

योजना आयोग
भारत सरकार
Planning Commission
GOVERNMENT OF INDIA

Thursday, 14th August 2014
Communication, IT & Information Division
Phone # 2525

NEWS AND VIEWS

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- ❖ Cong, BJP play blame game over riots...

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"No matter how carefully you plan your goals, they will never be more than pipe dreams unless you pursue them with gusto"

W. Clement stone

Polity

- **Cong, BJP play blame game over riots:** The Lok Sabha saw tempers running high on the both sides of the political divide as the House on Wednesday discussed incidents of communal violence in the country with countless disruptions and even a 30-minute adjournment. The debate, initiated by the Congress seeking to get the ruling party on the backfoot over purported rise in communal violence ever since the Narendra Modi-led government came to power, saw the tables turn midway as an aggressive BJP demanded a Special Investigating Team headed by a Supreme Court judge to probe all such incidents and called Congress "communal". The Opposition drew first blood when it pointed out at the onset that none of the concerned ministers – Home Minister Rajnath Singh, MoS (Home) Kiran Rijju and Parliamentary Affairs Minister Venkaiah Naidu – was present to participate in the debate. Speaker Sumitra Mahajan had to adjourn Lok Sabha for half an hour as Leader of Congress in the House Mallikarjun Kharge refused to start his speech. Naidu, however, joined soon afterwards. Later, Rijju was seen attending the debate on behalf of Rajnath Singh, who also arrived after some time. Congress, despite the presence of Rahul Gandhi, was not in full strength. Even Congress president Sonia Gandhi and party chief whip Jyotiraditya Scindia were absent. (The Indian Express).

Economy

- **Govt's banking plan might hinge on tech:** The government's financial inclusion mission, likely to be announced by Prime Minister Narendra Modi in his Independence Day speech on Friday, will heavily rely on technology and have financial literacy, insurance, pension and credit built into the programme - these components were missing in the earlier financial inclusion programme. The new plan was approved by the Cabinet last week. As many as 75 million households that do not have access to banking services will be covered and at least one bank account opened for each household, against the earlier proposal of two. According to the latest Census figures, 58 per cent of Indian households have access to banking facilities. The government was earlier targeting 100 per cent coverage but that might be difficult to achieve, given the last-mile connectivity issues. Banking access in areas with connectivity and infra constraints will be covered in the second phase, likely to be introduced around the Independence Day next year. "Wherever it is possible to open two accounts, we will do it. About 50,000 villages are in forest or hilly areas. We will have to find alternative solutions for those place. Telecom companies will expand to these areas with mobile facility," a finance ministry official, asking not to be named, told Business Standard. Finance Minister Arun Jaitley will launch a facility to allow mobile banking on all kinds of mobile handsets, including feature phones that do not support internet or banking applications. The USSD (unstructured supplementary service data) technology, which works in a way similar to short messaging service (SMS) will facilitate this. (Business Standard).

Planning

- **After Rail FDI, Govt Plans Regulator to Put it on Track:** The government is considering the establishment of an independent regulator for the railways now that the sector is being opened up to overseas investment as India looks to strengthen its rail infrastructure, especially since the attempt to attract domestic private money in some areas hasn't been too successful thus far. The Cabinet approved FDI in railways along with defence at an August 6 meeting during which a regulator was discussed. The government also wants a transparent model that will make such investments attractive to private investors with clear-cut clauses on recovering money. Existing domestic private investors in approved projects aren't too happy - complaints of unfair practices and high-handed officials are rife. "The regulator will settle contractual disputes and any unforeseen issues that may arise between the investor and the railways," a senior railway official told ET. The same regulator may be given the task of fixing passenger and freight tariffs. Railway minister DV Sadananda Gowda announced the FDI plan and encouragement to PPPs in his July 8 rail budget as part of proposals aimed at generating funds to strengthen the network. A massive amount of money is needed to fund ongoing and future rail projects, with the Golden Quadrilateral Network alone requiring an additional Rs. 9 lakh crore, while each proposed bullet train will need an investment of Rest. 60,000 crore. (The Economic Times).

