Vehicles (SMEV), stated, "We welcome the measures announced by the Finance Minister."

The Budget for 2022-23 gives huge impetus to the electric vehicle (EV) industry. Introducing the battery swapping policy and recognising battery or energy as a service will help develop EV infrastructure and increase the use of EVs in public transportation. It would motivate businesses engaged in delivery and ride aggregation businesses to incorporate EVs into their fleet." **AGENCIES**

## PLI in 5G product manufacturing to boost telecom, electronics sectors

**WASHINGTON:** The upcoming scheme for design-led manufacturing in 5G will boost the overall telecom and electronic sectors, industry experts said on Tuesday. The government plans to conduct a 5G spectrum auction this year and roll out the technology for mass adoption next year. Part of the Production Linked Incentive (PLI) scheme, the design-led manufacturing will enable 5G growth and offer job opportunities.

Finance Minister Nirmala Sitharaman, while presenting the Budget 2022-23. Arvind Bali, CEO, Telecom Sector Skill Council, said that the rollout of 5G and scheme for design-led manufacturing for 5G ecosystem is "likely to uplift human resource requirements significantly" and we "also need to train the existing and new workforce".

According to Sandeep Lodha, Co-founder at Netweb Technologies, the government's announcement of a 5G spectrum auction between 2022 and 2023 was already on track. "It's encouraging to see the PLI plan for design-led manufacturing announced which will aid in the development of 'Make in India' goods and solutions," he added. **AGENCIES**

## We took foolproof approach to port our applications to Cloud: Broadridge CTO

**NEW DELHI:** The financial services industry is evolving at a rapid pace, with shifting consumer expectations, new technologies, and developing regulatory requirements. Cloud technology is a key enabler for firms looking to improve performance across a broad range of activities.

Broadridge Financial Solutions, a global Fintech leader with \$5 billion in revenues, provides the critical infrastructure that powers investing, corporate governance and communications for leading financial institutions. Broadridge's infrastructure serves as a global communications hub enabling corporate governance by linking thousands of public companies and mutual funds to tens of millions of individual and institutional investors around the world. IANS spoke to Niladri Ray, Chief Technology Officer, Broadridge Financial Solutions India Pvt Ltd to get his insights on Broadridge's digital transformation journey and cloud strategy as well as how technology is disrupting the capital markets and wealth management ecosystem. Excerpts of the interview: Q: The pandemic compressed the digital transformation journeys of many enterprises. As a leading provider of investor communications and technology-driven solutions, can you tell us how you adapted to growing demands from your customers & some of your priorities for 2022?



A: Thanks to a stellar relay chain led by our associates across our delivery capabilities globally, we were able to move from a reactive to a strong collective pre-emptive mode very quickly; all this while helping our customers

scale unprecedented business volume surges and peaks. Our Cloud Transformation journey and our partnership with AWS has been

very helpful towards pushing the envelope on our already in-progress digital transformation journey. We pushed towards more workloads on the cloud to minimise efforts towards migration and maintenance and with the remote model. To that effect, Amazon Workspaces helped as we scaled our operation bringing in new talent into the fold.

This was backed by a thoughtfully worked-out framework backed by cloud engineering standards and best practices devised over the past few years. Another handy lever was the managed services of AWS plus we used RDS, Lambda services, Glue, Redshift, and many other managed services. We went with Autoscaling features and ECS to address hosting and scaling demands.

Q: We have seen a spike in trading activity and record participation by retail investors in the financial markets globally. The capital markets & asset management firms are likely to witness stellar growth. As a CTO, what role do you see Broadridge playing as these trends accelerate? A: Yes, the trading activity has seen an unusual surge all across; we are no exception. We have best in class platforms for our capital markets, wealth and investor communications & governance areas and these have been resilient and steady as volumes through them have gone through the roof in this interim.

We are betting on our wealth platform built on top of an assortment of leading-edge technologies backed by an event-driven architecture that suits next-generation trading practices. AWS is one of our key technology contributors in this journey. The wealth platform is designed to host monetisable decentralised and highly secure APIs for B2B and B2C segments at planet scale. We also have sound plans to ensure high availability and best in the class disaster recovery as we migrate workloads to the cloud. We are one of the few successful franchises to successfully execute an extraordinary volume of repo transactions on the Blockchain, and are helping our customers transform through introduction of super agile solutions on Cognitive AI around intelligent exceptions processing and improved user experiences. **AGENCIES**

# GDP growth: Will the budget be able to budge it?

India's Finance Minister Nirmala Sitharaman's fourth successive budget does not have much to offer. With the economy still in search of durable momentum that could help entrench the recovery from the last fiscal year's record contraction, she has failed to address the flagging consumer spending in the wake of erosion in real incomes and savings through a combination of tax breaks for the middle class and cash handouts for the poor. And even as the minister acknowledges the role public capital expenditure could play in crowding-in private investment at a time when "private investments seem to require that support" and help to 'pump-prime' demand in the economy, the Budget outlay of Rs 7.50 lakh-crore for the capital account marks just a 24.4% increase from the revised estimate of Rs 6.03 lakh-crore for the current fiscal. The Finance Minister has proposed a series of tariff and policy steps that could help bolster domestic manufacturing in the long run. A key policy element is a commitment to reduce import dependence in procurement for the country's defence forces. The Minister has tried to address the raging debate over how to deal with virtual currencies by adopting a twin-track approach. On the one hand Sitharaman proposes to introduce in the coming fiscal year a Central Bank Digital Currency that she posits will impart a big boost to the digital economy and "lead to a more efficient and cheaper currency management system". In parallel, she intends to tax income from the transfer of any virtual digital asset at the rate of 30%, with deduction allowed only for the cost of acquisition. It remains to be seen if the Government's efforts at bringing the mushrooming trade and investment in a multiplicity of virtual digital assets including cryptocurrencies under the tax net would have a salutary impact besides adding a revenue stream to the exchequer.

## FIVE OBSERVATIONS

ON ALLOCATION OF RS.1.10 LAKH CRORE FOR RAILWAYS IN THE BUDGET

- UTILISE IT TO BECOME SELF-RELIANT**  
The funds should be utilised to boost 'Atmanirbhar Bharat Mission' and towards completion of vital infrastructure projects, capacity building, passenger amenities and safety enhancement.
- ONLY FUNDS ARE NOT ENOUGH**  
Reports on Railways reforms have repeatedly pointed out that the system has suffered from the absence of a comprehensive framework for capacity expansion. Funds are fine. We need strategy too.
- INCREMENTAL MOVES WON'T HELP**  
So far, only incremental changes have taken place through gauge conversion, doubling of lines, modernisation of signalling and so on, along with addition of new lines on uneconomic routes.
- LONG-TERM STRATEGY REQUIRED**  
The country needs a detailed operational long-term plan, taking into account the possible shifts and changes in the Indian economy, and consequently the challenges that the Railways is presently facing.
- LET'S MAKE RAILS 'FUTURE READY'**  
The hike in expenditure budget of railways by 34% demonstrates the government's commitment to 'future ready' railway. But action speaks more than words. Let's wait and watch.

**LETTERBOX**  
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## THE FINANCIAL WORLD

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HARSH V. PANT EXPLAINS HOW A 'NEW AGE' FREE TRADE DEAL WITH INDIA REMAINS CRITICAL FOR THE UK

# Rising trade opportunities in India

January this year saw the formal launch of negotiations for an India-United Kingdom free trade agreement (FTA) when Commerce and Industry Minister Piyush Goyal met U.K. Secretary of State for International Trade Anne-Marie Trevelyan during her visit to New Delhi. These negotiations were aimed at achieving a "fair and balanced" FTA and cover more than 90% of tariff lines so as to reach the bilateral trade target of around \$100 billion by 2030. It has been suggested that this pact will be a "new-age FTA" covering more than just goods, services and investments and include areas such as intellectual property rights, geographical indications, sustainability, digital technology and anti-corruption.

Despite some potential challenges, there is a new momentum in the India-U.K. bilateral engagement these days with both sides confident of moving forward swiftly. Mr. Goyal was emphatic that "nothing is necessarily a deal-breaker in this agreement," and suggested that no one should "worry about issues which are sensitive to any country, because both sides have agreed that sensitive issues are not our priority". Ms. Trevelyan viewed this deal as "a golden opportunity to put UK businesses at the front of the queue as the Indian economy continues to grow rapidly", that will "unlock this huge new market for our great British producers and manufacturers across numerous industries from food and drink to services and automotive".

