THE ECONOMIC TIMES | News

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Budget 2022 News LIVE Updates: Industries eyeing big announcements in Nirmala Sitharaman's 4th Budget

FM Nirmala Sitharaman is set to present the Union Budget 2022 on February 1 as people from various walks are pinning hopes on government's decisions and announcements on different sectors. Though, many steps have been taken by the Centre to tackle the economic consequences of the pandemic, big challenges still remain. These challenges are expected to be addressed by the finance minister in her upc **... Show more**

11:04 PM

> Last year's budget has raised the bar for this year. Mutual funds depend on markets and according to me any budget which is pro-growth and pro-market is beneficial for mutual funds also.
>
> ***- Nilesh Shah, MD & CEO, Kotak Mahindra Mutual Fund***

10:26 PM

Govt plans over $40 billion for food, fertiliser subsidy for 2022-23, news agency Reuters said quoting sources

- India is likely to set aside about Rs 3 lakh crore ($40 billion) on food and fertiliser subsidies in its budget next week for 2022-23, officials said, roughly the same amount the government budgeted for this fiscal year ending in March. The subsidy bills have spiralled due to pandemic relief measures for the poor and a sharp rise in global prices of chemicals. New Delhi has already raised fertiliser subsidies twice in this fiscal year, and sources said that its payouts for 2021-22 could be its highest yet.

10:11 PM

Apparel Export Promotion Council urges government to remove import duty on cotton to boost exports

- The Apparel Export Promotion Council (AEPC) has urged the government to remove import duty on cotton for boosting apparel exports, as one of its key Budget recommendations for promoting the Indian apparel industry.
- In an exclusive interview with ANI, AEPC Chairman Narendra Goenka, who believes apparel exports would touch $20 billion in fiscal 2022-23, said the biggest hurdle is high raw material prices and removal of import duty on these could give a major fillip.
- "We need to stop import duty on raw cotton. It is our major demand because raw material prices in India are very high. Cotton prices have gone up by almost 70-80 per cent in the last one year. A solution could be the removal of 11 per cent import duty on cotton. So that the mills can import cotton at lower prices. Cotton and yarn prices have gone up by 70-80 per cent and that is creating hurdles for garment exports. So, that is our major one-point demand from the Budget," said Goenka.

09:56 PM

Expert speak: 'Incentivise preventive healthcare, virtual check-ups'

- Amol Naikawadi, joint managing director, Indus Health Plus thinks the Budget should have provisions to make prevention through early detection easier and affordable, and incentivize virtual healthcare. He is expecting a rise in investment, and measures to make healthcare more accessible.

09:44 PM

Fiscal correction can wait, says Goldman Sachs

- The successive waves of the pandemic has made it more difficult to reduce government debt as a share of GDP in the medium-term, said Goldman Sachs in a pre-Budget note.
- It thus pencilled in a gradual fiscal consolidation with FY23 falling by 50 basis points to 6.3 per cent from 6.8 per cent in FY22, and set a target of bringing it down to 4.5 per cent by FY26.
- The brokerage believes that even though allocation for COVID related expenses will come down, the government will have to continue to focus on welfare spending and also expects capex to increase 12 per cent.
- But the higher spending will most likely be financed by higher tax revenue in FY23 and deferred asset sales from the current year, helping reduce the deficit.

09:27 PM

Services sector wants to push on R&D, ease on compliances

- Most stakeholders agree that a limitation for manufacturers is research and development. Inadequate or the absence of R&D has made Indian companies laggards in the tech sector. The Budget should give a push in this direction, said Sandeep Narula, Chairman, Electronics and Computer Software Export Promotion Council (ESC).
- Of the meagre 0.6% of the GDP on R&D in India, most of it comes from public sector undertakings and government-run laboratories. This means private sector involvement is largely absent here.

09:16 PM

> **Accelerating growth is the objective of every Budget as it should be of this one. But this Budget should pay special attention to bridging the widened inequality in the economy**
>
> ***- Former RBI Governor D Subbarao***

09:05 PM

Will Section 80C limit go up in this budget?

- Many mutual fund managers are hoping for an enhanced limit for Section 80C. The mutual fund industry has been asking for a higher limit for tax saving investments under Section 80 for a very long time. They have been demanding that mutual funds should be allowed to launch a debt mutual fund scheme in the lines of ELSS or tax saving mutual funds. A separate or enhanced Section 80C limit would help investors to invest more money in a financial instrument, they argue.

08:54 PM

Real estate sector should be accorded top priority status in budget, say developers

- The real estate sector should be accorded top priority status in the upcoming budget to boost employment and growth of the economy, developers said. The construction industry has proven itself a "resilient sector against the pandemic", and is now riding on a positive growth trajectory, they claimed. The sector is expected to reach a market size of $1 trillion by 2030, and will contribute around 13 per cent to the GDP by 2025, a builder said.