Editorial

- **Warning signals:** The dip in annual industrial output growth to 3.4 per cent in June from 5 per cent in the previous month, is mildly disappointing. This is compounded in that the consumer price index (CPI)-based inflation rose to 7.96 per cent in July after hitting a 29 month low of 7.46 per cent the month before. It is natural that these figures, released on the same day, are interpreted as setbacks - and they are to those who were hoping for firm signs of a recovery and a further easing of inflationary pressures. But the plain fact is that the numbers are no cause for alarm. The over-anxious reactions are largely a result of being much too optimistic about the economy's fortunes. Yes, that CPI inflation has clawed back to 8 per cent isn't great news. But some kind of spike was only to be expected, given the monsoon's delayed onset, which resulted in a 36 per cent average rainfall deficit from June till mid-July. But there has been a big change since then, with the cumulative deficit narrowing to 18 per cent and the India Meteorology Department forecasting near-normal rains over the next one-and-a-half months. The fact that onion and potato prices haven't really gone up in the last one month, apart from kharif plantings staging a rebound, provides some comfort on the inflation front. Add the recent softening trend in global crude prices and it is safe to say we are insulated, other things being equal, against a sharp inflationary increase. The outlook on industrial growth merits a similar cautious optimism. Those overly distressed by the 3.9 per cent average for this quarter should remember that a minus 0.7 per cent year-on-year growth was registered between January and March. (Business Line)

Government's plan to restructure CIL hits road block

Subhash Narayan

New Delhi, Aug 13: The government's plan for a major restructuring of Coal India by breaking up the company and converting some of the seven fuel-producing subsidiaries into independent firms has hit a road block. A high level advisory group set up by the government under the chairmanship of former power minister Suresh Prabhu has opposed major recast in the short and medium terms and instead favoured more powers to CIL subsidiaries on capital expenditure and operations to improve efficiency and enhance coal production.

The group, which is deliberating on ways to augment coal and power production in the country, may also propose to do away with the need to take forest clearance (FC)

for coal exploration projects.

Sources said the group may also recommend taking out Central Mine Planning and Design Institute from CIL and attaching it with the coal ministry. CMPDI is the consultancy and mineral exploration support arm of CIL and is responsible for identifying coal blocks for mining.

The group wants CIL subsidiaries to be made more accountable so that their dependence on CIL is reduced. This, it is felt, would help in faster decision making. CIL would, however, continue to monitor their performance and give directions wherever corrective steps are required. "CIL has emerged as a strong entity that does not require to be broken into smaller units to ensure efficiency and bring transparency," said a person privy to discussions.



Petrol price to be slashed by ₹1.89-2.38/litre from Aug 15

New Delhi, Aug 13

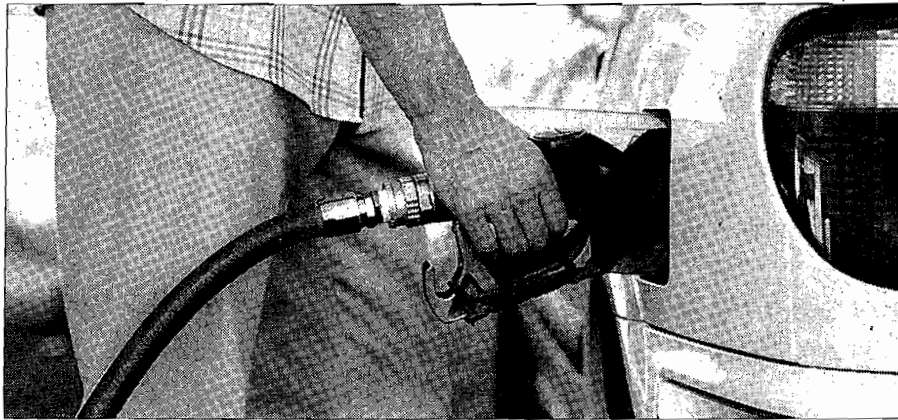
PETROL price will be cut by ₹1.89-2.38 per litre from August 15, oil minister Dharmendra Pradhan announced on Wednesday.

In perhaps the first instance of a minister announcing the reduction in price of petrol which was deregulated or freed from government control in June 2010, Pradhan took to his Twitter account to say the fuel price will be cut from midnight of August 14/15.

"Price of petrol will be reduced from midnight of 14/15 August 2014 in the range of ₹1.89-2.38 (₹2.18/litre in Delhi)," he tweeted.

Pradhan made the announcement more than 31 hours before the price cut is to be implemented.

Till now, state-owned oil firms announced the price revision only on the eve of the change being effected to avoid hoarding by petrol pump owners.



Oil firms had last cut rates on August 1, by ₹1.09 per litre, the first reduction in price since mid-April. Petrol currently costs ₹72.51 per litre in Delhi. The government had in June 2010 freed petrol prices and since then rates have moved in tandem with the cost on most occasions

On Tuesday, B Ashok, chairman of Indian Oil Corp, the nation's largest fuel retailer, had indicated of a price cut on Independence Day because of softening in international rates.