There have been indications that instead of the two nations trying to tackle all sensitive issues in one go, there could be an interim pact to cover "low hanging fruit" to be followed by a full-fledged FTA in a year's time. Such an early harvest deal can often be deleterious for the prospects for a full FTA, but given India's abysmal reputation in concluding FTAs, this may not be a bad strategy in keeping interlocutors engaged in the process.

As the global economy undergoes a fundamental transformation in the aftermath of COVID-19 and supply chains get restructured, India cannot lose any more time in setting its house in order. New Delhi is hoping to conclude its first FTA in over a decade with the United Arab Emirates this year. And another one with Australia is in the offing. If concluded, the India-U.K. FTA will be the next in line at a time when New Delhi is demonstrating a new seriousness of purpose as it negotiates 16 new and enhancing several other trade pacts with nations as diverse as Canada, the United States, the European Union and South Korea.



In fact, just before the launch of FTA talks with the U.K., India and South Korea also decided to expedite the upgrade of the existing FTA, formally called the Comprehensive Economic Partnership Agreement. The Narendra Modi government is showing a newfound flexibility in engaging with its partners on trade as it seeks balanced trade pacts at a time when new trade blocs in the Indo-Pacific such as the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) are gaining traction. Strategic partnerships without strong economic content would have no meaning in the Indo-Pacific, where China's economic clout is growing by the day.

Britain has made a trade pact with India one of its post-Brexit priorities as it seeks a greater role in the Indo-Pacific. India is at the heart of the U.K.'s Indo-Pacific 'tilt', which has generated considerable interest around the world. British Prime Minister Boris Johnson came to office promising one of the deepest and broadest British foreign, security, development and defence reviews since the end of the Cold War. And the Integrated Review (a 'comprehensive articulation of the U.K.'s national security and international policy) released in March 2021 categorically underlined that, "In the decade ahead, the UK will deepen our engagement in the Indo-Pacific, establishing a greater and more persistent presence than any other European country". While the U.K. will also be launching trade negotiations this year with Canada, Mexico and the Gulf to underscore its 'Global Britain' credentials, a trade

deal with India along with its membership in the CPTPP remains critical in anchoring the U.K. economically to the Indo-Pacific.

### Many factors at play

A range of factors have coalesced to create an impetus for the U.K. to adopt a more robust Indo-Pacific strategy: the trading implications of Brexit; the U.K.'s changing approach towards China — shifting from being a major proponent of China to perhaps the most hawkish in Europe; and the fact that the U.S., the U.K.'s closest ally and security guarantor, remains firmly focused on the Indo-Pacific. Like its allies in the region, the U.K. recognises the importance of a free and open Indo-Pacific to global stability and prosperity, and has made clear its intentions to deploy strategic assets to this end. London is also looking to amplify its efforts by entering into the regional security architecture. The trilateral security partnership between Australia, the United Kingdom, and the United States (AUKUS), announced in September 2021, enabling Australia to acquire nuclear-powered submarines with assistance from the U.S. and U.K., has given London a greater voice in the region.

Trade and investment will be a key dimension of this U.K. tilt. Brexit has necessitated greater access to non-EU markets, and the U.K.'s changing relationship with China requires a diversification of trading partners. But this shift in focus is also driven by a recognition that the Indo-Pacific is now largely the force behind global economic growth. The U.K. is looking to leverage its historical connections, development work, and its credibility when it comes to combating climate change (particularly relevant to these low-lying states vulnerable to sea-level rise) to help establish itself as a serious player in the region where there remain serious doubts about the U.K.'s staying power.

Through its Indo-Pacific tilt, the U.K. is finally carving out a direction and purpose to its post-Brexit foreign policy. And it is this prioritisation that has opened up a new window for New Delhi and London to quickly finalise their FTA. It is a unique "now or never" moment and the two sides seem willing to seize it despite the challenges.

Harsh V. Pant is Director of Research at the Observer Research Foundation, New Delhi, and Professor of International Relations at King's College London. These are his personal views



ANANTH NARAYAN EXPLORES HOW THRUST ON CAPITAL EXPENDITURE COMES WITH SOME CAVEATS AND RISKS

# Creating jobs by increasing capex

If we had to look for one single metric that held the key to us achieving our immense economic potential as a nation, creation of gainful jobs, particularly for our underemployed youth and women, would perhaps be a strong candidate.

Data from the International Labour Organization (ILO) suggest that India's employment to population (over the age of 15) ratio has steadily dropped from 55% in 2005 to 43% in 2020. In 2020, it was 52% in Bangladesh, 63% in China and 73% in Vietnam. Specifically, women form just 20% of India's workforce, while they comprise between 30% and 70% of the workforce in the other three countries. Further, CMEI data suggest that across manufacturing and services, India lost nearly 1 crore jobs between December 2016 and December 2021.

Amidst a global and domestic context muddied by the COVID-19 pandemic, Finance Minister Nirmala Sitharaman, and indeed the entire administration, has their job cut out, trying to enable creation of sustainable jobs over time. In the 2022-23 Budget speech, she went all-in on allocating ample money towards productive infrastructure investments as the way forward.

Before we get into that, let's start with some good news. Data released by the Controller General of Accounts (CGA) shows that for the first nine months of the current fiscal year 2021-22 (FY22), the Centre's revenue receipts across taxes and dividends already stood at Rs 17.3 lakh crore, just shy of the full year budget of Rs 17.9 lakh crore. There are many factors that contribute to this remarkable outcome. First, higher income tax and Goods and Services Tax (GST) collections are on the back of a robust performance of India's organised sector, amidst increased formalisation of the



economy. Second, the government deserves full credit for the conservative Budget projections of last year, even as it enhanced credibility by coming clean on expenditures hidden in off-balance sheet in the books of the Food Corporation of India. Put together, for the first time in many years, notwithstanding the pandemic and the intense hurt amongst the unorganised sectors, tax collections for this fiscal year will end well ahead of the original Budget projections.

This Budget, therefore, revised up FY22 Central revenue receipts to Rs 20.8 lakh crore, nearly Rs 3 lakh crore higher than the original Budget. Given the momentum in tax collections till December, notwithstanding the Omicron wave, actual revenue receipts may exceed even this number by an additional Rs 0.5 lakh crore-0.7 lakh crore. All this will more than make up for the projected shortfall in the government's disinvestment Budget for this year.

Despite the much higher revenue receipts than budgeted, the overall FY22 fiscal deficit is projected to end at Rs 15.9 lakh crore (6.9% of GDP), higher than the Budget Estimates of Rs 15.1 lakh crore. Additional spending towards

food and fertilizer subsidies, increased allocations towards the National Rural Employment Guarantee Scheme and export incentives, and a clean-up of the books of Air India prior to its sale all contributed towards increased expenditures.

Going forward, however, a sustained momentum in tax collections will provide additional degrees of fiscal policy freedom to the Finance Minister as she tries to foster domestic jobs and output. She has chosen to back investments into capital expenditure as the way to achieve this.

For the next fiscal year FY23, she has increased her capital expenditure budget — or investments into productive capital creation — to Rs 7.5 lakh crore, 24% higher than the FY22 revised estimate of Rs 6 lakh crore. Alongside she has pencilled in just 1% increase in revenue expenditure, i.e., into items such as salaries, pensions, interest, and subsidies. In this regard, she is continuing a trend that she started in last year's Budget. Between FY11 and FY21, capital expenditure averaged just 12% of the government's overall expenditure. For the current FY22, that ratio increased to 16%, and for FY23, the Finance Minister has proposed to take it to 19%.

The intent and commitment behind this strategy is clear and laudable. The expectation is that sustained investment in roads, railways, freight corridors, power, renewable energy along with initiatives such as Production-Linked Incentives (PLI) and other enabling legislation, will create the conditions for drawing in private sector investments into manufacturing, and foster job creation and sustainable growth.

But as with everything else, this strategy does come with a few caveats and risks. First, not all the headline capital expenditure is indicative

of fresh greenfield investments. The Rs 0.5 lakh crore of clean-up of Air India's books this year counts as capital expenditure. Similarly, for FY23, the government has set aside Rs 0.8 lakh crore to partly clean up the books of NHAI and BSNL. Nevertheless, the transparency this brings about is still very welcome.

Second, while there is a visible thrust on hard capital expenditure, the outlays towards critical areas such as education, healthcare and urban infrastructure remain subdued. One would think investments in these areas are equally, if not more critical, than hard infrastructure alone.

Third, the thrust on capital expenditure has resulted in notably higher fiscal deficit numbers than expected. Notwithstanding the intent and commitment, such high fiscal deficits can put pressure on interest rates and the Reserve Bank of India, even as it raises the risk of inflation, higher current account deficits, and the attendant threats to financial stability.

