

FM to meet industry bodies to assess coronavirus impact

ENS ECONOMIC BUREAU
NEW DELHI, FEBRUARY 14

FINANCE MINISTER Nirmala Sitharaman will Tuesday meet industry bodies to assess the impact of the coronavirus outbreak on India's trade and businesses.

The virus outbreak in China has claimed nearly 1,500 lives and infected more than 60,000. Also known as COVID-19, the coron-

Many sectors, including electronics, mobile and textiles, are expected to be hit due to supply restraints in China

avirus has spread to many countries, including India.

"To assess impact of Coronavirus, presently endemic

in China, on Indian trade & industry, Finance Minister Smt. @nsitharaman would be meeting Industry associations on Tuesday along with Secretaries in the Ministry," the Finance Ministry said in a tweet.

Several sectors, specially electronics, mobile and textiles, are expected to be hit due to supply restraints in China in the wake of the coronavirus epidemic. **WITHPTI**

Jan wholesale inflation hits 10-month high of 3.1% on costlier onion, potato

PRESS TRUST OF INDIA
NEW DELHI, FEBRUARY 14

WHOLESALE PRICE-BASED inflation accelerated to a 10-month high of 3.10 per cent in January mainly due to costlier food articles, particularly onion and potato, official data showed on Friday.

The wholesale price index (WPI) based inflation was at 2.59 per cent in December 2019, and 2.76 per cent in January 2019, as per the data released by the Ministry of Commerce and Industry.

The earlier high was recorded in April 2019, when the WPI inflation stood at 3.18 per cent.

During January this year, the

rate of price rise for food articles stood at 11.51 per cent as against 13.24 per cent a month earlier.

Inflation in the vegetable category stood at 52.72 per cent, while onion prices spurted by a whopping 293 per cent, followed by potato at 87.84 per cent.

In the manufactured food category, wholesale inflation was recorded at 0.34 per cent against a negative print of 0.25 per cent in December. Likewise for fuel and power category, it was at 3.42 per cent against (-) 1.46 per cent.

Meanwhile, ICRA Principal Economist Aditi Nayar said the WPI inflation could go up further in the coming months mainly because of higher import duties.

"Higher customs duties would

push up the inflation related to imports to some extent going forward. However, the impact of the spread of the coronavirus on risk sentiment and commodity prices, including crude oil, is expected to exert a substantial moderation on the wholesale inflation in February 2020," she said.

Nayar attributed the uptick in inflation for manufactured food items to a spike in various edible oils as well as dairy products, which she said is expected to sustain in the coming months.

"Even with a further correction anticipated in vegetable prices in February 2020, the primarily food inflation may persist in double-digits in that month," she added.

I-T RELEASES DATA AFTER PM COMMENTS ON FEWER TAXPAYERS

Only 2,200 reported income of over ₹1 cr from profession in FY19

ENS ECONOMIC BUREAU
NEW DELHI, FEBRUARY 14

OF THE total 5.78 crore individual income tax return (ITR) filers for financial year 2018-19, only 2,200 doctors, chartered accountants, lawyers and other such professionals disclosed annual income of over Rs 1 crore from their profession (excluding other incomes like rental, interest, capital gains etc.), while only 8,600 individuals disclosed income more than Rs 5 crore, data released by the Income Tax (I-T) Department showed.

Only 3.16 lakh individual taxpayers disclosed income above Rs 50 lakh, the tax department said. Around 1 crore individuals disclosed income between Rs 5-10 lakh and 46 lakh individual taxpayers have disclosed income above Rs 10 lakh, it added.

The I-T Department put out the details following comments of Prime Minister Narendra Modi on Wednesday, highlighting the less number of taxpayers declaring income over Rs 1 crore.

"In the last five years, over 1.5 crore cars were sold in India. Over three crore Indians went abroad for business or tourism. But the situation is such that in a country of 130 crore people, only 1.5 crore

AMONG 5.78 CRORE INDIVIDUAL TAXPAYERS

■ Of the total 5.78 crore individual ITR filers for 2018-19, only 2,200 doctors, chartered accountants, lawyers and other such professionals disclosed annual income of over ₹1 crore from their profession

■ The I-T Department said that of 5.78 crore individual taxpayers for FY19, 1.03 crore individuals showed income below ₹2.5 lakh and 3.29 crore individuals disclosed taxable income between ₹2.5-5 lakh

people pay income tax," he had said, adding that only 2,200 professionals declare their annual income of over Rs 1 crore.