"Petrol is a decontrolled product and prices increase or decrease depending on input cost every fortnight. We had cut rates on August 1 and will be reviewing prices on August 15," he had said.

State retailers revise petrol prices on 1st and 16th of every month based on average international oil price and rupee-dollar exchange rate in the previous fortnight.

"There are some positive

indications," he said, when asked if there is likelihood of a price cut going by the average of oil price and exchange rate so far.

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The government had in June 2010 freed petrol prices and since then rates have moved in tandem with the cost on most occasions.

For diesel, the government had in January 2013 decided to eliminate the subsidy in stages through monthly increases in prices by up to 50 paise per litre.

With monthly increases continuing, subsidy or losses on diesel have been trimmed to ₹1.33 per litre but this will go up as there is a marginal increase in international gasoil (diesel) prices.

Diesel price revision is due only on September 1 as per the policy of raising rates every month. *PTI*

ET Exclusive

Body likely to settle contractual disputes and issues that may arise between investor and railways; may be asked to fix passenger and freight tariffs

After Rail FDI, Govt Plans Regulator to Put it on Track

BHAVNA VIJ-AURORA
NEW DELHI

The government is considering the establishment of an independent regulator for the railways now that the sector is being opened up to overseas investment as India looks to strengthen its rail infrastructure, especially since the attempt to attract domestic private money in some areas hasn't been too successful thus far.

The Cabinet approved FDI in railways along with defence at an August 6 meeting during which a regulator was discussed. The government also wants a transparent model that will make such investments attractive to private investors with clear-cut clauses on recovering money. Existing domestic private investors in approved projects aren't too happy — complaints of unfair practices and high-handed officials are rife.

"The regulator will settle contractual disputes and any unforeseen issues that may arise between the investor and the railways," a senior railway official told ET. The same regulator may be given the task of fixing

passenger and freight tariffs.

Railway minister DV Sadananda Gowda announced the FDI plan and encouragement to PPPs in his July 8 rail budget as part of proposals aimed at generating funds to strengthen the network.

A massive amount of money is needed to fund ongoing and future rail projects, with the Golden Quadrilateral Network alone requiring an additional ₹9 lakh crore, while each proposed bullet train will need an investment of ₹60,000 crore.

Several railway officers and experts doubted that investors would find the sector attractive under the current circumstances. "The railways have failed to get domestic private investors due to their unwelcoming work culture. Those who did invest initially ended up regretting their decision and vowing never to get into a working relationship with the railways," said a senior railway official who has dealt with several disgruntled investors.

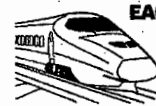
He cited the example of container terminals set up under a policy initiative in 2007 by then rail minister Lalu Prasad. "Fourteen people were given licences to develop the terminals, including wagons, tracks and the rolling stock. When it was done and they started earning some profits, railways changed the goalposts and restrictions were imposed. They were told that they could not transport food grains and coal," the officer said.

When private investors started making profit, the railways changed the policy to appropriate this for itself. Under the Wagon Investment Scheme, Jindal Rail Infrastructure set up a factory in Vadodara to manufacture specialised wagons to carry automobiles. "It has been five years since the wagons were rolled out but not even a single one has been used yet because of the railways' tedious procedures," the officer said.

The station development scheme using the PPP model failed. Four railway stations — New Delhi, Bijwasan, Anand Vihar and Chandigarh — were identified to begin with but the railways have not got any money under this plan.

More Money

GOLDEN Quadrilateral Network requires an additional **₹9 lakh crore**



EACH proposed bullet train will need an investment of **₹60,000 crore**

Under Wagon Investment Scheme, Jindal Rail Infrastructure set up a factory in Vadodara to manufacture specialised wagons to carry automobiles



STATION development programme using PPP model also fails

REPLICATING NEPAL SUCCESS Bengal BJP told pact good in interest of nation

PM Modi Push to Border Land-swap Deal with Dhaka

DIPANJAN ROY CHAUDHURY
NEW DELHI

Prime Minister Narendra Modi has taken an initiative to push for Parliamentary approval of the Land Boundary Agreement between India and Bangladesh before December 16, the day when the Indian Army defeated its Pakistan counterpart in 1971 and paved the way for the birth of the neighbouring country.