Ultimately, the key lies in execution. The Finance Minister has provided ample funds for the infrastructure thrust. It is up to the entire administration — Central, State, and local — to ensure that the funds are utilised in a timely fashion, and result in delivery of world-class infrastructure. Alongside, ease of doing investments have to be continually addressed, especially around key areas such as land acquisition, contract enforcement, and policy stability. Sustained investments in manufacturing and value-added services hold the key for the growth of small businesses, jobs, and our economic well-being.

Ananth Narayan is Associate Professor (Adjunct), Finance, and Head of Public Policy, SPJIMR

## BOOKS: REVIEW

# Scientific underpinnings of frugal innovations explored

Making a clear differentiation between frugal and low-cost innovations, a new book, "The Art and Science of Frugal Innovation", bats for scientifically reasoned affordable solutions to achieve sustainable development for all.

The book, slated to release on February 7, is published by Penguin Random House India (PRHI). It is written by scientist Malavika Dadlani, MD of Foundation for Innovation and Technology Transfer (FITT) Anil Wali and academic Kaushik Mukerjee. "It is time that scientists realized the relevance of frugality, and innovators and entrepreneurs used not just cheaper substitutes, but scientific knowledge and modern tools to provide solutions to the people at the base of the socio-economic

pyramid," wrote the authors in its introduction of the book. "... We hope this book will offer its readers a glimpse of some successful examples of frugal innovations and reflect on the unlimited possibilities of adopting S&T methods and tools to leverage human power and natural resources to create a better world," they added.

In the book, the authors deftly explore the scientific underpinnings and social gains of frugal innovations and explain how these frugal innovations can help the world overcome a variety of obstacles. Giving many instances where products even from the leading companies could not survive — like Tata Nano, Hero Honda Street, and Videocon's television — it urges the firms to be cautious while planning to target mass markets through

frugal innovations. "In a highly globalised and connected world, perceptions, performance and consumer aspirations need to harmonise," said the book.

According to the publishers, all in all, "The Art and Science of Frugal Innovation" is about breaking boundaries and sharing knowledge, expertise, and ideas that can lead to sustainable development for all.

"This straightforward book also picks the common thread between frugal and low-cost innovations and demonstrates how durable solutions to problems can be found through scientific planning and systematic testing," wrote the publishers in its description of the book.

The Art and Science of Frugal Innovation comes at a time when the world is grappling with



The Art and Science of Frugal Innovation  
By Malavika Dadlani, Anil Wali and Kaushik Mukerjee  
Ebury Press; 264 pages; Rs599

Frugal Innovation is about breaking boundaries and sharing of knowledge, expertise and ideas that can lead to sustainable development for all. The book, priced at Rs 473, is presently available for pre-order online.

### About the author

Malavika Dadlani is a scientist, research manager, teacher and mentor. She was the first woman to be appointed as joint director, research, Indian Agricultural Research Institute, where she mentored over 400 scientists before retiring in 2013. Anil Wali worked in the chemical industry for 19 years. He is the managing director of Foundation for Innovation and Technology Transfer (FITT) since 2006. He is a mentor and guide to many innovators and start-ups.

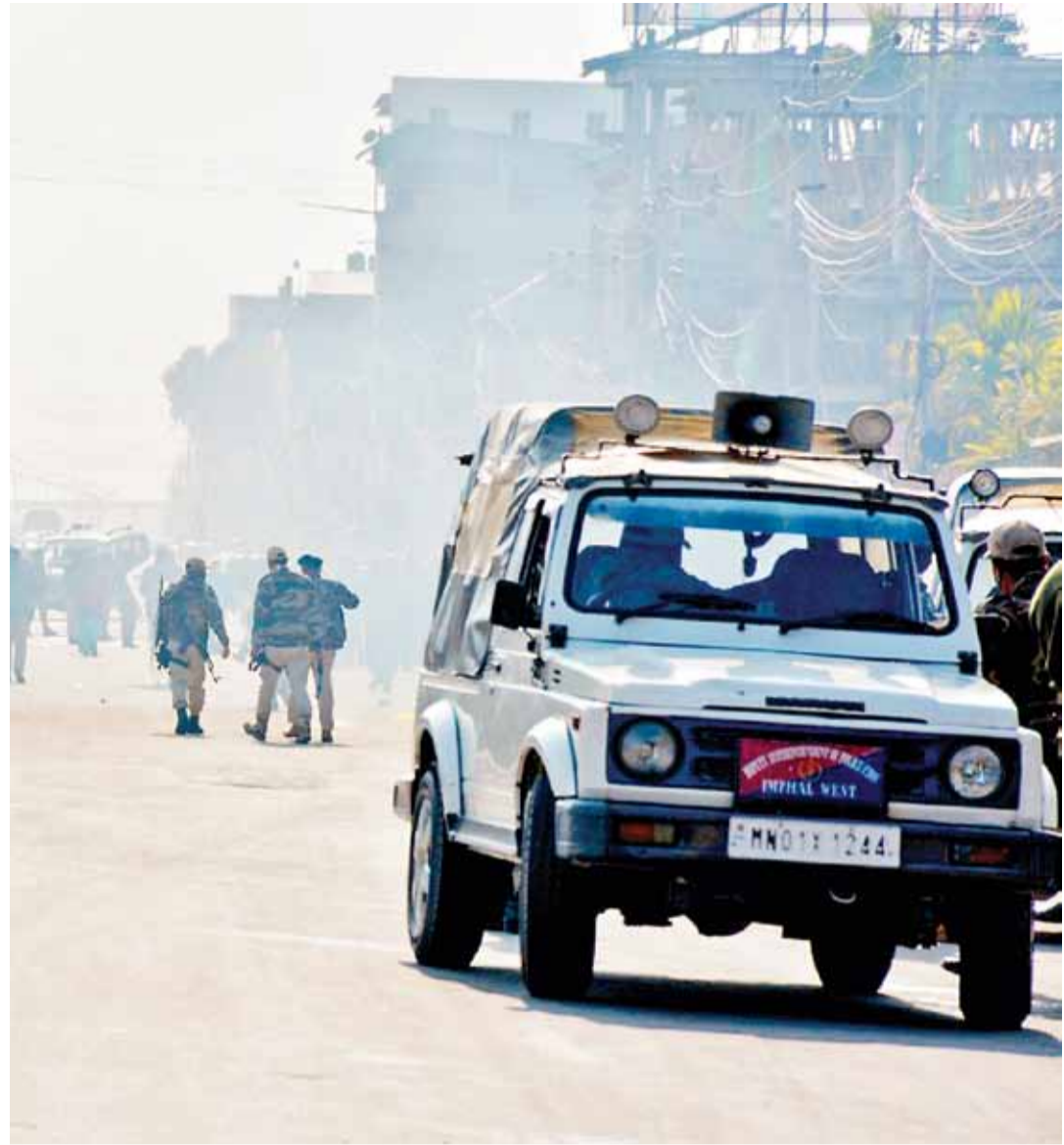
Kaushik Mukerjee is an associate professor and associate dean, training, National Institute of Bank Management (NIBM), Pune. He has twenty-five years of experience in industry and academics.



# Election mode



Bikram Singh Majithia, candidate of the Shiromani Akali Dal from Amritsar East constituency for the Assembly elections, files nomination papers before Arashdeep Singh Lobana, Assistant Commissioner (Grievances), on Friday. A little later, he met his supporters (above left), seeking support. Majithia is brother-in-law of SAD president Sukhbir Singh Badal. The Assembly elections are due in five states. In Punjab, the polling will be held on February 20. PHOTO: PRABHJOT GILL



Congress turncoats in BJP's Manipur candidate list prompts violent protests. ARIBAM BISHWAJIT



Aam Aadmi Party candidate Kunwar Vijay Partap Singh, along with Delhi Deputy Chief Minister Manish Sisodia and supporters, files nomination papers in Amritsar on Monday. PHOTO: PRABHJOT GILL



Punjab Congress president Navjot Singh Sidhu (C), along with his supporters, during a media interaction after filing his nomination papers in Amritsar on Saturday.



Bhagwant Mann, chief ministerial candidate of the Aam Aadmi Party, pays his respects at the Golden Temple ahead of the Assembly elections in Amritsar.



Congress leaders Rahul Gandhi (centre), Navjot Singh Sidhu (left) and CM Charanjit Singh Channi at the Golden Temple. PHOTO-PRABHJOT GILL AMRITSAR



Shiromani Akali Dal president Sukhbir Singh Badal addresses media in Amritsar. PHOTO: PRABHJOT GILL AMRITSAR

THE GOVERNMENT INCREASES CAPITAL EXPENDITURE FOR 2021-22 BY 34.5 PER CENT TO ₹5.5 LAKH CRORE TO PUSH GROWTH THROUGH INFRASTRUCTURE CREATION.