08:44 PM

Jewellers paint points

- Leading jewellers in the country have urged the government to reduce import duty on gold from 7.5 per cent to 4 per cent in the upcoming budget to reduce smuggling of gold. They said that countries like China, USA and Singapore have done away with the import duty on gold to strengthen the domestic market.

08:30 PM

Strict Covid-19 protocols to continue in Parliament during budget session

- In wake of rising COVID-19 cases, the upcoming Budget session of Parliament will take place under strict Covid protocols as prescribed by the ministry of health. Members of Parliament will be asked to sit keeping social distancing in mind therefore arrangements for members to sit will be made in both the chambers of the Lok Sabha and Rajya Sabha in the visitors' gallery and in the Central Hall.

08:22 PM

> **The challenges of the pandemic are still in place and to sustain growth, the government should bank on policies and measures that attract foreign investments and accelerate capital inflow. This will encourage buyers and sellers and will boost the momentum for sustainable economic growth.**
>
> ***- Shashank Vashishtha, Executive Director, eXp India***

08:10 PM

Budget should aim long-term holistic growth for auto industry, says Mercedes-Benz India

- The Union Budget 2022 should aim at long-term holistic growth for the auto industry prioritising job creation, infrastructure development, introduction of latest technologies and increased decarbonisation efforts, luxury carmaker Mercedes-Benz India said on Friday. The company retailed 11,242 units in 2021, a growth of 42.5 per cent over 7,893 units in 2020.

07:54 PM

Insurance experts bat for GST rationalisation

- Insurance experts want health covers slotted in the 5% GST slab to make it more affordable to access quality healthcare. A significant reduction in the GST on all personal lines of products—from the existing 18% to 5% will encourage more people to buy health insurance in these times. For senior citizens, it should be exempted.

07:45 PM

> **Boost to start-ups and MSME will also support the growth of commercial realty. Therefore, the government should consider facilitating tax-incentives, adequate infrastructure, the establishment of dedicated clusters in propelling the growth of start-ups and the MSME sector**
>
> ***- Abhishek Pandey, Vice President - Customer Engagement & Distribution, Viridian RED***

07:34 PM

Ahead of Economic Survey presentation, V Anantha Nageswaran appointed new CEA

- Dr Nageswaran took charge as new chief economic adviser (CEA) for Union finance ministry. He succeeds Krishnamurthy Subramanian who returned to academia at the end of his three-year tenure in December 2021.

07:28 PM

Can Budget add more firepower to India's defence manufacturing?

- Last year's capital budget allocation of Rs 135,061 crores reflected a steep increase of 19 percent in procurement outlay. The current allocation is expected to maintain this degree of increase in order to ensure streamlined acquisitions of critical platforms which are currently underway.

- In line with principles laid down in the draft Defence Production and Export Promotion Policy, the Ministry is expected to earmark a definite percentage of the total capital allocation on domestic procurement this year as well, with a 15 percent increase in last year's domestic allocation.
- Production linked incentive (PLI) schemes have made significant contributions in expediting development of sectors like automobiles and pharmaceuticals. Recently, a PLI scheme was introduced for manufacture of drones; similar schemes could be implemented for manufacturing defence products as well.

07:10 PM

Demand for a broader PLI base

- At present, the central government has implemented PLI schemes for 13 sectors, accompanied with incentives worth Rs 1.97 lakh crore. ICICI Direct Research expects the government to roll out PLI schemes for wearable/hearable devices, leather and laminates in the Budget.

07:01 PM

Tax the rich

- Economists want the re-introduction of wealth and inheritance tax to address rising inequality in Covid. A joint study by Ashoka University and think tank CBGA pitches for re-introduction of these taxes, while providing incentives for charitable donations. India's richest families saw their wealth reach a record high in 2021, even as 84% Indian households saw an income decline amid the pandemic, said a report from Oxfam India.

06:44 PM

Employment woes: Can Budget 2022 fix the problem?

- The National Statistical Organisation's (NSO) periodic labour force survey for 2019-20 released in July 2021 showed a rise in the share of labour force employed in agriculture, despite the policy objective of moving labour force out of agriculture into manufacturing. The share of workers employed in the agricultural sector rose to 45.6 per cent in FY20 from 42.5 per cent in FY19, while the share of workers employed in manufacturing and construction declined to 11.2 per cent and 11.6 per cent, respectively, in FY20 from 12.1 per cent each in FY19.