The central leadership of the BJP has asked the party's West Bengal unit to water down its reservations against the agreement in the larger interest of India-Bangladesh relations, people familiar with the matter told ET, adding that the next round of discussions on this issue will be held within the party later this month.

Modi is keen for ratification of the LBA before this year's celebrations on December 16-17, the leader said. The ratification has been pending since it was signed in September 2011, when former Prime Minister Manmohan Singh visited Dhaka. The Congress-led UPA government

could not ratify the LBA despite introducing the necessary bill in the Lok Sabha for want of adequate numbers in the House.

However, the bill is alive in the Rajya Sabha, where the LBA (Constitutional Amendment) Bill was introduced last year by the then External Affairs Minister Salman Khurshid before the winter session was to be adjourned sine die.

PM targets House nod for deal before Dec 16, the anniversary of 1965 victory over Pakistan

Although the ruling BJP-led NDA does not have a majority in the Rajya Sabha, it does not expect opposition on this issue from the Congress, which had introduced the bill. Khurshid had tried thrice to evolve consensus over the LBA but did not succeed.

While more work needs to be done before signing the Teesta accord with Bangladesh, implementation of the LBA will signal India's commitment to deepen ties with its neighbour. The Sheikh Hasina government has already ratified the agreement.

Dates Back to 1974

LBA envisages fulfilment of a vision laid out by the Indra-Mujib pact of 1974

IS ABOUT exchanging areas and enclaves along with people on either side

TO make the uneven and porous border more manageable

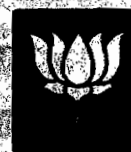
India will transfer 111 enclaves measuring 17,160 acres to Dhaka and receive 57 enclaves measuring 7,110 acres

NEARLY 51,000 people reside in these enclaves

SHEIKH HASINA MET India's demand for handling over insurgents



Talks with Didi After Consensus Within BJP



KOLKATA: Modi is seeking to evolve consensus within the BJP on the LBA before his government holds consultations with the Trinamool Congress. Both the West Bengal BJP as well as Trinamool Congress are opposed to the LBA as India will lose more territory in the process.

SEEKING PMO CONSIDERATION

Power, Oil Secretaries to Meet PMO on Gas Price Pooling

To decide contours of the mechanism to be placed before the Cabinet for approval

SARITA C SINGH
NEW DELHI

Top bureaucrats of the power and oil ministries will meet the Prime Minister's Office on Tuesday to decide a mechanism to pool prices of domestic gas with imported gas to help 26,000 Mw of stranded power plants. The meeting is likely to decide the contours of the mechanism that will be placed before the Union Cabinet for approval, a senior government official said.

"Oil secretary Saurabh Chandra, power secretary PK Sinha along with other senior officials of the ministries will meet top officials in the PMO on August 19. The meeting follows internal deliberations on the issue between the two ministries," he said.

The power ministry has proposed to pool prices of imported and domestic gas and supply the fuel to about 10,000 Mw APM (administered price mechanism) gas-based projects at a higher cost. The ministry seeks to subsidise the state distribution companies to keep electricity tariff at ₹5 a unit from such gas-based plants in the current financial year and ₹5.5 a unit in FY16.

"The oil ministry has accorded its consent to the issue that will now be put forth before the PMO for consideration," the official said.

The estimated subsidy to be borne by the government would be about ₹3,621 crore in FY15 and ₹2,056 crore in FY16 to support APM gas-based plants. The total subsidy during 2014-16 works out to be ₹5,677 crore.

Besides, a financial debt restructuring package seeking relaxations in raising foreign debt, extending loan repayment period and waiver of interest for underutilised projects has also been proposed by the power ministry for 19,000-Mw projects based on APM gas, KG-D6 gas and plants with no gas allocation.

Power & Pricing

Proposal

Pooling imported and domestic gas prices & supply to 10,382 Mw APM gas-based plants

Subsidise discoms to keep tariff at ₹5 a unit for FY15 and ₹5.50 for FY16

Subsidy of ₹3,621 crore in FY15 and ₹2,056 cr in FY16

Give priority in future allocation to KG-D6 plants

Loan restructuring for power plants— 10,382 Mw APM gas, 6,996 Mw KG-D6 gas, 1,584 Mw with no gas & 7,525 Mw upcoming



Govt sets timeline for clearance of SEZ activities

OUR BUREAU

New Delhi, August 13

The Government has set 'strict' timelines for clearance of various Special Economic Zones (SEZs) related activities by the development commissioners (DC) of the zones.

