

MAHARASHTRA GOVT. SLASHES VAT ON PETROL, DIESEL

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Chief Minister Eknath Shinde on a reversal spree.

In a major decision after taking power last month, the new Maharashtra government led by Chief Minister Eknath Shinde and Deputy Chief Minister Devendra Fadnavis slashed the value-added tax (VAT) on petrol and diesel by Rs. 5 and Rs. 3 per litre, respectively.

Mr. Fadnavis also said that the State government had given all clearances for expediting the Mumbai-Ahmedabad bullet train project, which had been put on the back-burner by the erstwhile Uddhav Thackeray-led tripartite 'Maha Vikas Aghadi' (MVA) government.

The decision on the fuel price cut was taken in the second Cabinet meeting since the formation of the new Shiv Sena (Shinde faction)-Bharatiya Janata Party (BJP) government on June 30.

While stating that the reduction on fuel prices would put a burden of Rs. 6,000 crore annually on the State exchequer, Mr. Shinde said that the public would get a much-needed relief.

He further stressed that no development projects would be affected as a result of this relief. "This decision is part of the Shiv Sena-BJP government's commitment to public welfare," Mr. Shinde said.

Earlier in May this year, soon after the Centre had slashed the excise duty on diesel and petrol, the Uddhav Thackeray-led MVA had announced a reduction in the value added tax (VAT) on petrol by Rs. 2.08 per litre and diesel by Rs. 1.44 a litre.

Addressing a press conference in the Mantralaya after the State cabinet meeting, Mr. Fadnavis, speaking on the bullet train project, said that Chief Minister Shinde had given all the clearances for the project.

The pending issues were related to the forest clearances and land acquisition, among others, he said.

The estimated cost of the Mumbai-Ahmedabad bullet train project is Rs. 1,10,000 crore, of which Rs. 88,000 crore is being funded by the Japan International Cooperation Agency (JICA). Over 70% land required in Maharashtra for the project has been acquired in Thane and Palghar districts.

The project had become the cause of more sabre-rattling between the MVA and the Modi government at the Centre, with the former not taking any step to move ahead with it.

Meanwhile, the new Shinde-Fadnavis government delivered yet another blow to the earlier MVA as it announced that presidents of nagar panchayats and nagar parishads in Maharashtra will now be elected directly by the people.

Mr. Shinde also announced that the Cabinet had approved the direct election of sarpanches of the gram panchayats in the State.

With these, the new government has undone the decisions of the erstwhile MVA government in 2020, according to which presidents of nagar panchayats and parishads were to be elected by councillors and not directly by the people.

Commenting on the formation of the new cabinet, Mr. Shinde assured that the ministers would be inducted soon and assigned their portfolios.

Mr. Fadnavis said that the cabinet formation would certainly be faster than that of the MVA government, which had only “five ministers for one-and-a-half months” before the cabinet was brought up to strength.

Nearly two weeks since the new government was formed following Mr. Shinde’s breaking away from the Uddhav Thackeray-led Shiv Sena with his faction, no minister of the new government has been sworn in save the Chief Minister (Mr. Shinde) and the Deputy Chief Minister (Mr. Fadnavis).

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