06:25 PM

Divestment push

- In the near term, the government is likely to speed up the process of strategic disinvestment and PSU privatisation, which was slower than expected in the past few years, said Axis Securities.
- The list includes stake sale in BPCL (Rs 50,000 crore), IDBI Bank (Rs 25,000 crore) and other entities like Shipping Corp, Concor, Pawan Hans, BEML (Rs 30,000 crore), privatisation of two PSU banks (Rs 55,000 crore) and LIC OFS (Rs 65,000 crore).
- Analysts expect that the divestment targets for the new financial year are likely to be elevated, though a lot will depend upon the proposed initial public offering (IPO) of Life Insurance Company of India (LIC).

06:00 PM

Can this sector get another fillip in Budget 2022?

- The chemical sector has fast emerged as a great wealth creator on Dalal Street, hence it will be in focus on February 1 when Finance Minister Nirmala Sitharaman announces Union Budget 2022.
- The sector has been in focus following the China+1 policy adopted by companies across the world. Moreover, recent fertilizer shortages have also kept agrochemical companies in the headlines.
- Analysts expect higher fertiliser subsidy, inclusion of the section in the performance linked incentive (PLI) scheme and increase in farm credit limit, among others. If these demands are met, the sector may get another fillip.

05:49 PM

Why FM should extend LTC cash scheme

- The resurgence in Covid cases in FY 2021-22 further hampered travel within the country. Further, the recent surge due to the Omicron variant has put travel on hold again which may continue in FY 2022-23 as well. Hence, the extension of the scheme for two more years, i.e., up to March 31, 2023 in the upcoming Union Budget 2022 would be a welcome move.

05:30 PM

> **Real-estate buyers are looking forward to an increase in the tax rebates. The demand towards investments in real-estate from these young millennials will only increase with the relaxation in taxes and rebates by the Govt in the Union Budget 2022**
>
> ***- Pankaj Bansal, Director-M3M India***

05:27 PM

Union Budget for FY23 likely to aim at boosting growth, says BoB eco research

- In view of upcoming state elections, the Union Budget for the 2022-23 financial year will aim at boosting growth, achieving fiscal consolidation and driving consumption, Bank of Baroda (BoB) said in its latest economic research report.
- It also stated that there could be changes in tax concessions, while production-linked incentive (PLI) schemes may see higher allocation to push investment demand.
- To avoid bond market volatility, gross borrowing will likely be maintained in the range of Rs 12-13 trillion, despite higher repayment obligations. Thus the estimated fiscal deficit is expected to be between 6 per cent and 6.25 per cent in the 2022-23 fiscal, the report said.
- In line with a 13 per cent increase in nominal Gross Domestic Product, the Centre's net revenue is estimated to rise by 12.2 per cent and spending to increase by 4.5 per cent in the coming fiscal, it said.

05:04 PM Increase of basic exemption limit from Rs 2.5 lakh to Rs 3 lakh

- Currently, the Income Tax Act, 1961 provides for a basic exemption limit of Rs 2.5 lakh which has remained unchanged for several years. Given the current annual inflation rate of about 5%, higher cost of living and the time which has elapsed since the last revision, it is expected that the basic exemption limit should be increased to Rs 3 lakh. Consequently, the maximum tax rebate under section 87A of the Act, which is currently Rs 12,500, may be restricted to Rs 10,000.

04:59 PM

> **“ We need to create an effective commercial ecosystem to encourage innovation and research in the country, which is ignored to an extent. Covid taught very important lessons of self-reliance and innovation in the pharma sector, especially in the APIs to reduce dependence on China. The Healthcare sector will look for higher allocation towards production Linked Incentive schemes to encourage capacity expansion of sensitive APIs, complex excipients, drug intermediates, etc. Interest subsidies and restoration of weighted tax deduction u/s 35(2AB) to encourage innovation and R&D are some of the key measures required for the sector.**
>
> ***- Mahendra Patel, Managing Director, Lincoln Pharmaceuticals Ltd***

04:57 PM Trend: Markets mostly subdued on budget day since 2012

- Since 2012, India's key equity indices have mostly given a negative reaction on the union Budget day.
- As per the data, profits have mostly been booked on the day when the Finance Minister tables the Finance Bill in the Parliament.
- Since 2012, including 'vote on account' the markets have given a negative return on seven occasions ranging from (-) 0.10 per cent to (-) 2.51 per cent.
- On the other hand, markets have only risen five times in the period under review.

04:48 PM Fresh look at SEZs

- The Budget 2022-23 may pave the way for a new Act to govern the country's special economic zones (SEZ) as the government aims to make them engines of growth as well as compliant with the global trade norms.
- The commerce and industry ministry has pushed for a new Act for SEZs to be able to sell goods in the domestic market at low duties, easier exit for loss-making units and units to be able to accept payment in Indian currency.