The I-T Department said that of the total 5.78 crore individual taxpayers for FY19, 1.03 crore individuals showed income below Rs 2.5 lakh and 3.29 crore individuals disclosed taxable income between Rs 2.5-5 lakh, adding up to 4.32 crore individuals having disclosed income up to Rs 5 lakh.

Since the Finance Act 2019 exempted individual taxpayers having income up to Rs 5 lakh, therefore, 4.32 crore individual taxpayers having income up to Rs 5 lakh shall not be liable to pay tax for the current financial year 2019-20 and subsequent years and hence, only 1.46 crore individuals declaring income over Rs 5 lakh will be liable to income tax, it said.

To put things into perspective, 49,128 salaried income earners declared income over Rs 1 crore in the assessment year 2018-19 (financial year 2017-18). Out of total 5.52 crore returns filed by individuals in AY2018-19, 2,849 individuals filed for salary income over Rs 5 crore as against 2,254 individuals in the previous year. 35 individuals filed returns for income between Rs 50-100 crore and nine for income more than Rs 100 crore but below Rs 500 crore, as against 23 and two individuals in the respective categories in the previous year.

The heavy dependence on salaried taxpayers as opposed to other categories has been highlighted earlier as well by the government. Then Finance Minister Arun Jaitley, while presenting Budget for 2018-19, had said there

is a general perception in the society that individual business persons have better income as compared to salaried class.

"However, income tax data analysis suggests that major portion of personal income-tax collection comes from the salaried class," he had said.

Earlier, in the Budget for 2017-18, Jaitley had said "we are largely a tax non-compliant society". Citing data for tax returns filed in 2015-16, he had said that of the 76 lakh individual assesses who declare income above Rs 5 lakh, 56 lakh are in the salaried class.

"The number of people showing income more than Rs 50 lakh in the entire country is only 1.72 lakh. We can contrast this with the fact that in the last five years, more than 1.25 crore cars have been sold, and number of Indian citizens who flew abroad, either for business or tourism, is 2 crore in the year 2015.

"From all these figures we can conclude that we are largely a tax non-compliant society. The pre-dominance of cash in the economy makes it possible for the people to evade their taxes. When too many people evade taxes, the burden of their share falls on those who are honest and compliant," he had said.

Govt is focused on technology-driven solutions to everyday issues: Odisha CM

EXPRESS NEWS SERVICE
BHUBANESWAR, FEBRUARY 14

ODISHA CHIEF Minister Naveen Patnaik Friday said his government is committed to make Odisha the leader in technology, while listing the state's use of technology in disaster management, education, policing, and education in the state.

Speaking at the 27th edition of the Express Technology Sabha in Bhubaneswar, Patnaik added that as technology is becoming a way of life, his government "is focused on technology-driven solutions to everyday issues". He mentioned how technology in Odisha is helping people avail government services in a manner that "no one need go to a government office unless mandated by law".

Odisha IT minister Tusharkanti Behera, also in attendance, said, "The state's IT and Electronics Department is enabling citizen centric governance while boosting productivity and efficiency.

Manoj Mishra, Secretary,



From left; Omkar Rai, Director General, Software Technology Parks of India, Odisha CM Naveen Patnaik, state IT Minister Tusharkanti Behera, and Srikanth RP, Editor, Express Computer, at the 27th Express Technology Sabha in Bhubaneswar, Friday. *Express Photo*

Department of IT and Electronics, said Odisha's IT exports have exceeded Rs 4,000 crore and rest on pillars such as education, skilling, startups, infrastructure and policies. He also said the state is churning out thousands of tech students, who are joining the country's technology work force in cities such as Bengaluru and Pune.

Speaking on technology

trends and their deployment, Kamal Kashyap, director and country manager—public sector, HPE India, predicted that the digital economy in the country will contribute \$1 trillion, or a fifth, to India's goal of reaching \$5 trillion.

Sumit Wadhwa, general manager—head of government business, Samsung India, spoke about evolution to new mobile econ-

omy, while Prasun Srivastava of Thales Cloud Protection & Licensing spoke on data protection and data security.

Speakers at the Technology Sabha also focused on data security. Pointing to the one billion plus unique mobile phone users in the country, Wadhwa said that while mobile application downloads in the world ran into the hundreds of billions, many of these apps do not meet basic security tests. Srivastava said that most of the stolen data happens to be personally identifiable information (PII).