This has been done to ensure smooth functioning of SEZs and facilitating ease of doing business, an official release said. The development commissioners will be allowed 15 days to examine proposals for setting up of SEZs, including site inspection of land, and sending it to the Commerce Ministry for approval.

For examination of proposals for change of sector, a week's time will be allowed. A week will also be allowed for examination of proposals for extension of Letter Of Approval up to fourth year, execution of

lease deed and in-principle exit orders. Issuance of Form-I for CST exemption has to be done within five days.

"This will work as a catalyst in providing good governance in the SEZs," the statement said.

These timelines have been uploaded on the SEZ website and will be prominently displayed through notice boards in all development commissioners' offices as well as on the individual websites of the zones. As per the provisions of the SEZ Act, 2005, an SEZ may be set up either by the Central Government, State Government or any person for manufacture of goods or rendering services or for both or as a free trade warehousing zone. Such proposals duly recommended by the State Government concerned are considered by the Board of Approval for SEZs.

India Post set to hit the ground running when it gets bank licence

Postal Dept has put in place core banking solutions, ordered ATM cards

K RAM KUMAR

Mumbai, August 13

Banks in India had better sit up and take notice of this, lumbering giant of a competitor, waiting in the wings to steal a march on them.

By seeking to engage a service provider who can supply up to 1.5 crore ATM/debit cards in three years, the Department of Posts (DOP) is truly gearing up for its foray into banking.

The Department, which falls under the administrative control of the Ministry of Communications and Information Technology, may either source magnetic stripe cards or chip-based cards, or a combination of both, depending on the requirement.

It will issue cards in association with RuPay, VISA, and MasterCard, according to information on its website.

Also known as India Post, DOP is expected to become a Payments Bank once the central bank finalises its guide-



Tie-ups India Post will issue cards in association with RuPay, VISA and MasterCard

lines for differentiated bank licensing.

In its draft guidelines on Payments Banks, the Reserve Bank of India (RBI) said the primary objective of setting up such banks is to further financial inclusion by providing small savings accounts and payments/remittance services to the migrant labour workforce, low-income households, small businesses, unorganised sector entities and other users.

Payments Banks are expected to achieve their objectives by enabling high-volume, low-value transactions in deposits and payments/remittance services in a secure technology-driven environment.

Given that it is already engaged in such activities, it will likely be a case of seamless integration into a new avatar for India Post.

Currently, India Post provides mail, financial and retail services through more than 1.5 lakh post offices.

Systems integrator

The Postal Department set the ball rolling for its banking foray about two years back by hiring a financial services systems integrator to implement core banking solutions at all post offices and circle processing offices and installing ATMs at 1,000 locations across the country.

Govt may set up three greenfield airports in N-E

Pakyong airport to be completed by December 2016, says Minister

PRESS TRUST OF INDIA

New Delhi, August 13

The Government is considering setting up of three greenfield airports in the North-East.

Minister of State for Development of North-Eastern Region VK Singh told Lok Sabha three greenfield airports are considered or taken up in NE Region — Pakyong (Sikkim), Itanagar (Arunachal Pradesh) and Chiethu (Nagaland).

Singh said out of this three, Airports Authority of India has already taken up the construction of Pakyong airport and the work is in progress and is expected to be completed in December 2016.

"The AAI had completed the master planning of the Itanagar airport and is in process of preparing the detailed project report. The approval of the Steering Committee is in process.

Alternate site

"With respect to Chiethu airport, the Nagaland Government has been requested to find out an alternate site which is more flat and suitable for the capital city airport. The State government has identified an alternative site, the feasibility study is to be carried out," he said during Question Hour.

The Minister also said there are 12 non-operational airports in the region out of which there is a proposal to develop and operationalise eight — Along, Dapari-zo, Passighat, Tezu and Zero in Arunachal Pradesh, Tura in Meghalaya and Rupsi in Assam and Kailashahar in Tripura.

RS may refer insurance Bill to select panel

MPs Mukhtar Abbas Naqvi, Chandan Mitra and J P Nadda could be made members of the committee

BS REPORTER

New Delhi, 13 August

The Insurance Laws (Amendment) Bill, 2008, is likely to be referred to a Rajya Sabha select committee on Thursday, the last day of the current Budget session of Parliament.

The move will delay the passage of Narendra Modi-led government's key economic reform until the Winter session. The Bill aims to increase foreign equity from 26 to 49 per cent in the insurance sector.