04:25 PM Rationalisation of tax slabs: The way to go

- At present, there are 10 income tax slabs rates ranging from 5.2%, 10.4%, 15.6%, 20.80%, 26%, 31.2%, 34.32%, 35.88%, 39% and 42.744% in case we consider the effective tax rates including surcharge and cess and the concessional tax regime. It is also important that the highest tax rate is reasonable for greater compliance. It would be advisable to simplify and rationalise the tax slabs to 5%, 10%, 15%, 20%, 25%, 30% and 35%.

04:07 PM Expect another big boost to infra capex spending

- "Continuing on its capex push, we expect another 25% increase in capital expenditure by the central government. we expect budgetary allocations for roads, highways and railways to rise," Nomura analyst Sonal Varma said in a note.
- To attract investments that create jobs and spur growth, Sitharaman could also boost incentives tied to production in more industries.
- Food processing and exports are two areas that could see more production-linked incentives.

03:54 PM Budget session

- On January 31, the meeting of the floor leaders will be held virtually at 3 p.m. where the government will discuss the agenda and Legislative business it would likely follow in the session.
- The Budget Session will commence on the same day with the Presidential address at 11 a.m. followed by the laying of the Economic Survey. Finance Minister Nirmala Sitharaman will present the Union Budget on February 1.

03:42 PM Tax breaks for employees working from home

- Can the salaried class expect a deduction for home office expenses in calculating their taxes in Budget 2022?
- Clearly, there is a need to see whether this should be in addition to the existing standard deduction, which was re-introduced in Budget 2018, effective from FY 2018-19.
- The standard deduction is available only to those employees who choose the old tax regime and is not available under the "simplified new personal income tax regime".
- The existing standard deduction, therefore, should not be perceived as a limit to cover deduction for work from home allowance.
- There is clearly a case for either introducing a new deduction for home office expenses or increasing the existing standard deduction limit for those working from home.

03:25 PM Push for renewable energy

The upcoming Union Budget must especially focus on scaling up rooftop solar, mini and microgrid systems, and domestic solar manufacturing to maximise the employment opportunities in the sector, Dr Arunabha Ghosh, CEO, CEEW has said.

03:09 PM **The upcoming Budget should focus on creating jobs and bridging the widened inequality in the economy besides accelerating growth, former RBI Governor D Subbarao has said**

03:02 PM **Key to spur exports**

- Import tariffs do harm export growth and put a cap on their potential which would not exist in the case of free trade between countries.
- However, there are also problems around the availability of credit, current logistical infrastructure, product quality control, and regulations among others that need to be addressed for India to boost its export growth further.

02:51 PM **Focus on EVs**

- An important step for the Government to increase EV adoption would be to introduce measures to boost the EV financing ecosystem.
- Increase in financial support by making EV a priority sector in lending, coupled with measures to establish the life of the vehicles through improved certification processes, will provide a push towards faster adoption of EVs

02:38 PM **Budget should boost consumption demand by offering tax breaks, cutting fuel taxes: Report**

In a pre-budget report, India Ratings said it expects the new budget to consolidate and strengthen the plan set out in the last budget, rather than trying out new things by continue with the revenue and capital expenditure pattern of FY'22 to provide stability and consolidation to the past/ongoing efforts, and to focus on boosting demand by generating employment opportunities in areas/sectors that have been impacted more by the pandemic.

02:27 PM **Experts exhort Centre to regulate crypto trades**

Even as Union Finance minister Nirmala Sitharaman is set to present the annual Budget on February 1, experts have called for regulation of cryptocurrencies and exhorted the government to treat them as capital assets with a "reasonable" tax regime.

02:18 PM **Budget needs to maximise on lithium-ion battery manufacturing: Report**

Soaring requirement for electric vehicles as well as energy storage applications in India are necessary drivers for the government of India to commit to serious investment in lithium-ion battery manufacturing in Budget 2022-23, finds a new report from JMK Research and the Institute for Energy Economics and Financial Analysis (IEEFA).

02:17 PM **Budget may kickstart new era of growth for life sciences**

- In the last Budget announcement, post the review of customs duty exemption notifications, there was weeding out of certain exemptions which had outlived their utility
- This would continue as an ongoing process and could possibly impact other goods in this Budget
- Exemptions on levy of duty for import of pharmaceutical goods/lifesaving drugs should continue and should not be subject to rationalisation

01:52 PM **USISPF recommends urgent action to address distortions and inefficiencies in the banking sector**

Days ahead of the annual budget, a top American business advocacy group, in a set of recommendations to the India's Union Finance Minister, has recommended urgent action to address the distortions and inefficiencies arising out of regulatory mandates in the banking sector.

