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STRICTLY STREET

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TAKEAWAYS

- Expectations from Budget 2021.
- What's in Biden's victory for the Indian economy?
- Female Business Tycoon
- Venezuela's Economic Crisis

EXPECTATIONS FROM BUDGET 2021

Finance Minister Nirmala Sitharaman finally announced the much-awaited Budget 2021-22, which aims to bring positive changes after what could be called a covid-hit economy. Here are a few takeaways from the budget expected to bring changes to the country's economy. Additionally, the budget also went down into history as the first paperless budget of the country.



1. Aatmanirbhar packages of Rs. 27.1 crore was announced to accelerate the growth of structural reforms.
2. While two vaccines are already in use, the emphasis was also paid to launching two more vaccines. Besides, the government also announced to make the vaccine drive more rapid. A massive Rs. 35,000 crore is allotted for the same.
3. The finance minister also announced the policy of voluntary vehicle scrapping to phase out old and polluting vehicles.
4. Additionally, Rs. 18,000 crore was announced towards public transport and Rs. 1,10,055 crore will also be allocated to railways. Out of this, Rs. 1,07,100 crore will be put into use for capital expenditure for the year 2021-22.
5. The budget also mentioned essential steps in the direction of making it easy for start-ups in the country.
6. Individuals above 75 years who receive pension and interest from deposits do not have to file ITR.



EXPECTATIONS

On seeing the COVID Crisis going around the world, our Indian economy underwent a deep crisis.

The people quite expected a lot from the budget 2021 which are as follows-

1) REDUCTION IN THE TAXATION RATE- As we know that the Fiscal Deficit is on an all time high.

Therefore, the govt budget should have considered the policy of tax reduction so that the middle class population benefits from this tax relaxation.

2) EMPLOYMENT BENEFITS - On seeing the unemployment on a big rise due to covid, the budget should have announced some unemployment benefits for the poor and middle class families.

3) REDUCTION IN THE PRICE OF PETROL OR DIESEL - Currently, the rate of petrol is high. The government has further put CESS on it. The public of the country wished to seek solution to the rising petrol prices.

TEST YOUR AWARENESS

Q1- What is the real growth rate for FY21 as per the survey?

Q2 -What was the theme of the economic survey this year?

Q3 - How much customs duty has been levied on cotton and silk in the Budget 2021 ?

Q4 - Amazon has recently partnered with which Bollywood actor to create a celebrity voice for its digital assistant, Alexa ?

Q5 - The Finance Minister Nirmala Sitharaman has launched which app for hassle-free access to all Budget 2021-related information?

Q6 - Government aims to gradually increase the public expenditure to what percent of GDP by 2025?



WISE SAYINGS

**"The very moment all the lands in any country is being privatised then the landlords start demanding for money for even the harvest which they never sowed."
-Adam Smith**

**"We might as well reasonably dispute whether it is the upper or the under blade of a pair of scissors that cuts a piece of paper, as whether value is governed by demand or supply."
- Alfred Marshall**

**"In the short run, the market is a voting machine, but in the long run it is a weighing machine."
- Benjamin Graham**

WHAT'S IN BIDEN'S VICTORY FOR THE INDIAN ECONOMY ?

Biden's stand on relationship with India:

Biden has been a Senator for a very long time and served on important Senate committees. He had for many years, even before his role as US Vice-President, advocated a stronger relationship with India.

In fact, in 2006, three years before he became the Vice-President (VP) of the US, Biden announced his vision for the future of US-India relations, in which he claimed that India and the US will be the two closest nations in 2020. Biden played an important role as the Vice President (when Obama was President), in systematically deepening strategic engagement with India. During his term as VP, the US officially declared its support for India's membership in a reformed and expanded United Nations Security Council (UNSC).



Improvement in Defence ties

- The Obama-Biden Administration also named India a “Major Defense Partner”, which made it easier to share advanced and critical technology to India to strengthen defence ties.
- This was crucial since it was for the first time that any country was given this status, outside of the US's traditional alliance system.
- In 2016, the US and India signed the Logistics Exchange Memorandum of Agreement (LEMOA), the first of the three “foundational pacts” for deeper military cooperation.
- LEMOA allows the militaries of the US and India to access supplies, spare parts and services from each other's land facilities, air bases, and ports.
- LEMOA is extremely useful for India-US Navy-to-Navy cooperation, since the two countries are cooperating closely in the Indo-Pacific.

Fight against terrorism:

- Obama and Biden strengthened cooperation with India to fight terrorism in each of their countries and across the region.
- Biden's election campaign document states that there can be no tolerance for terrorism in South Asia.



Biden's approach on immigration and visas:

- The issue of immigration and visas has been a major concern for Indians under the Trump administration. However,
- Biden is expected to have a better approach towards Indians who go to the US to study, work, and live there. Biden has promised to support family-based immigration, increase the number of visas offered for permanent, work-based immigration.
- He also promised to reform the temporary visa system for high-skill, specialty jobs and eliminate the limits on employment-based green cards.

