



# योजना आयोग Planning Commission भारत सरकार GOVERNMENT OF INDIA

Friday, 29<sup>th</sup> August, 2014  
Communication, IT & Information Division  
Phone # 2525

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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

**Rajnath to hold fort as PM Narendra Modi heads for Japan:** Home minister Rajnath Singh will hold charge of the government in the absence of Prime Minister Narendra Modi, who leaves for Japan on Saturday on a five-day visit. The communication formalizing Singh's position as No. 2 in the government will only be a continuation of the arrangement followed during Modi's past foreign tours, sources in the government told TOI.

According to the sources, a formal communication naming Singh as the most senior minister who will chair Cabinet meetings in case a need arises in Modi's absence was sent out by PMO ahead of his visit to Brazil last month. With Modi now embarking on a visit to Japan, the same arrangement will be in place.

In fact, the additional responsibility of holding fort while Modi tours Japan has led the home minister to postpone his own visit to forward areas in Jammu & Kashmir, originally planned for Friday. "This is because the home minister is required to be in the capital while the Prime Minister is away," a government functionary told TOI.

Singh, who has been reviewing the situation on account of firing along the international border in Jammu on a daily basis, was keen to pay a visit to the forward posts to boost the morale of BSF troops, besides interacting with civilians affected by the Pakistani aggression. (Times of India)

## Economy

**Need to look beyond DTC :** Given that tax terrorism was one of the important poll planks for the BJP in the general elections, expectations had been rather high that the Modi government would expedite necessary corrections to India's existing tax regime and deal with the fetters it has put on FDI.

The Union Budget FY15 had, as expected, only an interim measure as the government had just been voted to power and was coming to grips with the issues. Now, expectations are strong that the coming Budget will deal with the tax issues substantively and, hopefully, address them.

In this background, taking stock of the tax-related developments in the first 100 days of the government is in order, to see if the needle points to the right direction.

There are some very positive developments which were ushered in by the last Budget. With the right implementation, these could provide a significant positivity on the tax front. The two key developments are the Authority for Advance Rulings (AAR) and the Transfer Pricing (TP) changes.

The extension of the AAR benefit to domestic tax payers is a very significant move. One of the key vagaries of Indian tax regime is the uncertainty of the outcome. Enabling the tax-payer to get an advance ruling, and thus be certain about the tax implications of a transaction is a major step changing the tax regime. Now, ensuring implementation of the this is key. Multiple benches need to be constituted and appropriately staffed. More important, there is a need to adhere to the 6-month timeframe within which orders are to be passed. So far, the lone existing bench for AAR has been without a chairman for great length of time and it takes years to get an "advance" ruling!

The TP changes, too, are commendable. The roll forward of the Advance Pricing Agreements for four years and the introduction of range within which arm's length price has to fall (as compared to the current provisions of arithmetical means) should substantially help abate

litigation in this field. The Rules implementing the changes are awaited.

Coming to the misses, two key ones are: not pushing back the introduction of GAAR and not dealing with the retrospective amendment on overseas transfers. There is indeed no argument to say that GAAR should not be introduced. The issue is how to remove the subjectivity (and the attendant litigation) around it and have a constructive dialogue prior to its implementation. There is a need to consider a pushing back of GAAR by at least two years. Enough and more has indeed been said about the need to address the retrospective amendment issue.

Apart from retrospective application, there are a number of uncertainties in the way the Section 9 amendment has been worded. As a result, there is substantial uncertainty on the tax implications in India on global transactions. These need to be addressed urgently, without waiting for the outcome on the Vodafone matter. The Shome Committee recommendations in this regard need to be accepted and implemented urgently.

Ironically, the two recent circulars issued by the CBDT to 'clarify' issues seem to be creating more uncertainty on the tax front. The first circular is on the imposition of new conditions on the use of manpower on tax holiday undertakings and is likely to lead to considerable litigation on the subject. The circular seems to ignore the fact that the BPO industry has a common bench-strength instead of employing people for specific undertakings. The circular runs contrary to the recommendation of Rangachary Committee set up by the government. The second circular, relating to AIFs, again, is likely to create significant problems for taxation of domestic mutual funds. On the one hand, the Budget clarified that gains to FIIs would be characterised as capital gains and provided clarity of taxation to them. On the other, the circular on AIF is a huge negative for domestic mutual funds. There is a need to provide conditions for domestic mutual funds to earn capital gains and have a pass-through status.

The key expectation of the tax-paying community is that there is no high-handedness in the implementation of tax regime and the litigation on tax matters are concluded fast. A lot of work needs to happen in both the directions. There are several recommendations made in this regard which need to be implemented.

There is an acute need for a relook at revenue targets handed out to the tax officials, which result in aggressive assessments. There is a clear need to widen the tax base rather than being aggressive with existing tax payers.

There is then an overhang of the Direct Taxes Code (DTC) which has been twice redesigned. Each time the Bill has undergone a change, the original objectives seem to be lost sight of. The need of hour is to ease the implementation of the existing law rather than to bring in a whole new piece of legislation. Many of the changes proposed in the original DTC have already been incorporated in the existing Act. The balance provisions need to be renewed and, if found appropriate, brought in the existing Act rather than try and 'simplify' the law by a whole new Act of Parliament.

Finally, the government seems to be moving in the right direction on the implementation of GST. This is indeed a need of the hour and one hopes that the Centre and the states will converge to make this implementation happen.

Overall, there is positivity about what has been achieved and the implementation of changes and the next round of tax reforms are awaited.

Dinesh Kanabar, The author is deputy CEO, KPMG. Views are personal (The Financial Express)

## Planning

**If India unleashes its full potential, it can grow faster than China:**

**Hans-Paul Bürkner, Chairman BCG. NEW DELHI:** The next 10 years could be India's decade and it is likely to beat even China in terms of growth, Boston Consulting Group chairman Hans-Paul Burkner said.



"I think there is no reason why India should not go back to 7% growth. I think if India unleashes its full potential, it can grow faster than China. China's growth rate will still be 6.5-7%, which is still very good," he said.

But India needs to open up its economy. "It requires significant investments in people, education skills, infrastructure and significant deregulation. It is a much-regulated market and its bureaucracy pushes papers around without really getting to decisions, which frustrates a lot of people," Burkner, 61, said in an exclusive interview with ET. He hoped that the new regime under Prime Minister Narendra Modi will work towards changing this perception.

The Indian government has been making policy changes, pushing to get projects stuck in red tape moving again and trying to boost investor sentiment as it seeks to revive an economy that has slumped to decadal low rates of growth.

Burkner said this decade would also see the rise of global Indian companies as they cross borders for acquisitions. On the other hand, a lot of companies globally are also waiting to enter India to tap into its demand as well as for its people. "We see more and more R&D centres, IT centres, and also more factories here. Ultimately, people want to build businesses here to export from India," he said.