01:44 PM

> **In the run-up to the Budget, it is high time the government takes a close look at the issues concerning the healthcare sector and increase investment. Currently, India spends an abysmally low 1.5%-2% of GDP for health, while the US figures stands at more than 16%, Canada over 10%, and the Scandinavian countries 20%.**
>
> ***- Dr Yash Gulati, Padma Shri, Orthopedic Surgeon***

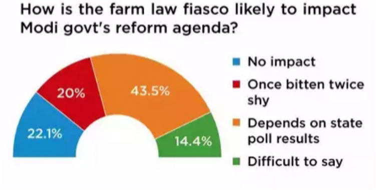
01:27 PM **Budget Session: Om Birla reviews preparations at Parliament**

- Lok Sabha Speaker Om Birla reviewed the preparations at the Parliament premises on Friday
- The LS Speaker has called an all-party meet on January 30 ahead of the commencement of the Budget Session
- In this customary meeting, floor leaders of various political parties will be present to discuss the smooth functioning of the Parliament session

01:18 PM **ET Survey: Elections and farmers protests**

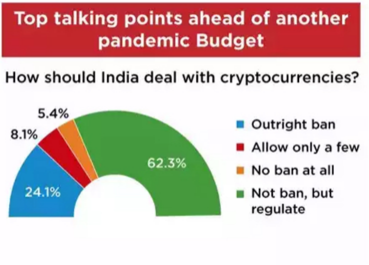
Coming to the future of reforms in India, for a major chunk of respondents (more than 43 per cent), the coming state poll results would likely dictate the trajectory for Modi government.

Top talking points ahead of another pandemic Budget


How is the farm law fiasco likely to impact Modi govt's reform agenda?

01:17 PM ET Survey: Regulation push for cryptos

An issue that drew a sweeping kind of response was the one on cryptocurrencies. It's well known that these virtual currencies do not enjoy a favourable government opinion in India.


Top talking points ahead of another pandemic Budget

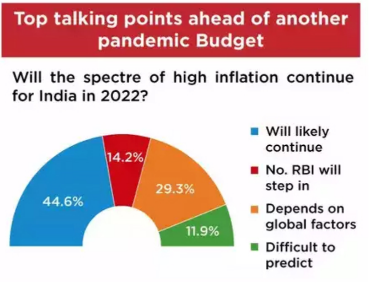
How should India deal with cryptocurrencies?

01:15 PM Five things Budget can do to make life easier for taxpayers

- Keep just one tax regime as opposed to an old and new one
- Make the first appellate/dispute resolution mechanism provided under the Act more effective
- Simplify the online tax return forms
- Data integration to reduce compliance burden
- Introduction of Inflation-indexed Basic Exemption Limit

01:03 PM ET Survey: Is high inflation in the rearview mirror?

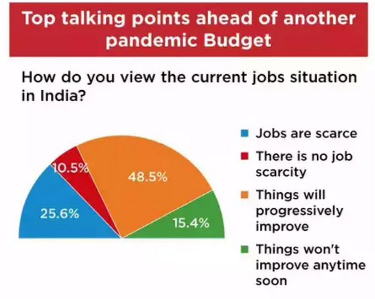
Inflation expectation seemed to have a clear bearing on the economy's 2022 prospects for a high 44.6 per cent of people who took part in the survey. This group foresaw the trend of high, entrenched inflation continuing for India this year too.


Top talking points ahead of another pandemic Budget

Will the spectre of high inflation continue for India in 2022?

01:00 PM ET Survey: How will the job market fare?

When it comes to lack of jobs, one of the perennial bugbears for the economy, almost half (48.5 per cent) of all respondents believed things would progressively improve from here.

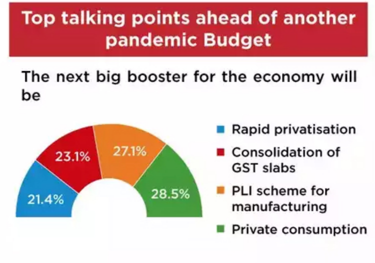


Top talking points ahead of another pandemic Budget

How do you view the current jobs situation in India?

12:54 PM **ET Survey: The next economic booster shot**

Opinion was divided with around 28% of survey participants seeing private consumption as the Indian economy's way out of pandemic travails.



Top talking points ahead of another pandemic Budget

The next big booster for the economy will be

12:51 PM **Upcoming Budget to consolidate plan set out in last Budget, shows Ind-Ra report**

In a pre-budget report, India Ratings said it expects the new budget to consolidate and strengthen the plan set out in the last budget, rather than trying out new things by continuing with the revenue and capital expenditure pattern of FY22 to provide stability and consolidation to the past efforts.

12:40 PM **Budget should boost consumption demand by offering tax breaks, cutting fuel taxes: Ind-Ra report**

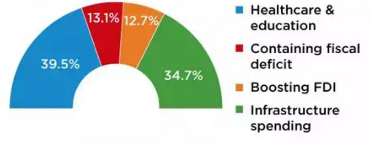
The forthcoming budget needs to delay fiscal consolidation, instead focus more on supporting the pandemic battered-economy and boost consumption demand by offering income tax soaps and cutting fuel taxes, says the report.