WHAT  
THEY SAY



The whole tourism, travel & hospitality industry is feeling quite dejected. The Budget provides some relief and medium to long term infrastructure measures to the stressed industry."

NAKUL ANAND  
Chairman, FAITH



It made no reference to the industry's recommendations to aid revival, including rationalisation of taxes (a complete GST holiday, exemption of TCS on outbound tours, reduction in indirect taxes)."

MADHAVAN MENON  
MD, Thomas Cook (India) Ltd



The PM Gati Shakti plan focusing on roads, railways, airports, ports and waterways will be the key driver of the tourism economy. The Parvat Mala scheme will also improve connectivity."

VISHAL SURI  
MD, SOTC Travel



The budget this year has very little for the Gems and Jewellery industry to recover from the losses. The new norms do boost the sale. Reducing import duty by 5% will be a little relief for diamond traders"

KETAN CHOKSHI  
MD, Narayan Jewellers

# Markets march higher after Budget hikes infra spending, avoids new taxes

**NEW DELHI:** The Sensex soared 848 points while the Nifty reclaimed the 17,500-mark on Tuesday after Finance Minister Nirmala Sitharaman unveiled a bigger Rs 39.45 lakh crore Budget, with higher spending on infrastructure to spur economic recovery and create jobs. Metal, realty and cement stocks saw robust buying, while selling in auto and telecom counters capped the gains.

After a strong start, the BSE Sensex succumbed to a sudden bout of selling following the Budget presentation, but staged an immediate rebound to end 848.40 points or 1.46 per cent higher at 58,862.57, marking its second straight session of gains. On similar lines, the broader NSE Nifty surged 237 points or 1.37 per cent to end at 17,576.85. Tata Steel hogged the limelight in the Sensex pack, zooming 7.57 per cent, followed by Sun Pharma, IndusInd Bank, L&T,



UltraCement, ITC, Titan and HCL Tech. In contrast, M&M, PowerGrid, SBI, Bharti Airtel, NTPC, Maruti and Reliance closed in the red, shedding up to 1.67 per cent. Sitharaman on Tuesday presented her fourth Budget, with higher spending on sectors ranging from high-ways to affordable housing with a view to fire up the key engines of the economy to sustain a

world-beating recovery from the pandemic. Contrary to expectations, Sitharaman did not tinker with income tax slabs or tax rates. Her Budget for the fiscal year beginning April 2022 proposed a massive 35 per cent jump in capital expenditure to Rs 7.5 lakh crore, coupled with the rationalisation of customs duty, an extension of time for setting up new manufacturing

companies and plans for starting a digital currency and tax crypto assets. However, fiscal deficit was projected marginally higher at 6.9 per cent for FY22 as against 6.8 per cent estimated earlier, with the finance minister emphasising the need for stronger and sustainable growth through public investment.

"It is a long-term growth oriented budget which the market has welcomed, given no headroom for cautiousness and populist measures. It is expected to support growth in the future; however, it is missing some balancing measures in context of current inflationary and slowing economy. Supportive measures were needed for rural, agriculture, low taxpayers and for sectors impacted by the pandemic. High capex, fiscal deficit and borrowing plans in the background of a high inflation, commodity and oil prices and

rising interest rates will be challenges in the short to medium-term," said Vinod Nair, Head of Research at Geojit Financial Services. Ashishkumar Chauhan, MD and CEO, BSE, said the Budget was very balanced and continued the incremental growth-oriented approach of the last budget. "In this budget, the finance minister provided a springboard for an investment cycle with the highest ever share of capex, focus on the development of national manufacturing capabilities and clean energy, tax rationalisation with no new taxes while maintaining its continuous growth focus on Aatmanirbhar Bharat," he added. Sector-wise, BSE metal soared 4.92 per cent, followed by basic materials, capital goods, FMCG, healthcare, realty, industrials and IT. However, oil & gas, auto, energy and telecom lost up to 0.91 per cent. AGENCIES

## Budget FY23, global cues lift equity indices; realty stocks jump

**MUMBAI:** Buying sentiment triggered by the positive reaction to Union Budget FY23 as well as robust global cues and attractive valuations lifted India's key equity indices S&P BSE Sensex and NSE Nifty50 on Wednesday. Initially, the domestic equity market opened higher and remained in the green with minimal corrections. The Sensex closed the day's session at 59,558.33 points, up by 695.76 points or 1.18 per cent from its previous close. Similarly, Nifty made gains on Wednesday, rising by 203.15 points or 1.16 per cent to 17,780 points.

Globally, markets seem set for their biggest four-day rally since November 2020 as companies from the US to Europe reported better-than-expected earnings while dipping returned to technology shares. On Wednesday, markets in mainland China, Hong Kong, Singapore and South Korea were closed for the Lunar New Year holidays. In Europe, investors' sentiment continued to remain steady after a rout last month. On the domestic front, the market's volume was a little lower than recent average. Among sectors realty, consumer durables, banks, IT and healthcare indices were the main gainers. "FPI participation has fallen over the past two sessions which is reflected in the lower volumes. Advance decline ratio, however, is sharply positive, suggesting broad participation in the midst of a halt in large FPI selling," said Deepak Jasani, Head of Retail Research, HDFC Securities. "After three



consecutive days of gains, Nifty could consolidate a bit over the next few days even as FPIs form their view on Indian markets post the Budget. For Nifty, 17,812-17,879 could be the resistance over the near term while 17,617 is the support," he added. According to Siddhartha Khemka, Head of Retail Research, Motilal Oswal Financial Services: "We believe the markets will discount the Budget and shift focus to rising interest rate regime globally and consequent higher bond yields and corporate earnings growth that has remained resilient so far in the ongoing 3QFY22 earnings season.

"The forthcoming RBI policy meet assumes greater significance now with respect to the future of liquidity and interest rates. Q3FY22 earnings have been good so far, and from management commentary, Q4 numbers are expected to be strong. Overall, we remain positive on the market." Vinod Nair, Head of Research at Geojit Financial Services, said. "The domestic market continued its bull ride, tracking Budget cues and positive sentiments from global markets. Most sectors remained green while banking and finance stocks contributed most to the gains." AGENCIES

## Next fiscal to see revival of 20 airports



**NEW DELHI:** With a special focus on building infrastructure for regional air connectivity, Finance Minister Nirmala Sitharaman has proposed to revive 20 airports across the country in the next financial year. The Ministry of Civil Aviation has been allotted Rs 10,667

crore, which is almost three times last year's budgetary estimate of Rs 3,224.67 crore. Air India Assets Holding Limited (AIAHL), a government-owned special purpose vehicle set up in 2019 to handle Air India's debt and non-core assets, has received budgetary

support of Rs 9,259 crore for the next financial year. During 2021-22, since the government incurred high expenses on the account of disinvestment of Air India, the revised estimate of the ministry's expenses for the year jumped to Rs 72,652 crore. AGENCIES

## Frontloading infra spending can bring faster growth: Crisil



India's Union Budget FY23's investment led push in infra sector is expected to usher in faster economic growth, ratings agency Crisil said.

The majority of Budget 2022-23 massive Capex outlay - Rs 7.50 lakh crore - will be spent on infrastructure development. Besides, the budget steered clear from a definitive consumption push to support economic recovery. Instead, it batted for investment spend, with an eye

on the medium term. "On the one hand, the lift in the consumption cycle is now tied to a broad-based pick-up in economic activity, which the government is trying to engineer through a focus on investments," it said. "Pursuing this path would enhance the growth potential and, it is hoped, will bring endurance to growth in the medium term."

However, it pointed out that in the short terms, re-

fraining from giving a direct consumption support could keep the pace of economic recovery slow. Notably, the latest National Statistical Office (NSO) estimates for India's GDP for this fiscal indicate that household consumption demand is lagging fiscal 2020 levels by 2.2 per cent.

"That makes it the worst performer among the demand components of GDP post-pandemic. To boot, private consumption was already slowing before the pandemic. It is a similar story with household incomes." The current consumption slowdown also stems from the pandemic-induced income inequality. So, some direct support to consumption and incomes could have provided a faster lift to growth, besides providing people the means to survive. "Moreover, consumer sentiment is an important cue for firms embarking on investment. AGENCIES

# Budget 2022-23: Saving for a rainy day? Your umbrella just got costlier

**NEW DELHI:** As the world struggles to regain economic footing due to the pandemic, does the Union Budget 2022-23 in any way alleviate your lifestyle or impact your daily spending? Commonly used items like earphones, headphones and loudspeakers, umbrellas along with solar cells and solar modules and even toys are set to see a price hike due to an increase in customs duties on imported parts.