Sreyash Satpathy, senior vice president and head—central ministry, Government Coverage Group at Axis Bank, touched on challenges and disruption in banking as well as drivers of digitisation, such as smart cards, automated face collection, and one nation.

Omkar Rai, Director General, Software Technology Parks of India, said the organisation will support 2,000 IT startups from Tier 2 and Tier 3 cities over a period of five years.

If more has to be done beyond Budget, willing to do that: FM

PRESS TRUST OF INDIA
NEW DELHI, FEBRUARY 14

FINANCE MINISTER Nirmala Sitharaman on Friday said that if required, the government would take more steps beyond the announcements made in the Union Budget 2020-21 to boost economic activities.

At an interactive session on 'Budget and Beyond' with professionals from asset management, wealth advisory, tax consultancy and other related industries, the minister also said the Budget 2020-21 was a budget where the impact on equity, bond and currency markets was positive.

"If more has to be done beyond the Budget 2020, we are willing to do that," Sitharaman said at the session, where the participants made several suggestions to boost economic activities in the country.

The government announced a host of steps in the Union Budget, presented on February 1 in Parliament, to expand the eco-



Finance Minister Nirmala Sitharaman during a meeting at NITI Aayog, in New Delhi, Friday. *PTI*

nom activities at a time when the country is faced with demand slowdown due to several reasons.

The country's GDP growth is estimated to slow to an 11-year low of 5 per cent in the current financial year.

During the interactive session, participants made suggestions for increasing consumption, giving more money into the hands of consumers, measures

required to boost liquidity and hosts of suggestions for the capital markets.

Several suggestions were also made on the 'Vivad se Vishwas' scheme to deal with the disputes related to the direct taxes. It was announced in the Budget 2020-21. She said the finance ministry will provide details of the scheme soon. However, Parliament approval will be required before the scheme is implemented.

Lower corporate taxes: CBDT notifies forms for companies

New Delhi: The income tax (I-T) department has notified forms for companies to avail the reduced corporate tax rates that were announced in September last year.

The CBDT has notified Forms 10-IC and 10-ID for existing companies that want to avail lower I-T rates and new manufacturing

firms, respectively. In September 2019, the Centre announced a cut in base corporate tax for existing firms to 22 per cent from current 30 per cent; and for new manufacturing firms, incorporated after October 1, 2019, and starting operations before March 31, 2023, to 15 per cent from 25 per cent. **PTI**

TAMIL NADU BUDGET 2020-21

Panneerselvam expects revenue slowdown in FY20; announces 'farmer-centric' policy

EXPRESS NEWS SERVICE
CHENNAI, FEBRUARY 14

IN HIS 10th Budget presented on Friday in the state assembly, Tamil Nadu Finance Minister O Panneerselvam said he expected Rs 2,19,325 crore estimated revenue and Rs 2,40,992 crore worth expenditures for 2020-21.

The fiscal deficit for the next financial year is Rs 59,346 crore, which is 2.84 per cent of GDP, against the current financial year's fiscal deficit Rs 55,058 crore, which was 2.97 per cent of GDP.

The opposition DMK, meanwhile, attacked the government for presenting a Budget "without vision," where the state's tax revenue in the current fiscal was reported a fall to the extent of Rs 7,000 crore, on lower goods and services tax (GST) collection and share of central tax revenue.

In his Budget speech, Panneerselvam said the government expects a dip in GST, VAT (value added tax) revenue due to slowdown in the current financial year.

Reminding about funds to be released from the Centre and declaring that the state has achieved growth of 8.1 per cent in 2018-19, he said the state's growth in FY21 is expected to be at 7.2 per cent and tax revenue is likely to grow at 10.5 per cent.

Hailing Chief Minister Edappadi K Palaniswami's announcement declaring the Cauvery delta basin a protected agricultural zone, Panneerselvam said the government will introduce a Bill in the assembly next Tuesday to implement this declaration.

The state finance minister announced an allocation of Rs 11,000 crore towards crop loan by cooperative institutions, claiming that the AIADMK government's "farmer-centric" policy framework also focuses on escalating investments in the agriculture sector.