12:26 PM **ET Survey: Healthcare and education get spotlight**

At a time when virus uncertainty is still rampant even as protracted school closures threaten India with a lost generation, the biggest task at hand for this year's budget is bringing healthcare & education up to speed, around 40 per cent of the survey participants opined.

Top talking points ahead of another pandemic Budget

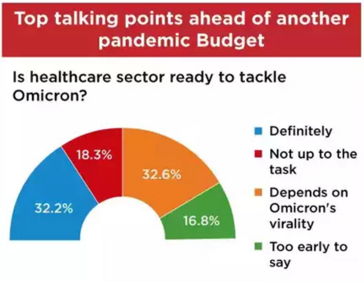
What should govt's biggest focus be in the Budget?



12:20 PM

ET Survey: Can Omicron take India to the ICU?

Talking of the virus threat, over 32 per cent people thought India's healthcare sector is 'definitely' ready to tackle Omicron.

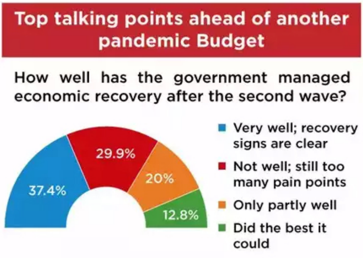

Top talking points ahead of another pandemic Budget

Is healthcare sector ready to tackle Omicron?

12:19 PM

ET Survey: How well has India managed the recovery process?

While over 37 per cent respondents thought Modi government managed the recovery process after the second wave quite well, around 30 per cent said the opposite, arguing that there are still too many pain points.


Top talking points ahead of another pandemic Budget

How well has the government managed economic recovery after the second wave?

12:08 PM

Congress Parliamentary Strategy Group Meeting held ahead of Budget Session

In the meet, headed by party President Sonia Gandhi, it has been decided to raise issues like relief package to COVID-19 victims, Air India disinvestment, inflation, border issue with China, farmers' issues. It has also been decided to coordinate with like-minded parties on the issues.

12:00 PM

Six measures that can help home buyers

- Continuation of Credit Linked Subsidy Scheme (CLSS) for EWS/LIG/MIG
- Extension of benefit u/s 80EEA to avail additional Rs 1.5 lakh interest deduction on home loans
- Reduction in the differential between circle rate and transaction value
- Separate provision allowing deduction of principal repayment
- Removal of restriction on setting off a loss from house property
- Waiver of GST on under-construction projects

11:56 AM

The team behind the upcoming Budget

TV SOMANATHAN, Finance Secretary and Secretary, Department of expenditure

A 1987 batch IAS officer from the Tamil Nadu cadre, T V Somanathan served as a joint secretary in the Prime Minister's Office in 2015 after a stint at the World Bank. Somanathan, as the finance secretary, has a tightrope walk ahead of providing funds for growth while keeping an eye on the fiscal goals.

AJAY SETH, Secretary, department of economic affairs
Ajay Seth, a 1987 Karnataka cadre IAS officer, was appointed economic affairs secretary in April last year when the country was hit hard by the second wave of the Covid 19 pandemic. Seth, who had handled the budget and resources and the commercial taxes department in Karnataka, has a tough task cut out for him as the third wave has dented the nascent recovery.

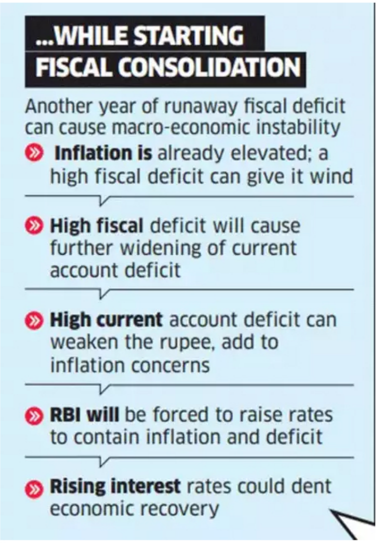
DEBASHISH PANDA, Secretary, Department of Financial Services
Debashish Panda, a 1987 batch IAS officer has been instrumental in laying the foundation for next-generation reforms in public sector financial institutions. Public sector banks have finally turned around and the upcoming budget is expected to provide further impetus. He was instrumental in setting up of the bad bank and the development finance institution.

TARUN BAJAJ, Secretary, Department of Revenue
Tarun Bajaj, a 1988 batch Haryana cadre IAS officer, served in the Prime Minister's Office before he joined the finance ministry as secretary economic affairs. Bajaj, who joined the ministry during the first wave of the pandemic when the country was under a partial lockdown, was one of key officials who steered the Atmanirbhar Bharat relief packages.