But clothes and coffee, may get a tad bit cheaper, and if you're into seafood then imported mussels and squids will also be lighter on your pocket due to the decrease in customs duty. Travel Don't expect to pay less for either your flights or your stays, but years and years down the road, you'll find it easier to get from one city to another with the government focusing on logistics and connectivity. With travel restrictions and borders being closed both business and leisure travel has taken a hit. While holidays have been almost

non-existent, even work trips have been impacted. But the proposed extension of the Emergency Credit Line Guarantee Scheme (ECLGS) till March 2023 and additional Rs 50,000 crore for hospitality and related sectors, has little bearing on what you end up paying today or in the near future, but the Budget focusing on the expansion of roads, railways, airports, ports, waterways will make things easier somewhere down the road.

Nakul Anand, Chairman, FAITH (Federation of Associations in Indian Tourism & Hospitality) says, "The whole tourism travel & hospitality industry is feeling quite dejected. The union budget provides some relief and medium to long term infrastructure measures to stressed tourism travel and hospitality industry but there was an immediate opportunity for more direct intervention to support the highly stressed tourism travel and hospitality companies and their employees. This could have come in



the form of wage support for employees of tourism travel and hospitality companies till tourism revival happens, abolishment of TCS on outbound travel, Infrastructure waiver for hotels, E visa fees status for all tourist visas till inbound revival happens, Domestic income tax travel credit for Indian citizens and Indian companies, Export status for tourism export earnings, Global bidding fund for Indian mice companies & Setup of GST review committee to re-examine the tourism travel & hospitality GST pain points." Madhavan Menon,

Managing Director, Thomas Cook (India) Limited suggests. "The Budget made no reference to the industry's recommendations to aid revival, including rationalization of taxes (a complete GST holiday, exemption of TCS on outbound tours, reduction in indirect taxes), removal of SIES benefit capping of Rs 5 cr. For a sector that is a key contributor to the Country's GDP and brings invaluable foreign exchange earnings, with a force multiplier impact on employment and skill development, a stimulus would have created significant value

in supporting the country's road to recovery and growth. The limited relief in acknowledgement of the severe impact to the hospitality sector, was the extension of the Emergency Credit Line Guarantee Scheme (ECLGS) to March 2023, with an expansion by Rs. 50,000 crores to a total of Rs. 5 lakh crore."

Taking an optimistic view Vishal Suri, Managing Director, SOTC Travel said, "The Prime Minister's PM Gati Shakti plan focusing on roads (25,000kms additional national highway), railways (2000km new railway network by 2023), airports, ports, waterways will raise productivity and be the key drivers of the domestic tourism economy. Additionally, the Parvat Mala announcement with 8 National Ropeways development projects will ease commuting and thereby improve connectivity. The two noteworthy announcements of issuance of e-passports and the expansion of the ECLGS scheme for the hospitality sector

## IPGA says focus must be on production, not just rise in MSP

**NEW DELHI:** India needs to enhance the production and not just focus on increasing the minimum support price (MSP) on pulses every time as it hurts the consumers in the long run, said Bimal Kothari, Vice Chairman of India Pulses and Grains Association (IPGA). "As of now our productivity is really low in comparison to international levels," Kothari said. Doubling farmers' income too can be attained by increasing productivity. "Crops like pulses and edible oil seeds require special attention, because India has been importing them. Though the production of pulses has definitely been given a boost, still, we are importing about 2.5 million tons of pulses annually." India's pulses demand will be around 30 to 33 million tonnes, he predicted. Besides, the move to use drones in the farm sector, as announced in the Budget, will allow the industry to estimate the production and understand the crop losses accurately besides spraying insecticides in the field, he added.

"Not just the farmers but even the government will benefit from this drone scheme. Many times we are unable to get accurate numbers of production, whereas government policies are totally dependent and designed based on these numbers. Getting the most accurate numbers related to production and losses will immensely benefit government, trading associations and farmers." While welcoming the Centre's high procurement of agri produce at MSP, he recommended more focus to be provided on purchasing of oilseeds and pulses. "In the pulses sector there has been significant procurement in the last three to four years, but this needs to be enhanced more and buffer stocks need to be created as it's being done in case of wheat and paddy." AGENCIES

## Conservative receipts lead to higher-than-expected fiscal deficit: MOFSL

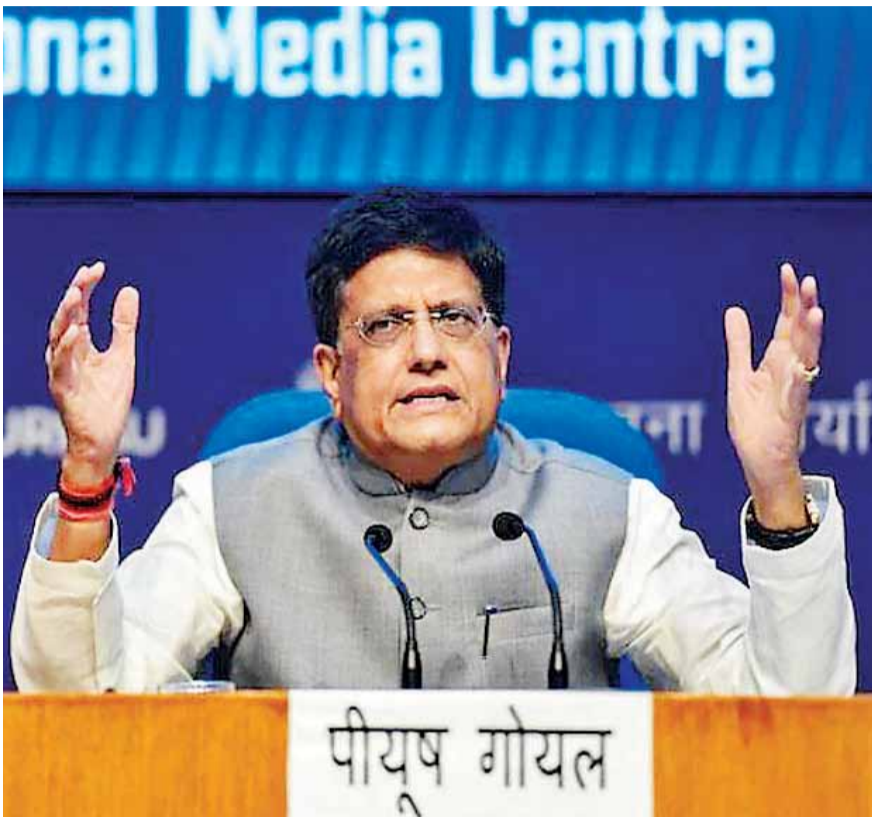
Conservative receipts' estimates have led to higher-than-expected fiscal deficit target in the Union Budget FY23, said Motilal Oswal Financial Services. The Union budget has estimated a total expenditure of about Rs 39.45 lakh crore, whereas, total receipts other than borrowings have been targeted at Rs 22.84 lakh crore. On Tuesday, Finance Minister Nirmala Sitharaman said that the Centre will be able to achieve realistic assessments of FY23 fiscal numbers or "even better than". Sitharaman cited that the Centre has been proven right on the FY22 fiscal assessments. As per MOFSL, the government continued on its course to improve the quality of its expenditure by focusing on investment growth. "However, the higher-than-expected fiscal deficit, and thus, borrowings, disappointed the bond market and pushed the benchmark bond yield to over 6.8 per cent." For the second consecutive year, the government appears to have underestimated its revenue growth in 'FY22RE' and 'FY23BE'.

According to MOFSL, "based on provisional data available up to December 2021 and the historical trends, our calculations suggest that revenue receipts could exceed the revised estimates by as much as Rs 1.7 trillion in FY22E and further by Rs 2 trillion in FY23E." "However, what is perplexing is to note that the government expects Rs 660 billion from disinvestments in Feb-Mar 2022 that may be difficult without the public issuance of Life Insurance Corporation (LIC)." "We believe LIC and other disinvestments could happen in FY23, implying that while there would be a shortfall in FY22 (v/s FY22REs), there is a possibility of over-achievement in FY23. Overall, while there could be an overshoot of Rs 1.2 trillion in FY22, total receipts could exceed the targets by Rs 2-2.5 trillion in FY23E." In addition, the brokerage house said that the move will lead to higher-than-expected fiscal deficit and market borrowings. "Such conservative receipt estimates are the primary reason for higher-than-expected fiscal deficit and, thus, borrowings in FY22/FY23, which spooked the debt markets." "Notwithstanding better nominal GDP growth, the fiscal deficit is revised upwards to 6.9 per cent of GDP in 'FY22RE' and pegged at 6.4 per cent of GDP for 'FY23BE'." AGENCIES



THE GOVERNMENT PROPOSES A UNIFIED SECURITIES MARKETS CODE IN ORDER TO BOOST THE FINANCIAL MARKETS IN THE COUNTRY.