These companies, however, are concerned about regulatory and other obstacles such as labour laws in India. "It is not always easy to set up a factory here. The infrastructure in some ways is an obstacle, there are lots of regulations," he said.

While Burkner was enthused by the Prime Minister's recent announcements about a vision for local manufacturing in India and a stress on the 'make-in-India' tag, he pointed out that getting permissions to set up businesses in India are a bit of a concern.

"To establish things here you need to have land, permissions from various agencies. If you have to deal with local, state and federal agencies, and there are dozens of them, and if everybody creates problems then that will be a challenge," he said. "And so are the labour laws. They need to become flexible."

BCG works with several governments and on many socially relevant initiatives through its social impact initiative. At the global level, it works with the World Food Programme, the Bill and Melinda Gates Foundation, Save the Children, Teach for All and WWF (World Wide Fund for Nature) and also with several government bodies.

In India, for instance, it is working with the [Haryana government](#) on a transformation programme to improve the quality of teaching in 50,000 government schools in the state and had earlier helped reform the public distribution system (PDS) system in Odisha.

Burkner said Modi has laid much emphasis on education and skill development, which is very important. "It's not just formal education, but vocational skills as well. We also need a lot of mechanics, electricians, plumbers and carpenters," he said.

Through its partnerships, BCG, he said, helps improve the quality of education and understands what works in different areas. In Haryana, the partnership with the government is not just an intervention at the school level — it is a complete system-wide transformation that looks at starting with the principal secretary, to the performance management down to change management, pedagogy changes.



## Editorial

**Banking On India:** Jan Dhan Yojana can provide Modi with political capital for further reforms, Prime Minister Narendra Modi has begun to build political capital through a new financial inclusion push, named Pradhan Mantri Jan Dhan Yojana, which aims to bring every household in India into the formal financial network by Independence Day next year. Once every household is brought into the fold through a bank account, there are both economic and political spin-offs for government. Modi is building on some of UPA's cherished ideas such as financial inclusion. Presumably the differentiator will be in actualising ideas where his predecessor's performance was disappointing.

The new financial inclusion push is necessary for its own sake. Access to a bank account and other financial products can have a transformative effect on poor Indians. Around 100 million families are out of the formal financial system, severely limiting their opportunities. Bringing them in helps the government to put in place future economic reform, such as direct cash transfers, to correct the prevailing subsidy regime. Once people are freed of the clutches of a tyrannical bureaucracy through cash transfers, they will demand more of politicians. In short financial inclusion can trigger a cycle of virtuous developments while also bringing in goodwill for the NDA government.

This makes it critical for the government to get implementation right. It can benefit from lessons learnt from earlier failures. One failure was the absence of follow-up. Accounts would be opened and remain dormant, draining banks' enthusiasm in the process. On this occasion cash transfers for a variety of schemes — including rural employment guarantee programmes — and an overdraft facility can be leveraged to keep accounts active. The foundation for this drive will be mobile phone technology and local agents for banks called business correspondents. Political backing is critical for this drive as there will be challenges along the way. A successful financial inclusion drive is necessary for another reason. It can provide the political cushion for further reform. (Times of India)

## Column

**Regulating India's nuclear estate:** The 2014 Nuclear Materials Security Index prepared by the Washington-based Nuclear Threat Initiative (NTI) has ranked India 23rd out of 25 countries with weapons-usable nuclear materials. While the NTI ranking has been criticised for a variety of reasons including inadequacies in its methodology, it has rightly pointed out the absence of an independent nuclear regulatory mechanism in India with the mandate to ensure that high standards of safety and security are observed in India's civilian nuclear facilities. Even though many Indian analysts and officials dismiss the NTI ranking as being uninformed, New Delhi needs to take such criticism seriously given its long-standing desire to mainstream itself into the global nuclear order including gaining membership to key international export control cartels such as the Nuclear Suppliers Group (NSG). Given this context, there is a need to take a critical look at the proposed Nuclear Safety Regulatory Authority.

*Background to the Bill :* Currently, the Atomic Energy Regulatory Board (AERB), established in 1983 through a gazette notification, is tasked with regulating the safety and security aspects of the country's civilian nuclear facilities. However, it is not an autonomous body as it depends on the Department of Atomic Energy (DAE) for all practical purposes. It has, as a result, been unable to perform its regulatory functions effectively. The demand for establishing a truly autonomous nuclear regulatory authority has been a long-standing one. In 1997, the Raja Ramanna Committee report had recommended that the Atomic Energy Act (1962) should be amended to enhance the effectiveness of the nuclear regulatory system in the country. Even

though the Union government, in 2000, had directed the DAE to suggest the necessary amendments to the 1962 Act, nothing substantial happened for almost a decade. Finally, it was the Mayapuri radiation accident (New Delhi) in 2010 and the Fukushima disaster (Japan) of 2011 that served as a wake-up call for the DAE.

In 2011, the Nuclear Safety Regulatory Authority (NSRA) Bill was drafted by the DAE and submitted to the Union Cabinet for approval. The DAE note that sought approval from the Cabinet to introduce the Bill in Parliament had cited both the Mayapuri and the Fukushima accidents as the factors that contributed to the urgency to strengthen the country's nuclear regulatory mechanism. However, even the NSRA, as currently envisioned by the DAE, does not propose the establishment of a truly autonomous regulatory authority. The Bill, first introduced in the Lok Sabha in 2011, has now lapsed and will have to be reintroduced in the new Lok Sabha. Before the NSRA Bill is reintroduced in Parliament, there is a need to strengthen the powers of the regulatory authority that it proposes to set up. (The Hindu)

# 1.2m disabled people live alone in country

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At least 1.2 million disabled people in India are living in households consisting only of persons with disability. While the total population of the disabled increased by just over 22% over a decade, from almost 22 million in the 2001 to 26.8 million in 2011, the number of disabled persons living on their own has nearly doubled, jumping by 84% in the same period.

This is revealed in the latest figures on disabled persons and household size released by the census. About 6.3 lakh disabled persons lived alone in single member households and 2.7 lakh two-member households had two disabled persons each (about 5.5 lakh in all) staying on their own in households without any non-disabled person.

## LIFE IS A CHALLENGE

	2011	2001
Total households	24.9cr	19.3cr
Households with one or more disabled person	2.1cr	1.9cr
Disabled persons living on their own	11.8lakh	6.4lakh

While single member households consisting of a lone person with disability increased by 48% from 4.2 lakh in 2001 to 6.3 lakh in 2011, the number of two-member households in which both were disabled increased almost one and a half times from 1.1 lakh to 2.7 lakh in the same period. Among the larger states, Jammu and Kashmir has the highest proportion of households with at least one person with disability, over 12%, followed by Odisha with 10% of such households.

Interestingly, in Delhi and Tamil Nadu, which have strong disability rights

movements compared to other states, only 5% of households were identified as having one or more disabled persons. These movements have maintained that official data is underestimating the actual number of disabled people in India.