TUHIN KANTA PANDEY, Secretary, Department of Investment & Public Asset Management
A 1987 Odisha cadre IAS officer, Tuhin Kanta Pandey, has delivered on the privatisation of Air India. With 17 more strategic sales lined up and asset monetization pipeline ready, he has an action packed year ahead. The mega listing of Life Insurance Corporation is being eagerly awaited not just by the government to meet its large spending requirements, but also the markets.

11:52 AM

The biggest hurdles ahead of the Budget



...WHILE STARTING FISCAL CONSOLIDATION

Another year of runaway fiscal deficit can cause macro-economic instability

- **Inflation is** already elevated; a high fiscal deficit can give it wind
- **High fiscal** deficit will cause further widening of current account deficit
- **High current** account deficit can weaken the rupee, add to inflation concerns
- **RBI will** be forced to raise rates to contain inflation and deficit
- **Rising interest** rates could dent economic recovery

11:49 AM

What healthcare sector expects from Budget

- Outlay for healthcare infra should be increased further
- Investment across all the segments required
- Sector has not been able to derive benefits of GST transition
- Hoping govt to take some key fiscal steps

11:40 AM

What do FinTechs want?

- FinTech players are looking for an extension of schemes introduced for MSMEs during the pandemic era
- Further empowering MSMEs through access to capital and promote digitisation and innovation to the Indian FinTech sector
- Corporate leaders believe that the Budget should support more partnerships between banks and FinTechs

11:36 AM

> **Lower transaction costs improve liquidity, hence decrease impact costs. But on the flip side, you could argue that people may speculate more, which isn't good. There needs to be a balance between both. Hoping STT reduces this year.**
>
> ***- Nithin Kamath, Zerodha CEO***

11:26 AM

List of sops that FM may announce for auto sector

- Prabhudas Lilladher sees rationalisation of tax and duty structure on all auto components
- The brokerage sees execution of scrappage policy and infrastructure spending, which could drive CV demand
- It also sees increasing RoDTEP (Remission of Duties and Taxes on Export Products) benefits

11:14 AM

Realty sector seeks tax ease in Budget

The real estate sector is urging the Centre to provide an economic booster so that it can grow and generate employment.

11:10 AM

Indian CEOs expect rebound by February-March from the third wave impact

India Inc has demonstrated resilience in the third wave of Covid-19, despite disruptions and challenges, and business should rebound by February-March, say CEOs and business leaders.

11:03 AM

Will Section 80C limit go up in the budget?

- Many MF participants concede that the government won't have the bandwidth to attend to look at micro-level demands
- Many mutual fund managers are hoping for an enhanced limit for Section 80C
- The mutual fund industry has been asking for a higher limit for tax saving investments under Section 80 for a very long time
- Popular investment options under Section 80C are Public Provident Fund, National Savings Certificate, Equity Linked Savings Schemes among others

11:02 AM

How Budget 2022 can show the way to be atmanirbhar

Budget may focus on boosting infrastructure for R&D and manufacturing across industries with schemes like Production-Linked Incentives (PLI), and can further promote the growth and development of local industries.

10:53 AM

Five personal taxation measures taxpayers want

- Rationalisation of tax slabs
- Increase of basic exemption limit from Rs 2.5 lakh to Rs 3 lakh
- Tax deduction for Covid Bonds
- Introduction of "Work from Home" allowance
- Introduction or clarity on taxation of cryptocurrency transactions

10:25 AM

What retailers want from Union Budget 2022?

Ambareesh Murty, Co-founder and CEO, Pepperfry said, "The need of the hour is to ensure small businesses and MSME's have easier access to capital at lower interest rates, take steps to make doing business easier for them and to give an impetus to domestic manufacturing and consumption in core sectors like Furniture and Furnishings by reducing the GST rate from 18% to 12%."

10:12 AM

Aluminium Association seeks elimination of coal cess in upcoming Union Budget

The Aluminium Association of India (AAI) has sought the elimination of coal cess in the upcoming Union Budget and said the steep hike of the same has adversely affected the sustainability of the sector. Finance minister Nirmala Sitharaman will present the Union Budget for 2022-23 on February 1.

09:57 AM

As supply chain crisis exacerbates, clamour for India's own shipping line, container manufacturing grows

- Structural bottlenecks need redressal via policy interventions
- Budget should announce something to encourages entities to build a world-class shipping line, says FIEO
- FIEO also wants Double Tax Deduction Scheme for Internationalisation (DTDi)

09:44 AM

India seen boosting budget spending on infrastructure

India plans to raise spending on infrastructure in its annual budget next week to set the economy on a firmer footing, but fiscal constraints leave little chance of concessions for households hurting from the pandemic, officials said.

09:44 AM

How much to consolidate in the FY23 budget?