## EXPORT SUBSIDIES DIDN'T YIELD RESULTS, STILL INDIA'S EXPORTS ON TRACK: GOYAL



**New DELHI:** Promoting exports through subsidies has not really given the desired results, but the government's RoDTEP scheme is helping grow exports which is expected to reach a record USD 400 billion this year, Commerce and Indus-

tries Minister Piyush Goyal said on Friday in the Rajya Sabha. Goyal, while responding to a query during the Question Hour in the Upper House on cut in budget for export promotion schemes, said the government has found "very good acceptance"

of the RoDTEP (Remission of Duties and Taxes on Export Products) scheme. "Based on that (RoDTEP), exports have also been growing," he said. While there is a thinking that the government has reduced the export subsidies, the Goyal said

the reality is this year, India is going to see a "record performance in exports". "We are already crossed USD 334 billion (one billion is equal to Rs 100 crore) of exports, which is higher than any full year ever in the past, and we are well on track to go to USD 400 billion export in the current year," he said. In August 2021, the government had announced the rates of tax refunds under the RoDTEP for 8,555 products, such as marine goods, yarn and dairy items. It has set aside Rs 12,454 crore for refunds under RoDTEP scheme for the current fiscal.

Holding that no country in the world can survive beyond the point of time only on subsidies to promote exports, the minister said: "India over a period of time has been promoting exports through subsidies, but that has not really given us the desired result or given us the huge impetus that one would have expected." In fact, the reality is that every nation has certain products and services which are its strength. Every theory in the world says the focus should

be given only on those export products having competitive strength, he said.

Goyal further said India has moved more into an interconnected world, where such subsidies are actually not even permitted under the WTO. There have been bad instances that India has been dragged before the World Trade Organisation (WTO) on export subsidies.

Therefore, our approach is that we reimburse the taxes or cess or duties that are notified on the product by the states. As far as the central government is concerned, usually most products are under the GST (Goods and Services Tax) and it automatically gets refunded when you export the product," he said. If there is any other tax which is levied on any export product, which is not marketable or reversible in the form of return, that is given back to the exporters under the RoDTEP scheme, he added. The minister also urged all the states to support economic activity through exports and create jobs in the system. AGENCIES

### Realty developers welcome Centre's high capex announcement

**NEW DELHI:** The Union Budget FY23 has gone down well with the real estate developers who welcomed the Centre's thrust on renewed capital expenditure. "For instance, the establishment of a logistics network in the country will provide an impetus to the development of infrastructure in the country. It will positively affect the development of the housing sector along the corridors," said Rajan Bandelkar, President of National Real Estate Development Council (NREDC). To sustain the high growth rate, the Centre has earmarked a big budgetary outlay of Rs 7.50 lakh crore for FY23. In her Budget speech, Finance Minister Nirmala Sitharaman proposed to increase the capital budget outlay by over 35 per cent year-on-year. "In a Budget that aspired to boost private consumption and create jobs to improve the economy in the backdrop of the third wave of the Covid-19 pandemic, a variety of measures have been announced... The provision of Rs 48,000 crore under Prime Minister Awas Yojana for completion of 80 lakh houses will help the government in achieving its target of Housing For All," said Dhruv Agarwal, Group CEO, Housing.com, Makaan.com and Proptiger.com.

The government's proposal to cut down the approval time related to land and construction will bring ease of doing business in the realty sector and would benefit from the announcements related to industrial and logistics and data centers, Agarwal added. With a committee being formed for urban capacity building and planning, India's real estate development will no more be confined to few big metros, said Manoj Gaur, CMD, Gaur Group, and Vice-President, North, CREDAI National. However, the long-standing demand of industry status for the real estate sector remains unaddressed, Gaur said, adding that he hopes the Centre would look into it in the coming years. The Centre's commitment to further develop urban infrastructure in a robust but sustainable fashion is a welcome step, said Ankit Kansal, Founder and MD, 360 Realtors. Further, rationalisation of Customs duties for a host of steel products might be helpful in optimising input costs, Kansal said. Nayan Raheja of Raheja Developers said the Budget announcements appeared to be a mixed bag from a real estate standpoint. AGENCIES

### WHAT THEY SAY



The budget is promising for the real estate industry with the much introspected PM Housing Scheme which accrues a huge allocation of Rs 48000."

**AJAY CHAUDHARY**  
Chairman and Managing Director, Ace Group



The Budget has the provisions for the modernisation and upgradation of the country's infrastructure that will fuel more demand in the real estate sector"

**RIZWAN SAJJAN**  
Founder and Chairman of Danube Group



The infrastructural boost shall create a formidable positive impact, creating more demand as the capital expenditure growth will give a substantial boost to the steel sector."

**SANJAY GUPTA**  
CMD, APL Apollo



We welcome the Budget for its focus on the growth of renewable energy and especially the electric mobility through the announcement of the battery swapping policy, boosting the EV adoption."

**ANSHUL GUPTA**  
Director, Okaya Power Pvt Ltd

## Budget: Allied farm, food processing sectors get further push; to promote drones, startups

**New DELHI:** In a bid to tap the allied farm and food processing sectors to boost farmers' income, the government on Tuesday proposed higher budget allocation for these two sectors for the next fiscal, besides announcing finance support for startups, promotion of Kisan drones and PPP mode for delivery of high tech agri-services to farmers. The government has also raised the farm credit target to Rs 18 lakh crore for 2022-23 from Rs 16.50 lakh crore this fiscal. Presenting the Union Budget in the Lok Sabha, Finance Minister Nirmala Sitharaman said inclusive development is one of the four priorities of the government moving forward.

The budget allocation for the Ministry of Agriculture and Farmers' Welfare has been raised marginally by 4.5 per cent to Rs 1,32,513 crore for 2022-23 fiscal. However, the budget allocation for the Ministry of Fisheries, Animal Husbandry and Dairying has been increased by 44 per cent to Rs 6,407.31 crore and for Food Processing Industries by 2.25 times to Rs 2,941.99



crore for the next fiscal. The finance minister said as part of the inclusive development, the government will implement a "rationalised and comprehensive scheme" to increase domestic oilseed production, thereby reducing the country's dependence on the import of edible oils.

The government will also bring in legislative and policy changes to promote agro-forestry and implement a comprehensive package, with states to adopt suitable varieties of fruits and vegetables that can be processed. Further, the government will promote the use of 'Kisan Drones' for crop assessment, digitisation of land records

and spraying of insecticides, she added. To finance startups and rural enterprises working in agri-space, the minister said the government will facilitate a fund with blended capital raised under the co-investment model through Nabard.

"This is to finance startups for agriculture and rural enterprise relevant for farm produce value chain," she noted. The activities of these startups will include inter-area support for farmer-producer organisations (FPOs), machinery for farmers on a rental basis at the farm level and technology, including invitee base, she added. AGENCIES

## Centre lowers FY23 divestment target to Rs 65,000 crore

**New DELHI:** The Centre has drastically lowered the divestment target for fiscal 2022-23 to Rs 65,000 crore. According to the budget documents 'Miscellaneous Capital Receipts', the current fiscal FY22's target was revised to Rs 78,000 crore from the budget estimates of Rs 1.75 lakh crore. The Centre had planned major divestments and strategic sale of Air India, BPCL, public sector banks, an insurance company amongst others. Besides, LIC's IPO has been targeted to be completed by March 31, 2022.