In the 2011 census, 92% of the nearly 25 crore households had no disabled persons. Over two crore households had one or more disabled persons. Almost 71% of these households were in rural areas while the remaining 60.5 lakh-plus were in urban areas.

For the full report, log on to [www.timesofindia.com](http://www.timesofindia.com)



# Inflation weighs on India's sovereign ratings: Moody's

TIMES NEWS NETWORK

**New Delhi:** Recurrent inflationary pressures have constrained India's sovereign rating as they keep domestic capital costs high, erode domestic purchasing power as well as savings and lower international competitiveness, global ratings agency Moody's Investor Service said on Thursday.

It said the economy is poised for an acceleration in growth, based on expected policy reforms and robust investor sentiment. Moody's has a Baa3 rating on India with a stable outlook, which is the lowest investment grade rating. "However, inflation remains high from a global standpoint, weighing down an otherwise promising economic recovery," the agency said.

Stubborn inflation has remained as a policy headache for the government. Persistent high food inflation has been a challenge, prompting the government to announce a string of measures to tame

## TOUGH TASK AT HAND

➤ Food inflation in India is much higher than the global average and is a key contributor to India's overall inflation as food comprises a significant portion of the average consumer basket, says Moody's

➤ India's large, young population and rising wages among low earners, who spend most of their incomes on food, have raised demand for food

➤ Supply has been weak due



to poor irrigation and rural infrastructure, sub-optimal use of fertilizer, and conversion of agricultural land to alternative uses. Inefficiencies in the government-directed food distribution system have added to food supply constraints

price pressures. High inflation has forced RBI to keep interest rates high.

Moody's said food inflation in India is much higher than the global average and is a key contributor to India's overall inflation, as food comprises a significant portion of the average consumer basket. India's large, young population and rising wages among low earners, who spend most of their incomes on food, have raised demand for food.

"However, the supply response has been weak due to poor irrigation and rural infrastructure, sub-optimal fertilizer use, and conversion of agricultural land to alternative uses. Inefficiencies in the government-directed food distribution system have exacerbated food supply constraints," the agency said.

It said authorities recognize that the current recovery will be difficult to sustain if inflation persists and ac-

knowledge the policies unveiled by the government to fight price pressures. "While these policies may alleviate the food-price spikes stemming from lower food output due to this year's relatively weak monsoon, they do not address the long term widening of the gap between demand for food and supply."

It said whether the gap is bridged would depend on the implementation of government plans to increase spending on rural infrastructure, reorient fertilizer subsidies to encourage optimal usage, and restructure the Food Corporation of India, which is responsible for executing the government's food-grain procurement and storage operations.

Moody's said if the gap between food demand and supply does not narrow, food costs will keep mounting. "And as growth picks up, the increasing cost of food could more quickly feed into rising wages, leading eventually to higher non-food inflation as well," the agency said.



# 70+ Netas should Turn Advisors: Dwivedi

Disagrees with Ramesh that Congress leaders should 'retire' after 70

Our Political Bureau



**New Delhi:** AICC general secretary Janardan Dwivedi has come out with a loaded suggestion: Politicians above 70 should quit active politics and limit themselves to advisory roles. Dwivedi told reporters that the Congress leadership could discuss and decide whether the age-limit should be even 65. He, however, clarified that he disagreed with Jairam Ramesh that Congress leaders should 'retire' after 70.

Dwivedi took care to exclude Congress president Sonia Gandhi

## SONIA EXCLUDED

**Posts like that of presidents of political parties, President of India, V-P and Prime Minister may be treated as exceptions**

from his age formula by saying the post of the Congress president was exceptional. "Posts like that of presidents of political parties, President of India, Vice-President and Prime Minister may be treated as excep-

tions," he said. AICC had taken pot shots at BJP when it 'forced retirement' on LK Advani and MM Joshi from the parliamentary board. But Dwivedi said, "I am giving my view."

"I have been of this view for a long time that there should be a timeline for people in public life, as it is in other walks of life...I am not saying that they should retire, but the posts which require a lot of running around and physical capacity should be held by people younger. There are other responsibilities which elder leaders can take up but they should keep away from active posts," he said.



# July 2012 forgotten as 'gridlock' looms again

■ States' overdrawn, coal shortage lead to crisis situation

**Suniti Jha & Pallavi Ali**  
New Delhi/Mumbai, Aug 28

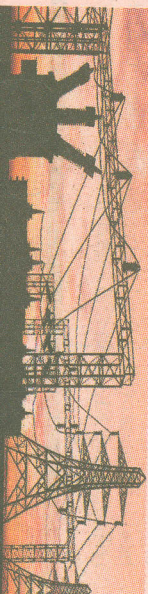
**A**N acute shortage of coal has come to afflict scores of power plants in northern and western India, putting a squeeze on generation and the grids at grave risk. Although the respective load despatch centres in both regions have acted swiftly and issued alert to states against overdrawing power, the industry has turned away of outages similar to the massive power failure witnessed in the northern and eastern parts of the country during the last two days of July 2012.

Transmission frequency at the northern grid has fallen below the requisite 49.9 hertz stability threshold for considerable periods in recent days, forcing the regional load despatch centre to issue alerts to the distribution companies of the states in the region against overdrawals.

According to sources, the Northern Regional Load

## ALARM BELL

- NRLDC says nearly 5,000 MW capacity pulled due to coal shortage
- Any further generation loss could lead to emergency conditions
- NRLDC cautions northern states against overdrawing
- NRLDC says Rajasthan, UP and J&K overdrawing
- NTPC (600 MW), Adani Power (2,640 MW), Reliance Power (300 MW) among plants not operational
- WRLDC issued similar report on generation loss due to coal shortage on Wednesday



Despatch Centre on Wednesday sounded the alarm for the state discoms in its region following a spate of thermal power plant closures due to shortage of coal.

Further shutdowns of plants "could result in SOS conditions" as some states have been found to be over-drawing, it said. Against 50,173 MW of peak demand on Wednesday, there was a

estimated by the centre at 5,843 MW, mainly attributable to coal scarcity.

Sources said seven power generating stations owned by state-owned Maharashtra State Power Generation, Lanco InfraTech, Indiabulls and NTPC were among the ones facing a capacity squeeze.

Following the grid collapse in July 2012, the Central Electricity Regulatory Commission had narrowed the frequency range to between 49.95 and 50.05 hertz. The regulator also directed the load despatch centres to install automatic demand management systems to avert similar crises in future. There was also a move to penalise the top management of defaulting discoms at a personal level to ensure grid integrity.

A grid collapse now would have serious implications for the economy, especially since industrial production is beginning to look up after several months of tepidness.

## 'Gridlock'...

Since June last year, the southern grid, which had been unconnected to the rest of the country, was being integrated to the national grid, and a failure of the transmission network in any part of the country would now have wider repercussions, analysts said.