Biden's stand on human rights and democratic values:

- In the past, Biden has expressed his disappointment on measures such as the National Register of Citizens (NRC) in Assam and the passage of the Citizenship (Amendment) Act in India.
- Biden's campaign document says that the US and India are bound together by shared democratic values of fair and free elections, equality under the law, and the freedom of expression and religion.
- Its further underlines, that these core principles will continue to be the basis of India-US relations in the future.

FINTOONS

when the quarterly results start coming



WHEN YOUR STOCK CONTINUOUSLY GOES DOWN

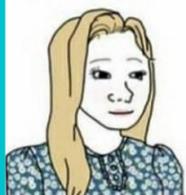
NEW INVESTORS -



A day in the life of a trader

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Did you hear anything I just said?



Of course



ADD TO YOUR VOCAB !

BITCOIN MINING

Bitcoin mining is the process of creating new bitcoin by solving a computational puzzle.

Bitcoin mining is necessary to maintain the ledger of transactions upon which bitcoin is based.

JUNK BONDS

Junk bonds are bonds that carry a higher risk of default than most bonds issued by corporations and governments. Junk bonds represent bonds issued by companies that are financially struggling and have a high risk of defaulting or not paying their interest payments or repaying the principal to investors.

FEMALE BUSINESS TYCOON

NINA LEKHI

Founder of Baggit

MD and Chief Design Curator

Nina Lekhi is the creator behind one of the most popular retail brands in India. At the age of 18, Nina and one of her friends stumbled upon an idea of creating 'bags with attitude' and thus began a handbag empire. She started experimenting with canvas, faux leather and other materials and drawing inspiration from various sources.



Her love for colors forms one of the principal fundamentals of Baggit. This brand today enjoys an international identity and is revered among regular users and hard-core fashionistas alike



“Being surrounded by friends from business families and having been brought up in that environment, made entrepreneurship almost a natural move,” Nina Lekhi said.

VENEZUELA'S ECONOMIC CRISIS

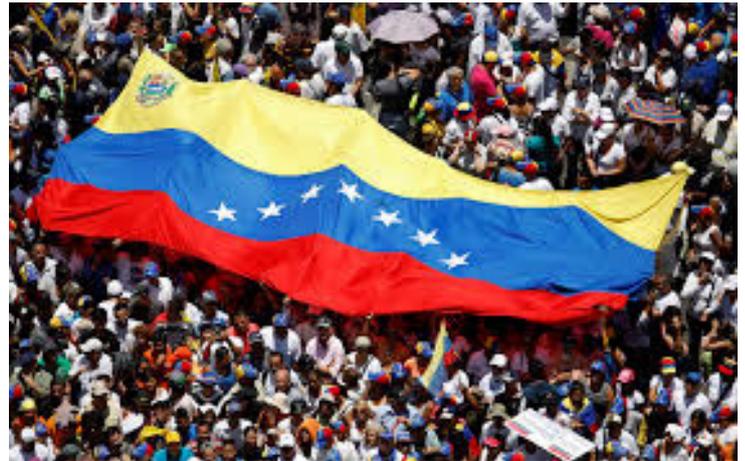
In 1970, Venezuela was listed in the Top 20 richest countries of the world.

Venezuela has world's largest oil reserve and according to 2019 figures they have oil reserves worth 303 million barrel.

REASONS BEHIND THE ECONOMIC CRISIS

Three years of recession

- Venezuela is in its third year of recession. Its economy is expected to contract 10% this year, according to the International Monetary Fund.
- While the economy shrinks, the price of goods is skyrocketing. This year, inflation is expected to rise 475%, according to the IMF.
- Venezuela's currency has plummeted in value. Consider this: one dollar equaled 100 bolivars exactly two years ago. Today, a dollar gets you 1,262 bolivars.
- Years of excessive government spending on welfare programs, poorly managed facilities and dilapidated farms set the stage for the crisis.



Corrupt leaders

During the 14 years Chávez was in power, he -

- dismantled the Venezuelan constitution to ensure he controlled all branches of government,
- confiscated hundreds of privately owned industries and businesses claiming they belonged to the people of Venezuela,
- replaced most of the current knowledgeable employees who could run the businesses with people whose only requirement was to be loyal to Chavez,
- drove the country into taking on crushing debt to pay for all the government programs and giveaways,
- started printing money indiscriminately causing hyperinflation,
- mismanaged the once abundant Venezuelan resources to the point that economic growth and stability was obliterated.

SOURCES

1. DNA India
2. Mint
3. The Hindu

Carelessness of the Government leaders

- After World War II, when there was tremendous demand for oil in the world and the prices were skyrocketing, Venezuela was having a gala time. In 1945, the country was making 1 million barrels of oil per day.
- The government started distributing free stuff to its citizens. In exchange for oil, goods came from all over the world; everything was imported in exchange for the oil.
- In the 50's and 60's, when the whole world was increasing manufacturing productivity, Venezuela produced nothing. They even imported commodities like cabbage and tomatoes from Europe.

ANSWERS TO "TEST YOUR AWARENESS"

1. -7.7% MoSPI
2. Covid 19 Warriors
3. 10% and 15%
4. Amitabh Bachchan
5. Union Budget Mobile App
6. 2.5%