As per the budget document's 'Disinvestment of Government stake in Public Sector Banks and Financial Institutions', the revised target for FY22 has been brought down to nil from Rs 100,000 lakh crore. The budget document did not mention any target on account of 'Disinvestment of Government stake in Public Sector Banks and Financial Institutions' for FY23. "Towards implementation of the new Public



Sector Enterprise policy, the strategic transfer of ownership of Air India has been completed. The strategic partner for NINL (Neelanchal Ispat Nigam Ltd) has been selected," said Finance Minister Nirmala Sitharaman while presenting the Union Budget FY23 in Parliament. Many industry stakeholders said the budget estimate is realistic and achievable. Emkay Global Financial

Services Managing Director Krishna Kumar Karwa said: "The public issue of the LIC is expected shortly. Others too are in the process for 2022-23. The divestment target at Rs 65,000 crore should be easily achievable." Acuite Ratings and Research Chief Analytical Officer, Suman Chowdhury, said: "While the initial budgeted revenue target was Rs 175,000 crore for FY22, it has been sub-

stantially scaled down to Rs 78,000 crore and highlights the uncertainty regarding the LIC IPO. "Going forward, a moderate amount of Rs 65,000 crore has been earmarked for FY23 which is more realistic given the time frame taken for such transactions. It is evident that the government is unlikely to pursue PSU disinvestment in an aggressive manner over the next 1-2 years." AGENCIES

## UNION BUDGET 2022 WILL PAY OFF ON LONG TERM AS PER INDUSTRY HONCHOS OF INDIA

**ASHISH BHUTANI, CHIEF EXECUTIVE OFFICER AT BHUTANI GROUP SAYS BUDGET 2022-23 IS DEFINITELY A FUTURISTIC BLUEPRINT WITH ITS FOCUS ON INFRASTRUCTURE, WAREHOUSING, LOGISTICS AND URBAN PLANNED DEVELOPMENT BESIDES IMPROVING CONNECTIVITY THROUGH GATI-SHAKTI MASTERPLAN FOR EXPRESSWAYS**

**NEW DELHI:** The Union Budget for fiscal 2022-23 is certainly a growth-oriented budget and it addresses the urgent need of boosting infrastructure and urban capac-

ity building. With its focus on inclusive development and, productivity enhancement the budget has rightly addressed the issues of the industry post-pandemic. Moreover, the industry doyens have in the meanwhile opined that the budget will ensure more investment and infrastructure growth that will offer a progressive blueprint of economy of India in the long run.

Ashish Bhutani, Chief Executive Officer at Bhutani Group said, Budget 2022-23 is definitely a futuristic budget with its focus on infrastructure, warehousing, logistics and urban planned development besides improving connectivity through Gati-Shakti masterplan for expressways. Further, we welcome the honourable Finance Minister's announcement of the allocation of Rs. 48000 crore for housing projects under PM Housing Scheme. In a nutshell, all these initiatives will improve demand in the real estate sector in the long run while encouraging the thrust on tier-2 and 3 cities where revamped urban planning and design has been envisaged for capacity building. Mr. Ajay Chaudhary,

Chairman and Managing Director, Ace Group reiterated, The budget presented by the honourable finance minister enframe's a much promising future for the real estate industry with the much introspected PM Housing Scheme which accrues a huge allocation of Rs. 48000 crore in FY-23 for housing projects apart from single-window green clearances. This move will help the real estate sector streamline the construction of affordable homes.

Rizwan Sajjan, Founder and Chairman, Danube Group said, Budget 2022-23 has the provisions for the modernisation and upgradation of the country's infrastructure that will fuel more demand in the real estate sector which is expected to reach US1 trillion in market size by 2030. Mr. Sanjay Gupta, CMD, APL Apollo commented, The boost in the infrastructure allocation presented by the honourable finance minister in the budget shall create a formidable positive impact on the industry creating more demand than before as the capital expenditure growth announced by the government

shall be beneficial for the steel sector. Mr. Anshul Gupta, Director, Okaya Power Pvt Limited added, "We welcome Union Budget 2022-23 for its focus on the growth of renewable energy and especially the electric mobility through the announcement of the battery swapping policy that will surely boost the EV adoption in the country. All these initiatives are in sync with the government's endeavour to encourage the use of electric vehicles in both personal and commercial segments with aim to realise the vision of making India a 100 per cent e-vehicle nation by 2030."

Union Budget 2022-23 has given the much needed boost to EV industry with the upcoming policy on battery swapping. The policy will help drive the wide-scale adoption of EV batteries while it will also reduce the upfront ownership cost of EVs. The government's intention to develop special mobility zones for electric vehicles is another encouraging move for the industry. Moreover, the creation of Zero emission zones in the cities will further help drive demand for electric vehicles and EV batteries, added Mr. Deepan Garg,

Director, Ruchira Green Earth. Mr. Rajendra Mehta, Director-Sales & Marketing, Glowderma opined, Budget 2022-23 is here to transform the healthcare sector with its allocation of Rs 64,180 crore to be spent over the next six years to improve healthcare services. We look forward to a sizeable growth in the coming months supported by this generous initiative by our honourable finance minister.

Ajit Gupta, CMD, Ajit Industries said, With the balanced and sensible allocation in various sector of economy in the current budget the future for packaging sector also seems very lucrative. The provisions of incentivising exports, besides exemptions provided on various items including packaging boxes has thrown open a window of opportunities for the packaging industry. Mr. Kapil Jain, CEO, Nicholas Healthcare added, Healthcare sector is expected to be encouraged by the budget with the boost provided by its significant provisions that will lead to continued investment in capacity expansion in various segments leading to an exponential growth. AGENCIES

# SSM to contest independent, seeks common symbol

CHHAVI BHATIA  
Chandigarh

In a major disappointment to the party, the Sanyukt Samaj Manch (SSM) failed to get itself registered as a party and procure an election symbol even as filing nominations for Punjab assembly elections drew to a close on Tuesday. The candidates will now contest independently. Notably, the Election Commission of India had given its approval for the registration on February 1 and asked it to put out ads in newspapers and wait for a 30-day period. It also happened to be the last day of filing nominations in Punjab which votes on February 20.



outfit has sought a common election symbol for all its 104 candidates. It submitted a representation with the Chief

Electoral Officer of Punjab for a common symbol, giving three preferences: cot, pot and scissors. However, SSM leaders re-

mained unfazed in view of the "immense public support" the outfit has gathered over the past two months since it

was formed by senior farmer leader Balbir Singh Rajewal on December 25 last year. "We have seen the mood the of the people. They are very upbeat that we are contesting. We have no qualms in contesting as independent," said Prem Singh Bhangu, screening committee member of the SSM. Rajewal, Bhangu and some other senior leaders had met the Election Commission twice in the last few weeks for registration of SSM. They had also sought tractor as its party symbol, signifying the more than a year-long farmers' protest SSM members were a part of. Meanwhile, Rajewal also filed his nomination papers as an Independent candidate from Samrala constituency of Ludhiana district.

# 318 Afghan media outlets closed since Taliban takeover

AT LEAST 318 MEDIA OUTLETS IN AFGHANISTAN HAVE CLOSED SINCE THE TALIBAN TOOK OVER THE COUNTRY IN AUGUST LAST YEAR, THE INTERNATIONAL FEDERATION OF JOURNALISTS (IFJ).

KABUL: At least 318 media outlets in Afghanistan have closed since the Taliban took over the country in August last year, the International Federation of Journalists (IFJ) said. In a report released this week, the IFJ expressed concerns over the status of Afghan media community, reports TOLO News. "The crisis has hit newspapers the hardest with just 20 out of 114 continuing to publish," the report read.



picture is catastrophic, not just for journalists who have lost their jobs or been forced to flee but also for citizens who are being denied access to information," IFJ General Secretary Anthony Bellanger said.

The Afghan media community called on the Taliban government to help the media gain access to information. "If the immediate steps are taken towards the situation of the media in the country, only some certain number

of media organizations will be active in Afghanistan in the near future," TOLO News quoted Hujatullah Mujaddidi, head of the Head of the Afghan Independent Journalists Association, as saying on Friday. "We call

on the international community to invest in media to protect the process of access to information in the current Afghan situation," said Hafizullah Barakzai, head of the Afghanistan Journalists Council. Some journalists called on the international community to address the collapse of the Afghan media community.

If the restrictions imposed on media remain in force, the media organisations will stop operating and will collapse," said Samiullah Pam, a journalist. "We call on the international community to seriously consider the situation of the Afghan media. We call on the government to assist with the media in access to information," journalist Naseem said. This comes as the Taliban announced earlier that the Media Violation Commission and a Joint Commission of media and the government would be established soon. IANS

GOA NEWSLETTER

# SUNSET ON EX-CM, 50-YEAR GOA LEGISLATOR RANE IN 2022

DOMINICK RODRIGUES  
Panjim



Even as the date for filing nominations for the Goa Legislative Assembly elections 2022 closed on January 28, controversies continued to plague the numerous political parties involved in the electoral fray.

Former Goa Deputy Chief Minister and Congressman Dayanand Narvekar, who had quit congress and joined AAP, has quit the party and is choosing to stand as an independent from Provorim.