He also announced expansion of the System of Rice Intensification to 27.18 lakh acres and direct sowing of paddy to a total of 11.1 lakh acre in the districts of Nagapattinam, Tiruvarur, Ramanathapuram and Sivaganga in 2020-21. Panneerselvam also announced a special subsidy assistance of Rs 75 crore for sugarcane farmers for micro irrigation.

tal of 11.1 lakh acre in the districts of Nagapattinam, Tiruvarur, Ramanathapuram and Sivaganga in 2020-21. Panneerselvam also announced a special subsidy assistance of Rs 75 crore for sugarcane farmers for micro irrigation.

Around Rs 500 crore was allocated for road safety and a soon-to-be-launched Tamil Nadu Road Safety Mission to involve various departments and agencies to make the roads safer in the state.

Besides the proposed implementation of intra-state ration card portability in the state, the Budget also announced allocation of Rs 6,500 crore for food subsidy. According to Panneerselvam, the state will be soon equipped to enable cardholders with a smart ration card to consume from any fare price shop in the state.

Talking about the state's universal PDS scheme, which is now being made in compliance with the National Food Security Act, 2013, Panneerselvam said as many as 585 fair price shops across Tamil Nadu have been already upgraded.

BRIEFLY

BS-IV vehicles sale: SC not to extend deadline

New Delhi: The Supreme Court Friday rejected the plea filed by an association of automobile dealers seeking extension of the April 1, 2020 deadline by one more month to sell Bharat Stage-IV (BS-IV) norms compliant vehicles across the country.

GoAir appoints Vinay Dube chief executive

Mumbai: GoAir Friday said it has appointed Vinay Dube as the airline's chief executive officer. Till now, Dube was serving as an advisor to the private carrier.

ONGC net halves on fall in oil, gas prices

New Delhi: Oil and Natural Gas Corp (ONGC) Friday posted halving of its December quarter net profit after it faced the double whammy of falling oil and gas prices and drop in output.

'Air India sale likely in first half of next fiscal'

New Delhi: The Centre expects to complete sale of Air India in first half of FY21, Department of Investment and Public Asset Management Secretary Tuhin Kanta Pandey said Friday.

CIRP: Videocon overseas assets to be included

New Delhi: The National Company Law Tribunal has ordered inclusion of Videocon Industries' overseas oil and gas business in the corporate insolvency resolution process (CIRP) being conducted in India. **PTI**

SpiceJet Q3 net rises 32.9% to ₹73.2 crore

Mumbai: SpiceJet reported a 32.9 per cent rise in net profit to Rs 73.2 crore for December quarter, boosted by a 46.7 per cent growth in operating revenue. **ENS**

'DRI unearths scam involving wrongful import of canola oil'

ENS ECONOMIC BUREAU
NEW DELHI, FEBRUARY 14

THE DIRECTORATE of Revenue Intelligence (DRI) has unearthed a major scam involving import of canola oil of Canadian origin by wrongly declaring it as rapeseed oil from Bangladesh to evade taxes, sources in the Finance Ministry said.

Certain importers misused provisions of the South Asian Free Trade Agreement (SAFTA) to evade around Rs 25 crore of customs duty by disguising import of canola oil as rapeseed oil, they added.

During December-January, around 15,000 tonnes of 'crude rapeseed oil' was imported through Ghoadanga LCS from Bangladesh availing duty exemption under SAFTA as against minimal quantity earlier in 2017, 2018 and 2019 (upto November).

Further investigations are in progress.

Kotak on growth goals: No alternative than to be a well-governed company

ENS ECONOMIC BUREAU
MUMBAI, FEBRUARY 14

KOTAK MAHINDRA Bank managing director and CEO Uday Kotak Friday said return of capital is more important than return on capital, and suggested the need for enhanced risk capital for industry.

"There is no alternative than to be a well-governed company if India needs to achieve the growth rates it aspires for. There is need

for heightened responsibility of fiduciaries of companies and stakeholders which they need to focus on," he said at a CII corporate governance seminar.

The CII also released 15 recommendations on corporate governance and urged companies to adhere to the guidelines.

According to UK Sinha, former chairman, Securities and Exchange Board of India, while Indian laws and regulations are comparable to global governance

regulations, it's the implementation of the same that needs focused attention in India.

CII National Council on Corporate Governance chairman Keki Mistry said a whistleblowing policy is a critical element of internal control. "But it is also equally important to ensure that there are sufficient checks and balances in the system so that mala fide intentions are discouraged and complaints with dishonest intents penalized," he said.