Praveer Sinha, CEO of Tata Power Delhi Distribution, told *FE*: "Despite many power plants being unable to generate power due to shortage of coal, annual maintenance shutdown, etc, TPDDL has made adequate arrangements for power and no load

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shedding or power cuts is being done in its area of north and northwest Delhi and full peak load of around 1,600 MW is being met. We are, however, keeping a close watch on the situation and are fully prepared to meet any eventuality.

Adani Power, as per WRLDC, has shut down some units of its Mundra thermal power plant which generates about 2,700 MW due to shortage of coal and non-payment of dues by Haryana power distribution companies. The company's station, which has a long-term power purchase agreement of 1,424 MW with Haryana, closed three units on Wednesday along with another unit of 660 MW in Kawai, Rajasthan. When contacted, Adani Power refused to comment.

Tata Power said its subsidiary Coastal Gujarat Power has shut down two units totalling 1,600 MW capacity at its Mundra UMPP due to "boiler tube leakage and reheater isolator leakage" on Wednesday. The company added that the remaining 2,400 MW capacity was operational.

Reliance Power said one

unit of 300 MW was shut down two days ago for maintenance work, and there is no definite date as of now when it will be back in operation. Reliance Power's thermal power plant located in Rosa in UP consists of four units of 300 MW each.

*FE* had earlier reported that an acute shortage of coal has gripped thermal plants, both private as well as state-run utilities, in UP, with many of them operating with four to seven days of coal stocks as against the minimum requirement of a fortnight's stock. Lanco's Anpara C is unable to use its capacity optimally while UP Raya Vidyut Utpadan Nigam, too, is unable to run its 210 MW Parichhapant, again for want of coal.

The massive grid failure of July 2012 plunged close to 300 million people into darkness. The northern grid collapsed first, followed by the eastern and northeastern regional grids the next day affecting generation, industry and public transportation. The grid failure was attributed to Punjab, Haryana and UP over-drawing power as demand soared due to a late monsoon.



# End financial untouchability for freedom from poverty: PM

15 million accounts opened on first day of Jan Dhan Yojana

## OUR BUREAU

New Delhi, August 28

The Pradhan Mantri Jan Dhan Yojana, a financial inclusion mission launched by Prime Minister Narendra Modi, kicked off with a bang on Thursday, with a record 15 million new bank accounts opened on the first day itself.

The results, said some bankers, could easily find their way into the Guinness Book of World Records, for the maximum number of accounts opened in a day. To achieve this feat, nearly 80,000 camps were organised in 600 districts across the country.

Launching the scheme (its title loosely translates into 'Scheme for People's Wealth'), Modi asked banks to achieve the target of providing accounts to 75 million households by Janu-

ary 26, 2015 against the earlier deadline of August 14, 2015.

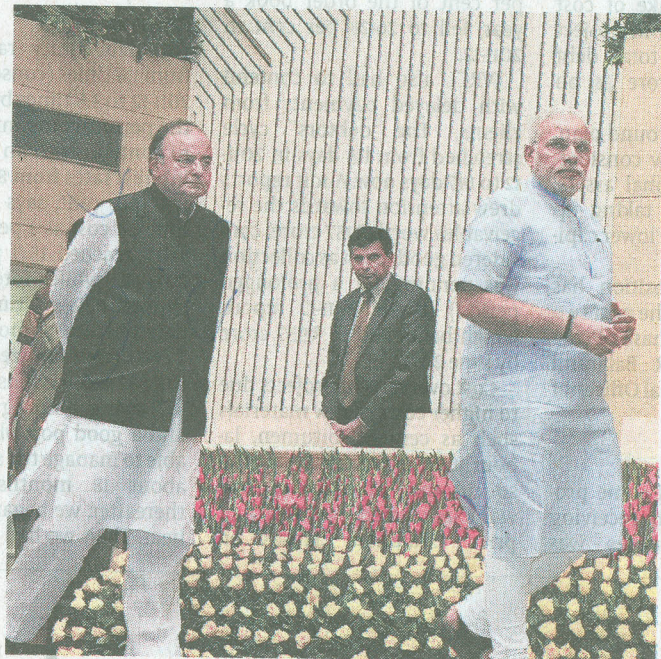
Modi said those who had not become part of the system were actually facing 'financial untouchability'. He added that when 40 per cent of the population was not getting benefits of economic activities the nation could not be expected to fight poverty.

Under the Jan Dhan scheme, the account holders will get a life cover of ₹30,000 in addition to an accident insurance of ₹1 lakh.

The Finance Ministry, as directed by the Prime Minister, is now looking to open 150 million bank accounts across the country, much ahead of the earlier envisaged one-year time frame.

## Concerted effort needed

Opening 150 million new basic bank accounts (with a debit card and insurance cover) in a span of 100 days will be a big task for the Indian banking in-



Prime Minister Narendra Modi along with Finance Minister Arun Jaitley and RBI Governor Raghuram Rajan during the launch of the 'Pradhan Mantri Jan Dhan Yojana', in New Delhi, on Thursday. RAMESH SHARMA

## Jan Dhan – A factfile

- Each bank account opened under the mission will get RuPay debit card with insurance cover of ₹1 lakh
- Bank accounts opened between August 28, 2014 and January 26, 2015 will also get life insurance cover worth ₹30,000
- Accounts opened after January 26 will have life insurance and micro insurance in the next phase
- Bank account will get over draft facility of ₹5,000 based on performance during the first six months
- Banks organised camps at 77,852 places and opened around 1.5 crore accounts
- Major events organised at 600 places in various States in the presence of over 40 Union Ministers and 20 Chief Ministers, MPs and MLAs

dustry. But the challenge can be met with a concerted effort, say bankers.

In his address, the Prime Minister said that when banks were nationalised in 1969, it was done with the objective of bringing people into the economic mainstream. But the objective has not been achieved till date, he said, adding that "not even 68 per cent of India's population has access to banking".

It is easy for the rich to get a loan at low interest rates, but the poor are forced to seek fund-

ing from money lenders at rates that are five times higher, the prime minister noted, adding: "Is it not the responsibility of the banking industry to provide banking access to the poor?"

Taking a dig at the growing number of wilful defaulters among the rich and powerful, Modi said 99 per cent of the poor, if they take a loan, repay in time.

"Bank officials have experienced that, but about 'bade-bade log (rich and powerful), we know what happened," he said.



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# DoT unhappy with slow progress of national optical fibre project

Less than 2% of trenching and ducting completed

## OUR BUREAU

New Delhi, August 28

While the Government has announced an ambitious plan of connecting 1 lakh gram panchayats with broadband network by March 2015, the Department of Telecom has found that the pace of laying optical fibre was too slow.