Describing the AAP as a party with good leaders in Delhi who take all the decisions for Goa while local AAP leaders have no authority in this regard, Narvekar said he had been earlier appointed in AAP as Advisor-cum-Mentor with responsibility for selecting suitable candidates. "However, when I sought to contest from Provorim constituency, they pressurized me to contest from Aldona my former constituency which led to my resigning from AAP," Narvekar said while bemoaning the fact that an aspiring AAP candidate for Aldona Bruno Fernandes who has worked for the party and Aldona constituency for over seven years, was bypassed by the AAP leadership for the choice of an incoming MGP candidate.

his 2019-2020 balance sheets showed Rs. 3,19,72,632. After observing this difference, one can see where the state's money has gone, "he said while highlighting the AAP's possibility of providing free electricity as it had proved through its Delhi government.

Former Congress Goa Chief Minister and 50-year State Political veteran Pratapsing Rane pooh-poohed Goa BJP election incharge Devendra Fadnavis' comments that he had been Consulted by Rane about giving a ticket to his daughter-in-law Divya Rane. "Whatever Fadnavis said about me it wrong ass well did not discuss politics when he visited my place, Poriem constituency is not my property and whether I will contest or not a different thing," he said

Days later Rane was chosen by the Congress to stand from Poriem constituency but against his daughter-in-law Divya who would be contesting on behalf of the BJP.

Poriem seat to his wife Divya - suddenly bowed out of the race in the 2022 assembly elections recently.

The 83-year-old Pratapsing Rane is a 11 time MLA and the longest-serving and oldest legislator.

Around 587 nominations have been filed for 40 assembly seats in the 2022 election with about 150 nominations filed in the last day - January 28 - even as polling is scheduled for February 14 with the results to be declared on March 10.

The ruling BJP is contesting all 40 seats, while the Congress is contesting 37 seats and its ally Goa Forward Party in three seats. The AAP is contesting 39 seats, while Trinamool Congress (26) and its ally MGP (13) are contesting total 39 seats.

The newly-formed Revolutionary Goans Party is contesting 38 seats while supporting the Congress in Aldona and Provorim, The NCP and Shiv Sena are contesting 12 seats each in 24 constituencies.

Meanwhile, the Goa Pradesh Congress Committee

(GPCC) president Girish Chodankar challenged the BJP to make public the Public Accounts Committee (PAC) report on mining within the next 72 hours.

Noting that the BJP had a decade ago used the PAC report to defame the Congress in the Rs. 35,000-crore mining scam, he said that "if the BJP fails to make the PAC report Public, then it should apologise before the people of Goa and Congress Party for misleading voters to win elections."

Chodankar said that "after making allegations against the Congress in the mining scam, the BJP usurped power twice but failed to investigate and recover this money. Now it should be clear why it didn't investigate the matter and recover the money."

The GPCC president also dared the BJP, AAP and TMC to make their stand clear on Goa's three linear projects and the coal hub. "Goans are not demanding freebies, but want a guarantee that the State will be made coal-free and the three linear projects will be scrapped.

The Goa Forward Party (GFP) president Vijai Sardesai has described the 2022 legislative elections on February 14 as "Goa's Second Opinion Poll" that will decide +whether Goa will be saved or sold.

"In 1967, if it was our Goan identity that was threatened, now our whole State is under threat of being sold to land mafias; our lives and livelihoods are jeopardized, and our children's future compromised," Sardesai lamented.

Meanwhile, women groups in Mormugao including councillors Shradha Amonkar are up in an uproar against BJP's

Mormugao constituency candidate Milind Naik being given a ticket to contest the 2022 assembly elections, despite him being involved in a sex scandal that resulted in a police complaint against him.

Amonkar, told media that her husband Sankalp Amonkar has filed the complaint against Naik based on facts and evidence, but had not been called during the Vasco police investigation. However, before the candidates were announced, the police had closed the case against Naik so that he could be given the BJP ticket to contest the elections, she alleged.

Goa police and the crpt are jointly staging flag marches around the state in order to maintain law and order, while also policing the areas for illegal assembly of groups and fringe elements.

Meanwhile, even as Goa goes to the polls on February 14, Goans are all excited about Goan-origin Portuguese Prime Minister Antonio Costa-whose roots are in Salcete, Goa - who won a landslide victory to continue as the Prime Minister of Portugal

Costa secured a firm Parliamentary majority where his Socialist Party triumphed with economic recovery from the pandemic.

The Indian Renewable Energy Development Agency (IREDA) recently signed an MOU with Goa Shipyard Ltd to provide its techno-financial expertise for setting up a rooftop solar power project at Vasco da Gama, that will reduce the company's electricity expenditure and its carbon footprint.

The government of India is looking at producing 40 GW of solar power through rooftop solar by end of 2022.

# 'Gangubai Kathiawadi' trailer: Alia, Vijay Raaz steal the show



MUMBAI: The trailer of Alia Bhatt's upcoming biographical crime drama 'Gangubai Kathiawadi' was released on Friday. A Sanjay Leela Bhansali directorial, 'Gangubai Kathiawadi' has been adapted from a chapter of Hussain Zaidi's book 'Mafia Queens of Mumbai'.

The film's trailer boasts of Bhansali's signature production design and his eye for aesthetics, and it features a prominent blue and grey tone that binds the narrative flow. In addition, the films also makes use of vintage cars, era-specific costumes, impactful and

punchy dialogues, and an engaging background score laced with the trombone and other wind instruments.

The film stars Alia in the titular role along with a talented cast that includes Vijay Raaz, Shantanu Maheshwari, Seema Bhargava Pahwa, Indira Tiwari and Varun Kapoor in supporting roles. Ajay Devgn, Huma Qureshi and Emraan Hashmi will have cameos. Vijay Raaz, who is known for his impactful performances, looks all set to blow away the audience once again with his perfectly crafted

performance as the keeper of the brothel. The film narrates the story of Ganga Harjivandas, a simple girl from Kathiawad who gets sold into prostitution by her suitor.

Overcoming a life of adversity, Ganga marks her own territory and becomes Gangubai, a madam in the red light area of Kamathipura. Produced by Sanjay Leela Bhansali and Jayantilal Gada, 'Gangubai Kathiawadi' was selected for screening at the 72nd Berlin International Film Festival and is set to arrive in cinemas on February 25. IANS

# Sachin Tendulkar congratulates Indian cricket on the occasion of 1000th ODI

MUMBAI: Legendary cricketer Sachin Tendulkar has congratulated Indian cricket on the occasion of the men's senior team appearing for its 1000th One-day International match in the first game of the three-match ODI series against the West Indies at Ahmedabad on Sunday.

India has played 999 ODIs so far, the most by any team in the world, winning 518 and losing 431 and bagging two World Cup titles - 1983 in England and 2011 at home. India played their first ODI match in 1974 and have in recent times stolen a march over Australia and England, who figured in the first-ever ODI match in 1971. Australia are second with 950 matches.

The Men in Blue are thus set to become the first team to play 1000 ODIs and Tendulkar posted a video on his social media accounts on Friday to congratulate all those who have played a role in Indian cricket achieving this "fantastic" achievement and wishing Rohit Sharma's team the very best for the 1000th match.

"India cricket team will be playing its 1000th ODI match on Sunday. It's a fantastic achievement and I would like to congratulate all the past and present



Indian cricketers, the BCCI and all the supporters who have stood by us throughout these 47 years of playing ODIs and continue to do so," Tendulkar said in his video message.

The batting maestro, the most successful batsman in ODI cricket with 18,426 runs in 463 matches, talked about the beauty of One-day cricket calling it a bridge between Test and ODI matches.

"I have always felt that cricket is a beautiful example of life itself. In life, change is the only constant and in cricket too. First, we had Test cricket, then ODIs, and now T20s. ODIs have aspects of both, Tests and T20s. It's short enough for exciting builds but also has passages of play where one needs to play with patience and perseverance. It has coincidentally become the

bridge between Test cricket and T20 cricket," he said.

Tendulkar also went down memory lane, picking up some magical moments from India's ODI cricket history singling out three editions that have left an impact on him - the 1983 World Cup that India won under Kapil Dev, the 2003 World Cup in South Africa in which India lost to Australia in the final and of course the 2011 World Cup that India won in Tendulkar's hometown Mumbai.

"India has many wonderful memories over the years. It starts, for me, it starts from the 1983 World Cup, two memories from that will always stay with him.

"To talk about the 1983 World Cup, I was only 10 years old, I didn't understand much about cricket but two things have stayed with me - the first one was Balwinder Singh Sandhu getting Gordon Greenidge out and the second one, Kapil Dev taking that beautiful running catch. AGENCIES

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