According to sources, the government is likely to table the Bill in the Rajya Sabha on Thursday with the understanding that most of the Opposition would demand that it be referred to a select committee. Such a panel comprises nominees of all political parties in proportion to their numbers in the House. The National Democratic Alliance (NDA) nominees, therefore, would be in a minority in the committee.

The Bharatiya Janata Party (BJP), sources said, was likely to name member of Parliament (MPs) Mukhtar Abbas Naqvi, Chandan Mitra and J P Nadda as its nominees to the select committee. The Congress is likely to nominate former commerce minister Anand Sharma, Jesudasu Seelam and B K Hariprasad. The BJP has 42 MPs while the Congress has 69 MPs in the Rajya Sabha. The NDA government had shied away from tabling the Bill in the House after the Congress and several other Opposition parties demanded it be referred to a select committee. It had sought to build consensus on

the Bill by convening an all-party meeting but Congress argued that text of the Bill carried several amendments that weren't part of the Bill the United Progressive Alliance (UPA) government had tabled in the Rajya Sabha in 2008, which was then approved by a standing committee in 2011.

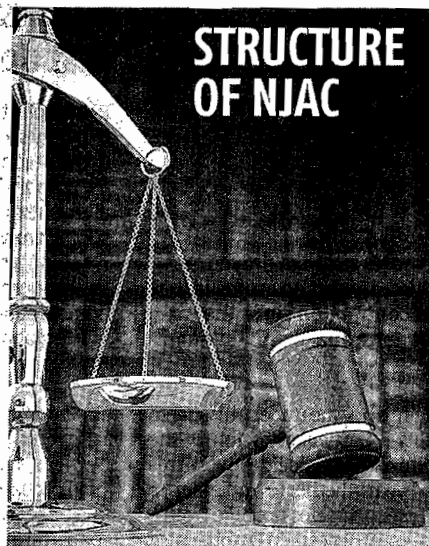
The BJP's position was that the amendments were of an "inconsequential" nature and that it was willing to make minor modifications. However, neither the Congress nor several other opposition parties, including AIADMK, Left parties, Trinamool Congress, Samajwadi Party and Bahujan Samaj Party, agreed to support the Bill. UPA allies Nationalist Congress Party and Biju Janata Dal did come out in support of the Bill but the numbers didn't stack up for the government to have the confidence for pushing the Bill through. The BJP had opposed the Bill when the previous UPA government had sought to table it.

A select panel, which comprises members of only one of the Houses, unlike a joint committee, considers the Bill clause by clause. Amendments can be moved to various clauses by members. The panel can also take the advice of associations, public bodies or experts who are interested in the Bill. After a Bill has been considered, the panel submits its report to the House, members who do not agree with the majority report might append their minutes of dissent to the report.

The opposition is likely to subject some of the other reformist legislations, like the labour law reforms, to the select committee when these are tabled in the Rajya Sabha.

Judicial appointments Bill passed in Lok Sabha

National Judicial Appointments Commission to replace the existing collegium system



STRUCTURE OF NJAC

- National Judicial Appointments Commission will be a six-member body, headed by the Chief Justice of India, and comprising two senior judges of the Supreme Court, two eminent personalities and the law minister
- The two eminent personalities will be selected by collegium of Chief Justice of India, the prime minister and leader of Opposition in Lok Sabha or the leader of the single-largest opposition party in the Lower House
- One of the eminent persons will be nominated from among persons belonging to Scheduled Castes, Scheduled Tribes, OBCs, minorities or women
- The terms of the two eminent persons will be for a period of three years, with a provision that they cannot be renominated

BS REPORTER
New Delhi, 13 August

The National Judicial Appointments Commission (NJAC) 2014 Bill was passed unanimously by the Lok Sabha on Wednesday, replacing the existing collegium system for appointment of judges.

Continuing his reply to the debate, which he had started on Tuesday, Law Minister Ravi Shankar Prasad reiterated that the government did not intend to encroach on the independence of the judiciary.

Prasad said: "We are for maintaining the sanctity of the judiciary. We have said this House respects independence of judiciary. Let the message go that this House is one for maintaining the dignity of the judiciary."

Along with the Bill, the House also passed a Constitutional amendment Bill, which gives Constitutional sta-

tus to the six-member Commission.

To secure the support of the Congress, the word 'unanimous' was dropped from a clause in the Bill. The law minister said that according to the official amendment, if the President returns the recommendation of the Commission, the panel will not have to return the recommendation for reconsideration 'unanimously'. Even if the recommendation is returned to the President without a unanimous recommendation, the candidate will have to be appointed.