## Key challenge

According to a DoT survey, the ongoing speed of laying cable is 500 km per month whereas the required speed to achieve the

## National Optical Fibre Network status

Item	Status	% completion
Free right of way to lay cables	All States signed MoU except Tamil Nadu and Lakshadweep	94
Survey	2 lakh gram panchayats done	80
Optical fibre cable	Purchase order issued for 176757 km. of this, 28,265 km has been delivered.	16 (phase-1)
Technology equipment	Tender finalised. Purchase order issued for 1 lakh gram panchayats	100 (phase-1)
Trenching & duct laying	3,723 km of trenching and duct laying; 1,398 km of optical fibre	1.55

target is 30,000 km a month. One of the challenges is that the suppliers are not able to match the demand for telecom ducts.

The Prime Minister's Office has asked DoT to look at how to speed up the process because this network is crucial for a number of Government projects.

For example, the Digital India initiative depends a lot on how

soon this network is completed. Called the National Optical Fibre Network (NOFN), it is supposed to connect 2.5 lakh gram panchayats when completed.

The Rs 20,000 crore project has already been delayed by over 2 years due to issues around procurement of equipment. Subsequently, the DoT divided up the project into three phases. The final phase is expected to be com-

pleted by December 2016. But the PMO wants the project to be finished earlier.

While most of the processes related to the project has been completed, the pace of trenching and ducting for laying the cable has been very slow.

The project which is expected to reach broadband services to rural areas, is being done under a new entity called Bharat

Broadband Network Ltd. But ducting and laying the optical cable is being done by Bharat Sanchar Nigam Ltd, Railtel and Powergrid as these public sector companies already own some optical fibre cable.

## Other factors

Apart from procedural delays, lack of a proper business case is also plaguing the project. During a recent meeting, BSNL said that there were no takers for its broadband connections in rural areas. The PSU wanted the Government to drive usage by undertaking e-governance projects in a big way. The DoT has set up a committee to come up with ideas on how to make the project commercially viable.



# L-G inaugurates first 'One Stop Centre' for rape victims in capital

EXPRESS NEWS SERVICE  
NEW DELHI, AUGUST 28

**T**he capital's first One Stop Centre (OSC), that will provide medical and legal facilities to rape victims, was inaugurated by Lieutenant-Governor Najeeb Jung at Sanjay Gandhi Memorial Hospital in Mangolpuri on Thursday.

Speaking at the hospital during the inauguration, Jung said, "Since these centres were announced by Finance Minister Arun Jaitley during the Delhi Budget, it should be made operational in a time-bound manner. The Health department should also keep its promise of setting up similar centres in each government hospital in each district."

Jung further said the highlight of the OSC is its "comfortable, soothing and relaxing environment. The sensitised, humane and empathetic approach of the staff will aim at eliminating post-rape trauma of the victim



**Lt-Governor Najeeb Jung said the centre will enable rape victims to register police complaints, record their statements and get medical help.**

EXPRESS

while following mandatory procedures."

The L-G said the OSC will meet the immediate needs of rape victims, including registration of police complaint, recording of statement and

medical examination. It will also provide long-term facilities including medical treatment, psycho-social counselling, clothing and referral to shelter home, if required. CATS ambulances will pro-

vide transport on discharge from the hospital.

"We had been planning these centres for the last eight months. Such a multidisciplinary set-up will reduce the number of agencies a victim

**THE GOVERNMENT will set-up similar centres in Safdarjung hospital and Lady Hardinge Medical College within the next three months**

has to go to and thereby reduce trauma," Special Secretary S B Shashank, who has been involved in implementing the project, said.

At the OSC, medical examination will be done according to a protocol developed by a team of experts from the hospital and the Health department.

Collection of forensic evidence will be done using 15 different samples, in a designated SAFE (Sexual Assault Forensic Evidence) kit. Samples will then be sent to forensic laboratories for testing, Shashank said.

The Delhi government

will also start a similar centre at Deen Dayal Upadhyay (DDU) hospital in West Delhi on Friday.

Shashank also said the Health department was coordinating with the Centre to setup OSCs in Safdarjung hospital and Lady Hardinge Medical College within the next three months.

"We are trying to set up OSCs in hospitals which receive maximum number of sexual assault victims. Safdarjung hospital receives the most rape victims in South Delhi, so it was decided that it will house the OSC for South Delhi," he said.

The OSCs were recommended by the Usha Mehra commission in February 2013 after the December 2012 gangrape.

Principal Secretary (Social Welfare and WCD) Satbir Bedi, Secretary (Health) SCL Das and other senior officers of the Health department were present at the inauguration.



Panel will provide opportunity to assessees to present their case

# Govt sets up committee to decide retro tax cases

ENS ECONOMIC BUREAU  
NEW DELHI, AUGUST 28

**I**N a bid to allay tax concerns of foreign multinationals regarding offshore transactions of their Indian assets, the government today set up a high-level panel to vet cases arising out of retrospective amendments implemented in 2012.

According to a notification issued by the Central Board of Direct Taxes (CBDT), assessing officers will now have to seek approval of the committee before taking any action in cases arising out of the implementation of retrospective amendments.

Moreover, the four-member committee, comprising senior officials from international taxation and policy-making division of the CBDT, will examine the case and the action proposed by the assessing officer while at the same time also provide opportunity to the assessee to present the case.

## ALLAYING CONCERNS

■ As per a notification issued by the CBDT, assessing officers will now have to seek approval of the panel before taking any action in cases arising out of implementation of retrospective amendments

■ The four-member committee, comprising senior officials from international taxation and policy-making division of the CBDT, will

examine cases and the actions proposed by the assessing officers

■ In 2012, the government through the Finance Act had introduced amendments in Sections 9 and 195 of the Income Tax Act with retrospective effect from April 1, 1962, to tax Vodafone-like cases, leading to a massive outcry

“The committee, on receipt of the reference from the assessing officer (AO), shall examine the proposed action of the AO and, after providing an opportunity to the assessee, take a decision on the proposed action. It shall convey its decision in writing to the AO,” the CBDT said in the notification. All fresh cases of offshore sale of Indian assets prior to April, 1, 2012, will get the benefit of the move.

However, if assessee have assessment or reassessment proceeding pending under Section 201 or has been is-

sued a notice for initiation of such proceedings, will not be able to avail of the facility.

The panel will have to take a decision within 60 days of the receipt of the case and it will have to report the decisions taken to the CBDT.

“The first report shall be submitted in respect of period ending on December 31, 2014, and subsequent reports shall be submitted on half-yearly basis every year,” the notification said. The move follows the announcement made by finance minister Arun Jaitley in Budget 2014-15. Tax experts said that while the step was in right direc-

tion, the issue of retrospective amendment is yet to be resolved by the government.

“This is certainly a welcome step. Now there will be consistency and uniformity in the decision making in retrospective amendment cases. Directionally it is a right step but more has to be done. The core issue of indirect transfer remains unresolved. That there is a redressal mechanism now is some relief for foreign investors,” Jayesh Sanghvi, partner, EY, said.

He added that clarity on implementation of amendments regarding indirect transfers is still eluding.

“The government should take a decision on the Shome committee report. That is the core issue,” he said.