Capital spending should be in focus in the budget as subsidy payouts decline. In the current fiscal, GoI has focused on infrastructure spending as Covid-related expenditure declined. Assuming no further significant disruptions due to the pandemic, subsidy expenditure is likely to be dialled down further next year.

09:37 AM

Sensex rebounds 543.46 points to trade at 57,820.40 in opening trade

09:23 AM

India reports 2,51,209 new COVID-19 cases

08:58 AM

> Budget Press, situated inside North Block, house all officials in the period leading up to the presentation of the Union Budget. These officers and staff will come in contact with their near and dear ones only after the Budget is presented by the Union finance minister in Parliament.
>
> ***- Official statement***

08:53 AM

Covid impact: No ‘halwa’ ceremony before Budget

The spike in infections due to Omicron has prompted the government to play safe with the finance ministry even doing away with the customary ‘halwa’ ceremony that marks the final leg of the Budget preparation exercise.

08:51 AM

Rich Indians leaving country: Govt could look at increasing cut off days for residency

The government could look at increasing the cut-off days for non-resident Indians (NRIs) to determine their residency status and tax their global income domestically in a bid to stop the flow of rich Indians to other countries.

08:43 AM

Pharma industry wants Budget to announce incentives for conducting R&D

- As India battles its way out of successive waves of COVID-19 pandemic, the demand for increased allocation for the healthcare sector has gained momentum
- The pharma industry is a critical part of the overall healthcare sector and is seeking greater push from the government to improve the R&D facility along with measures to improve the ease of doing business

08:26 AM

Consumer sentiment up 3.9% in January but recovery hesitant, as per CMIE

Consumer sentiment improved 3.9% in January after a dip in December, when it fell 4.5% to 57.6, though the recovery is somewhat hesitant, the Centre for Monitoring Indian Economy (CMIE) said on Thursday.

08:12 AM

> A focus on empowering the informal sector with rural and urban jobs, capacity building and education, relief in key sectors like agriculture, housing, food production and its value chain and MSME could help reduce the nation’s economic stress and support holistic recovery.
>
> ***- OP Agarwal, CEO, World Resources Institute India***

08:08 AM

India's renewable energy sector can employ 1 million people by 2030: Study

India's renewable energy sector has the potential to employ around one million people by 2030, and most of the new jobs would be generated by small-scale renewable energy projects, according to a study.

08:02 AM

View: Do the math for India’s Budget and you have a jobs crisis

India faces a stark choice: between $200 billion and 200 million. The first figure refers to the size of the budget deficit. The second number should help with a possible answer: 200 million jobs are missing from the economy.

08:00 AM

Banks in talks with NESL to set up loan registry, information utility

Banks are in discussion with National E-Governance Services Limited (NESL) to explore the possibility of establishing a loan registry and developing an information utility which will store financial data such as borrowings, default and security interests.

07:55 AM

Budget session: Rajya Sabha floor leaders to meet virtually on January 31

A meeting of Rajya Sabha floor leaders, chaired by Rajya Sabha Chairman M Venkaiah Naidu, would take place at 5 PM on January 31. This meeting will take place virtually given the COVID spread and that the Vice President of India himself is recovering from a bout of Covid, sources said.

07:30 AM

Congress leaders to chalk out strategy for Budget Session

Top Congress leaders will hold deliberations on Friday morning to discuss the party's strategy during the upcoming Budget Session of Parliament. Congress President Sonia Gandhi will hold discussions with senior party leaders at a virtual meeting of the Parliamentary Strategy Group.

06:51 AM

Union Health Minister to hold review meeting today with southern states, UT's over COVID situation

06:28 AM

Budget Session: Lok Sabha Speaker Om Birla calls all-party meeting on Jan 30

06:13 AM

Budget should focus on bridging widened inequality in economy, creating jobs: Subbarao

The upcoming Budget should focus on creating jobs and bridging the widened inequality in the economy besides accelerating growth, former RBI Governor D Subbarao said on Thursday while observing that given the continuing need to raise spending on education, health and infrastructure, there is not much leeway for tax cuts.

06:13 AM

Budget session: Strict Covid-19 protocols will continue in parliament

In the wake of rising COVID-19 cases, the upcoming Budget session of Parliament will take place under strict Covid protocols as prescribed by the Ministry of health.

06:12 AM

USISPF recommends urgent action to address distortions and inefficiencies in the banking sector

Days ahead of the annual budget, a top American business advocacy group, in a set of recommendations to the India's Union Finance Minister, has recommended urgent action to address the distortions and inefficiencies arising out of regulatory mandates in the banking sector.

06:12 AM

No halwa ceremony to be conducted amid COVID -19 concern

Amid the COVID-19 pandemic in the country, the customary 'Halwa ceremony' before the commencement of the