Once constituted, the NJAC will decide appointment of judges to the Supreme Court and high courts. In a departure from the existing system, 'ability' and 'merit' will be consid-

ered along with seniority for elevation, Prasad said.

Allaying the fears of members who had raised concerns on Tuesday, Prasad said he would work towards creating a data bank of lawyers and judges for consideration by the Commission. He appealed to MPs to trust the "collective wisdom" of the Commission to elect the best candidates for the job.

Law Minister Ravi Shankar Prasad reiterated the government did not intend to encroach on the independence of the judiciary

The Bill will now need to be cleared by the Rajya Sabha, where the ruling BJP is in a minority; it will need the Opposition's support to get the Constitutional amend-

ment Bill passed. Thereafter, it will need to be ratified by 50 per cent of the state legislatures, a process that could take as long as eight months. After which, it will need Presidential assent to become a law.

What PM can announce on I-Day

DARSHAN SINGH

IN his first Independence Day address to the nation Prime Minister Modi can come out with announcements that can restructure and free up several ministries, and create new ones so that they can perform far more effectively. Some suggestions:

Ministry of Himalayan Affairs: The Himalayas have always been the ecological backbone for this subcontinent, and are vital for our economic security, environmental security and water security. The Department of Climate Change and the Indian Meteorological Department should also come under this ministry.



Implementation Commission: The Planning Commission has done very little. It is a major reason for the failure of the UPA. We do have good plans but their implementation is poor. So instead of a Planning Commission what we need is an Implementation Commission.

Ministry for Centre-State Relations: There are many areas that are handled by various ministries with regard to the States. But there is no nodal coordinating agency. This Ministry for Centre-State Relations could be under a Cabinet Minister who would ensure a fair distribution of taxes, the roll out of the GST, the settlement of disputes between states such as on river waters.

The Ministry for Geo Resources: By Geo, one understands what is in the earth. All this is discovered and exploited through the same exploration techniques. The Geo Ministry could consist of the Ministry of Petroleum and Natural Gas, Ministry of Earth Sciences, Ministry of Coal and Ministry of Mines.

Ministry of Research and Devel-

opment: The Ministry of Science and Technology must be enhanced to include Research and Development. R & D is an area where India is woefully lacking despite spending huge sums of money both on defence and other areas. This lack of self-reliance then brings in lack of self-esteem in the armed forces and in the nation.

Ministry of Marine Resources: We have one of the largest coastlines and a separate Ministry of Marine Resources can help coordinate all aspects pertaining to it. For instance, the coastal sea floor under Indian control, as per the International Law of the Sea, is so large that we are in danger of neglecting various possibilities.

Cong, BJP play blame game over riots

EXPRESS NEWS SERVICE
NEW DELHI, AUGUST 13

Tempers frayed as Lok Sabha debates communal violence; BJP seeks SIT probe

THE Lok Sabha saw tempers running high on the both sides of the political divide as the House on Wednesday discussed incidents of communal violence in the country with countless disruptions and even a 30-minute adjournment.

The debate, initiated by the Congress seeking to get the ruling party on the backfoot over purported rise in communal violence ever since the Narendra Modi-led government came to power, saw the tables turn midway as an aggressive BJP demanded a Special Investigating Team headed by a Supreme Court judge to probe all such incidents and called Congress

“communal”.

The Opposition drew first blood when it pointed out at the onset that none of the concerned ministers

— Home Minister Rajnath Singh, MoS (Home) Kiran Rijiju and Parliamentary Affairs

Minister Venkaiah Naidu — was present to participate in the debate. Speaker Sumitra Mahajan had to adjourn Lok Sabha for half an hour as Leader of Congress in the House Mallikarjun Kharge refused to start his speech. Naidu,



Mallikarjun Kharge in Lok Sabha

however, joined soon afterwards. Later, Rijiju was seen attending the debate on behalf of Rajnath Singh, who also arrived after some time.

Congress, despite the presence of Rahul Gandhi, was not in full strength. Even Con-

gress president Sonia Gandhi and party chief whip Jyotiraditya Scindia were absent.

“Ever since the government has come to power, the country has seen an increase in the number of communal incidents, especially wherever

the ruling party is in power or in a position of influence. Why is this happening? Who is giving tacit encouragement to the rioters?,” Kharge said.

Referring to the numbers sourced from answers to Parliament questions, Home Ministry data and *The Indian Express* reports, he said that in the past two months there have been around 600 communal incidents in UP, Maharashtra, Goa and elsewhere. Kharge took the names of the Bajrang Dal and the VHP as “divisive forces”, triggering protests from the government’s side.