In 2012, the government through the Finance Act had introduced amendments in Sections 9 and 195 of the Income Tax Act with retrospective effect from April 1, 1962, to tax Vodafone-like cases, leading to a massive outcry.

## Minimum pension of ₹1,000 to be a reality from Sept 1

NEW DELHI, AUGUST 28

The much-awaited minimum monthly pension of Rs 1,000 and a higher wage ceiling of Rs 15,000 for social security schemes run by retirement fund manager EPFO will be implemented from September 1.

It will benefit 28 lakh pensioners who get less than this amount at present.

The move to enhance the minimum wage ceiling for becoming a subscriber of Employees' Provident Fund Organisation to Rs 15,000 per month is expected to bring 50 lakh additional formal sector workers under the ambit of the body.

"The government has notified enhancement of wage ceiling to Rs 15,000 per month, fixed minimum

### 28 lakh to benefit

■ The govt's decision to fix pension entitlement of Rs 1,000 under the Employees' Pension Scheme 1995 will benefit 28 lakh pensioners who get less than this amount at present

■ In case an EPFO subscriber dies, his family will be entitled to maximum sum assured of Rs 3.6 lakh instead of existing Rs 1.56 lakh

monthly pension at Rs 1,000 under EPS-95 and enhanced the maximum sum assured under the Employees' Deposit Linked Insurance (EDLI) Scheme to Rs 3 lakh," EPFO's Central Provident Fund Commission KK Jalan said. — PTI



## India ready to talk J&K issue with Pak within bilateral agreements

PRESS TRUST OF INDIA

New Delhi, 28 August

India today made it clear that it was willing to discuss the issue of Jammu and Kashmir with Pakistan within the framework of bilateral agreements of Simla pact and Lahore Declaration.

External Affairs Ministry Spokesperson Syed Akbaruddin was reacting to Pakistan government's remarks that the Indo-Pak dialogue without discussions on Kashmir was "unacceptable".

"As regards engagement with Pakistan, we have made it very clear that we will engage in the framework of Simla agreement and Lahore Declaration and both these provide for discussing all outstanding issues, including Jammu and Kashmir. Our view is very clear, a bilateral framework to discuss all outstanding issues, including the issue of Jammu and Kashmir," he said.

He was asked about the com-

ments by Pakistani National Security Advisor Sartaj Aziz, who has said that Islamabad offered talks to New Delhi in "good faith," but holding a dialogue without addressing the Kashmir issue was unacceptable to Pakistan.

Aziz was also quoted as saying that Pakistani officials have met with leaders from the Indian portion of Kashmir in the past and New Delhi had not objected until now.

India had called off the talks between Foreign Secretaries slated for August 25, telling Pakistan bluntly to choose between an Indo-Pak dialogue or hobnobbing with the separatists.

India also objected to Pakistan terming the Kashmiri separatists as "stakeholders" in the resolution of Kashmir issue saying that, as per Simla Agreement, it was a bilateral issue between India and Pakistan and any other approach will "not yield results."

# DEFENCE, NUCLEAR TOP MODI AGENDA

## EXPECTS TO TAKE FORWARD GLOBAL PARTNERSHIP

PRESS TRUST OF INDIA  
New Delhi, 28 August

On his first bilateral visit outside the subcontinent, Prime Minister Narendra Modi will have an "extremely substantive" agenda when he travels to Japan this weekend amid "great expectations" of the strategic and global partnership being taken to a new level.

Cooperation in the fields of defence, civil nuclear, infrastructure development and rare earth materials besides enhancing business ties will be high on the priority of Modi's four-day trip during which he travels to Japan's 'smart city' Kyoto and capital Tokyo.

During the visit, Modi will have wide-ranging talks with his Japanese counterpart Shinzo Abe and meet other leaders, discussing how to take forward the strategic and global partnership.

During the visit, some agreements, including in defence and civil nuclear sectors, are expected to be signed.

"The Prime Minister's visit to Japan will be extremely substantive... It



will have wide range of events... Our expectations about the outcome are that India and Japan will be able to elevate the strategic and global partnership to a new level," External Affairs Ministry spokesman Syed Akbaruddin told reporters while briefing on the significant visit.

In a special gesture, Japanese Prime Minister Shinzo Abe will fly to Kyoto to receive Modi who will land there on Saturday in the first leg of his tour to study how the example of the Japanese city could be replicated in India.

Kyoto, known in local parlance as a 'smart city', is an example of cultural tradition and modernity dovetailing Modi's own vision of building 100 smart cities in the country, Akbaruddin said while explaining why the Prime Minister chose Kyoto as his first stopover of the visit.



# UPA Defence deals under PMO scanner

PNS ■ NEW DELHI

The PMO is looking into allegations of manipulation of Defence deals during the erstwhile UPA regime particularly relating to the proposed procurement of anti-tank guided missile for the Army.

The move comes after the PMO received an anonymous letter recently citing lobbies that worked during the UPA regime seeking to make Rafael of Israel as a single vendor for supply of its Spike anti-tank guided missiles.

The letter alleged that the technology offered with the Spike missiles is not of the lat-



est variety and that its trials were not satisfactory.

It further alleged that trials were carried out in a manipulated environment during the UPA regime. "To cover up the shortcomings, a technical scan was ordered which cleared procurement of Spike or Rafael on the plea that there is no other system available," the letter claimed.

The letter goes on to fur-

ther claim that once the authorities verify the facts on record relating to the case, the procurement cannot go through in its present form.

Even during the UPA regime, the proposal was shelved twice at the eleventh hour before the matter was to be taken up by the Defence Acquisition Council (DAC). While the then Defence Minister AK Antony had instructed to drop the case on the plea that it required deeper study, the then Army Chief Gen Bikram Singh had also withdrawn the case from the agenda of the DAC at a later occasion, the letter added.

# India, UK join hands to improve South Asian monsoon forecast

PNS ■ NEW DELHI

The vagaries of South-West monsoon in the country may get more predictable with weather experts from UK and India joining hands to improve forecast by using atmospheric research aircraft and ocean gliders to gather fresh data in the region.

According to Met scientists, the initiative will improve understanding of the physical processes of the South Asian monsoon and their improved representation in weather and climate models. The data collected will be more detailed and accurate than ever before. The research will begin in 2015 and is expected to last between three-five years. Each project will be led by one British and one Indian researcher.

The British team will be headed by Hugh Coe (University of Manchester), Andy Turner (University of



Reading) and Adrian Matthews (University of East Anglia). Their Indian counterparts are S. Suresh Babu (Indian Space Research Organisation), GS Bhat and PN Vinayachandran (both from Indian Institute of Science)

The South Asian Monsoon research programme will receive combined funding of around 8 million pound from the Natural Environment Research Council UK, Ministry of Earth Sciences and the UK Met Office.

Monsoon is very important in determining livelihood patterns in the country. It is also a very important part of the global climate system. "This major new UK-India research initiative

## EACH PROJECT WILL BE LED BY ONE BRITISH AND ONE INDIAN RESEARCHER

on the monsoon is a great example of how both the countries can work together to tackle global challenges," said the experts.

According to India Meteorological Department (IMD), Northwest may get little relief from the persisting humidity and heat following drop in temperature by 2-3 degrees C accompanied by stray rainfall during the next three days. However, heavy to very rainfall has been forecast in the South including coastal Andhra, Karnataka, Konkan and Goa. Between August 31 to September 4, heavy showers are also expected in Gujarat, Madhya Pradesh, Chattisgarh and Odisha.



# CBDT sets up panel to decide cases related to retro tax

PRESS TRUST OF INDIA  
New Delhi, 28 August

The Central Board of Direct Taxes (CBDT) on Thursday set up a high-level committee to scrutinise all Income-Tax (I-T) cases arising out of the retrospective tax amendment.

The four-member committee will be headed by the joint secretary of the foreign tax and tax research-I unit of the CBDT. It will decide on such cases within of 60 days of receiving these from the assessing officer (AO).

It will be incumbent upon the AO to approach the committee when faced with an I-T case that is for the period before April 2012.

The other members on the panel include the joint secretary (tax planning and legislation-I), commissioner of I-T appeals and the director (foreign tax and tax research-I), who will also be the secretary of the committee.

Finance Minister Arun Jaitley had announced the new mechanism in his Budget speech on July 10.

According to the terms of reference for the new committee, it would, on receipt of the reference from the AO "examine the proposed action of the AO and after providing an opportunity to the assessee, take a decision on the proposed action".

In a notification, CBDT said, "The committee shall convey its decision in writing to the AO with copy to the principal commissioner or the commissioner concerned and the assessee."

The apex body of direct taxes system in the country said: "The committee shall endeavour to decide the reference within 60 days of its receipt by the Secretary of the committee. However, the committee shall have due regard to any limitation period involved in the proposed action."

An AO "shall seek prior approval" of the committee when faced with a situation that any income is deemed to accrue

or arise in India before April, 2012 through transfer of a capital asset situated in India following the amendments introduced with retrospective effect, the notification said.

The Assessing Officer will thereafter proceed in accordance with the directions of the committee, the CBDT notification said.

It added that CBDT "may intervene" in the working or deliberations of the committee, as and when required.

"The first report shall be submitted in respect of period ending December, 2014 and subsequent reports shall be submitted on half yearly basis (June 30 and December 31 every year)," the notification said.

**The committee will be headed by the joint secretary of the foreign tax and tax research-I unit of the CBDT**



# Modi to meet Uniqlo chief in Japan; tweets in Japanese

NIVEDITA MOOKERJI  
New Delhi, 28 August

Talks with Japanese clothing major Uniqlo are among the priority business meetings that Prime Minister Narendra Modi is learnt to have lined up during his first international bilateral. On his trip to Japan starting Saturday, Modi is expected to meet Uniqlo Chairman Tadashi Yanai to carry forward their discussion on the retailer's multi-billion dollar India investment plan. The prime minister's office has been in touch with the textiles ministry for details about the company's India plans.

Ahead of the visit, Modi tweeted in Japanese on Thursday: "Friends from Japan asked me to talk to the people of Japan directly in Japanese. I also thank them for helping with the translation...." Japanese Prime Minister Shinzo Abe tweeted back: "India has a special place in my heart. I am eagerly waiting for your arrival in Kyoto this weekend." Japan was supposed to be the first international visit for Modi, but had to be deferred for other reasons, including the Parliament session. Bhutan was the first foreign trip that Modi undertook as PM.



*"India has a special place in my heart. I am eagerly waiting for your arrival in Kyoto this weekend"*  
SHINZO ABE

Japanese Prime Minister, tweeting back to counterpart Narendra Modi

In terms of foreign direct investment (FDI) into India, Japan ranks fourth. The visit is also important in a strategic sense as it is a part of a vision to counter China. Modi, who's visited Japan many times as Gujarat chief minister, will be accompanied by at least 12 top industrialists, including Mukesh Ambani, Gautam Adani, Azim Premji, Sunil Mittal, Chanda Kochhar and Kiran Mazumdar-Shaw. He's expected to discuss trade, economic, banking and defence issues with the Japanese Prime Minister.

As for Uniqlo, Chairman Yanai had a one-on-one with

Modi in June while on a company delegation for meetings with the textile and commerce ministries.

Uniqlo has plans to set up hundreds of single-brand retail stores in India in the long-term, according to people in the know. There's no cap on foreign direct investment in single-brand retail. Although the Bharatiya Janata Party (BJP) is opposed to foreign investment in multi-brand retail or supermarket chains, it has not shown any resistance to global single-brand stores.

Recently, American chain GAP announced its entry into India through a tie-up with

Arvind Brands. Among the other big brands, furniture major IKEA, fashion chain H&M and watch group Swatch are planning to open 100 per cent owned single-brand stores in the country. Brands such as Zara and Marks & Spencer already operate in India through tie-ups with Indian companies.

Though Fast Retailing Co Ltd's Uniqlo has been exploring opportunities to set up stores in India, it is learnt to have indicated that in the first phase, it would like to set up a sourcing base in India for export to other countries. Uniqlo stores may come in the next phase, though no timeframe is given. According to sources, in the medium- to long-term, the company is looking at "investing heavily" in India. It runs 2,000 outlets across the world.

Uniqlo wanted India to identify the 10 biggest manufacturers with which it could tie up for exports, and about 20 names were given. Among the global brands sourcing from India are Zara, Next, GAP, Marks & Spencer, Ann Taylor, Ralph Lauren, Abercrombie & Fitch. Currently, Uniqlo sources apparel from China, Vietnam, Bangladesh and Indonesia.



FOR MID-DAY MEAL SCHOOLS

# Use LAD Funds to Construct Dining Spaces for Students: Irani to MPs

Focus on building additional classrooms, toilets. No provisioning for dining space: Official Already Tough

**AN MP** "Using MPLADS funds would be difficult. Already the PM has asked that we use it for building toilets. There are (other) commitments as well"



**Another MP** suggests rural jobs guarantee programme could be used to build dining spaces in schools

Urmil.Goswami@timesgroup.com

**New Delhi:** HRD minister Smriti Irani has asked members of Parliament to "consider" using the money they get under the Members of Parliament Local Area Development Scheme (MPLADS) to construct "dining" spaces for students to have their mid-day meal.

Creating clean, safe areas for children to have their meal is a good idea but getting MPs to use a portion of the annual ₹5 crore they are given to spend on constituency programmes may prove to be tough.

On the face of it, Irani's idea of a separate space for students to have their mid-day meal is not a bad one, given that many are forced to find whatever patch of bare space is available, not necessarily safe or sanitary. The proposed dining space has to be located within the school compound. Schools funded through the civil works component of the Sarva Shiksha Abhiyan (SSA) do not have to provide for such areas.