Taking the debate head on, BJP’s Yogi Adityanath

called the Congress “communal” and said for 60 years the party had indulged in politics of appeasement in the name of secularism. “India has 12 lakh sadhus. But you only find imams to give sarkari benefits. Is this secularism?” he asked.

Adityanath also called for an SIT probe into all the recent incidents communal violence to “unmask” Congress.

It was only after the two parties had spoken that TMC’s Sudip Badyopadhyay reminded the House in his speech that the discussion was not about communal violence per se but about developing a mechanism to deal with such incidents.

Plan panel to be reconstituted

EXPRESS NEWS SERVICE
NEW DELHI, AUGUST 13

THE government is set to reconstitute the Planning Commission in a day or two, official sources disclosed here Wednesday. The body has

been lying defunct following the resignation of Montek Singh Ahluwalia as the deputy chairman following the declaration of the Lok Sabha election results.

A confidant of former prime minister Manmohan

Singh, he held the post for 10 years. The members of the body included B K Chaturvedi, Saumitra Chaudhuri, Syeda Hameed, Narendra Jadhav, Abhijit Sen, Mihir Shah, K Kasturirangan and Arun Maira.

Ganga clean-up in your poll manifesto, act on it, govt told

Sets two-week timeline for a road map to make river pollution-free

EXPRESS NEWS SERVICE
NEW DELHI, AUGUST 13

REMINDING the Narendra Modi-led government that cleaning of Ganga was in its poll manifesto, the Supreme Court Wednesday asked the Centre why urgent steps were not being taken in the matter of cleaning the river. It set a two-week timeline for the Centre to come up with a road map for making the 2,500-km-long river

pollution-free.

Saying that the issue of cleaning Ganga was very important, the bench headed by Justice T S Thakur said, "Are you saving river Ganga? It was also there in your manifesto. Why don't you act on it?"

When Solicitor General Ranjit Kumar sought more time to respond, saying that the matter had been assigned to the Ministry of Water Resources, River Develop-

ment and Ganga Rejuvenation, the bench asked, "Is the issue on the front burner or the back burner? These issues are very important and it has to be put on front burner."

"In this matter you said there is urgency... now there is no urgency for you. You are shuttling the issue between two ministries," the bench observed, saying that the cleaning project should be taken up in stretches. It suggested that initially the government should focus on

first cleaning 100 km of the river and then take up the task of cleaning another part of the river.

The issue of cleaning up of river Ganga has been monitored by the apex court and several applications have been filed. The unchecked pollution of the river has evoked sharp criticism from the apex court which has been hearing the case since 1985.

After hearing all parties, the bench adjourned the matter.

RBI, govt working to improve PSU bank performance: Rajan

ENS ECONOMIC BUREAU
MUMBAI, AUGUST 13

RESERVE Bank of India Governor Raghuram Rajan on Wednesday said the central bank and the government are working on solutions to improve governance and performance of public sector banks in the country.

According to Rajan, the problems for the PSU banks started after they moved into the infrastructure lending space in the last couple of years, which have not proved to be profitable. "This has been building up for some time now. The RBI and the government are now working on plans to improve the PSU banks' governance," he said at the Independence Day lecture organised by 'The Literature Live' in Mumbai.

Rajan was referring to the recent developments involv-



Raghuram Rajan,
Governor, RBI

ing the arrest of Syndicate Bank chairman and managing director SK Jain for allegedly receiving a bribe of Rs 50 lakh to enhance the credit limits of Bhushan Steel and Kingfisher Airlines default issue.

"In 2007-08 it was private banks which got into trouble due to their excessive lending in the retail sector. That time PSU banks stayed away from the retail lending," he said. However, this time, private sector banks have largely remained unscathed from the infrastructure lending woes.

"There are several suggestions like improving boards, separation of CEO and chairman role, reducing the government stake etc. Ultimately 70 per cent of the assets are handled by PSU banks. We have asked banks to share information about lenders and asked them to cooperate more in recovery efforts. We have asked them to form Joint Lenders Forum on specific cases," Rajan said.

Rajan said in the financial inclusion programme, profit is a key word in activating the banks to show more interest. "While mandated targets are useful in indicating ambition (and allowing banks to anticipate a large enough scale so as to make investments), financial inclusion cannot be achieved without it being profitable. So there should be profits at the bottom of the pyramid," he said.