"The focus is on building additional classrooms, toilets. There is, therefore, no provisioning for dining space," said a senior official.

This is not part of mid-day meal funding either as the focus is on constructing kitchen sheds and proper storage space for food grains and other ingredients.

**Schools funded through civil works component of SSA do not have to provide for such areas**

Some states like Tripura have provided for dedicated dining space from their own funds, but this is rare. The central government pays 75% of the cost of the mid-day meal programme while the state picks up the remaining 25% of the tab. State governments are free to spend more than the minimum amount.

There are some impediments to creating dining space. It could mean using up any open space that's available, such as play areas. This would severely curtail the benefits children derive from sport, especially in urban and semi-urban areas where

safe space is at a premium.

The mid-day meal programme is the largest government-sponsored school feeding programme, covering nearly 11 crore children across 12.2 lakh schools and education centres across the country. Even if the issue of space were to be overcome, funding the new construction would be a challenge.

On average, there are 100 to 150 schools in a district, with the numbers varying according to population. Some MPs argue that while ₹5 crore may seem like a large amount of money, it actually works out to very little considering competing demands within the constituency.

"It would take anywhere from ₹6 lakh to 8 lakh to build a dining space — even a basic one — that would accommodate 150 to 200 children. And we are talking of hundreds of schools," said an MP who didn't want to be named. "Using MPLADS funds would be difficult. Already the Prime Minister has asked that we use it for building toilets. There are (other) commitments as well."



# Oilmin to Probe ONGC's Show

Sets up inquiry on delay in projects & missing output targets

## Oil Not Well

**Barclays Equity Research** report said that 40 major projects of ONGC, involving an investment of \$14 billion, were delayed by several months and the company has missed production targets over the last five years

**Company's** oil output dropped to 25.99 MT in 2013-14 compared to 26.13 MT in the previous financial year

**Natural gas** output also fell to 24.85 BCM in FY'14 from 25.34 BCM previous fiscal year



ONGC's shares are undervalued partly because of its underperformance

*Oil Ministry Official*

**Rajeev Jayaswal**  
@timesgroup.com

**New Delhi:** The oil ministry has ordered an inquiry into the difficulties experienced by the Oil & Natural Gas Corp (ONGC) in executing projects, resulting in production targets being missed. Further the government plans to auction over 150 marginal oil and gas fields to private explorers who the government believes can expeditiously raise output.

Government sources said, Oil Minister Dharmendra Pradhan is deeply concerned about ONGC's performance and has asked the company's top brass pull up their socks. "The oil ministry's financial adviser has been directed to probe the performance of the company, especially after a Barclays Equity Research report said that 40 major projects, involving an investment of \$14 billion, of ONGC were delayed by several months and the company missed production targets for the last five years," the official quoted earlier said.

An ONGC executive brushed aside the report saying "it was more than a year old" issue. An oil ministry official involved in examining the performance of the company said this did not diminish the seriousness of the issue.

"The report could be old, but its concerns are relevant, more because the government plans to disinvest part of its stake in the company. ONGC's shares are undervalued partly because of its underperformance". A government official said a policy was being prepared to auction marginal fields.

"The government is preparing a policy to auction marginal oil and gas fields of state-run exploration firms," a senior government official said requesting anonymity. ONGC alone has 165 marginal fields. Oil ministry and ONGC did not respond to ET's emailed queries.

The ONGC executive cited earlier defended the company's performance.

Marginal fields are often defined as discoveries that are not financially viable, but ONGC has put 74 of marginal fields into production, executives said.

"It is surprising that ONGC is making decent profits despite it producing less oil and gas," another oil ministry official said. The company's oil output dropped to 25.99 MT in 2013-14 compared to 26.13 MT in the previous financial year. Natural gas output also fell to 24.85 BCM in FY'14 from 25.34 BCM previous fiscal. But, ONGC announced a 5.6% growth in net profit at ₹22,095 crore in 2013-14.



FREEING UP SERVICE DELIVERY FROM THE HOLD OF LOWER BUREAUCRACY

# PM Modi Plans Digital Cloud for Every Indian

## Simply Numbers

NO. OF USERS  
SIGNED UP:  
Nearly  
**2 lakh**  
so far



More than  
**23,000**  
have com-  
mitted to  
volunteer for  
various tasks

More than  
**71,248**  
inputs to various  
discussion topics  
and contests



## MOST PARTICIPATION

**13,417**  
DIGITAL INDIA



**11,270**  
CLEAN INDIA



**21,493**  
SKILLS & ENTR-  
PRENEURSHIP



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**New Delhi:** Prime Minister Narendra Modi's next big push to free up service delivery from the hold of the lower bureaucracy will be in the form of a 'digital cloud' for every Indian. Certificates issued by the government — education, residential, medical records, birth certificates etc — are to be stored in individual 'digital lockers' and a communication protocol established for government departments to access them without physically having to see the hard copy.

Information and technology secretary Ram Sewak Sharma, who is overseeing the ambitious MyGov.in programme of the government, told ET that this was one of the ideas Modi had frequently flagged as something that would resonate with all Indians.

"The Prime Minister was very clear that he didn't want copies of certificates issued by the government itself to be carried around by people to government offices for various services. For example, if a student is applying for a government college and has studied in a government-aided school, his birth certificate, identity details and educational certificates, school-leaving details et al should be accessible by organisations where he



## TALENT POOL



There is a vast resource of talent out there which we are engaging with now

**RAM SEWAK SHARMA**

Information and technology secretary

is applying. Similarly for medical records," he said.

The first step in this endeavour is floating the idea on the MyGov.in portal, where suggestions for working out a "communication protocol" or what is called an applications programming interface (API) will be solicited. "There is a vast resource of talent out there which we are engaging with now," Sharma said.

Top sources in the government confirmed that the decision to take the programme to the public through the MyGov.in interface along with inviting suggestions for what should happen to the Planning Commission was part of Modi's effort to liberate policy formulation from what's referred to as the 'India International Centre' clique. "This is very much what he did during the

election campaign in terms of sourcing new ideas and suggestions, and going with it," said a source in the government.

Sharma terms MyGov.in as on its way to being the "world's largest platform in citizen engagement in policy making." Others in the government said that it kicked off on May 16, the day the BJP registered its massive win. "Every message of congratulations was responded to with a link, a form which solicited your areas of interest and skill sets, the idea, even then was to go off the Beltway, as Barack Obama put it, and source ideas from people with talent and qualifications but who, for professional reasons, are outside of the policy ecosystem," said a source.

As of now, more than 2 lakh people have registered on the portal. Two tasks — designing the Independence Day e-greeting to be issued by the government and the logo of the finance ministry — have already been completed. Ideas for Digital India have received the maximum number of suggestions, followed by Clean India and job creation (see box). "As of now a small team from the National Informatics Centre is manually sifting through the suggestions, but we are looking at a more man-machine hybrid sifting process," added Sharma.