Planning Commission
Government of India

PART A: News pertaining to Planning Commission

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Planning Commission Library

(जवाहरलाल नेहरू के विचार)

"संस्कृति मन और आत्मा का विस्तार है."

"Culture is the widening of the mind and of the spirit."

1.Arvind Panagariya Tipped To Become Chief New Neeti Ayog

The Sen Times, 23rd Dec. 14

New Delhi: Arvind Panagariya, credited with the works as the chief economist at the Asian Development Bank, is likely to be Prime Minister Narendra Modi's pick for the **vice-**chairman of the new Neeti Ayog (Policy Commission).

Arvind Panagariya

The Neeti Ayog will replace the five-decade old Planning Commission.
The body will be headed by a vice-chairman, not deputy chairman as was the case in the Commission.

The new body will comprise the office of Direct Benefit Transfer(DBT), Unique Identification Authority of India (UIDAI), the inter-state councils and Programme Evaluation. Each of the four departments will be headed by a secretary-level officer.
A few of these departments are currently under the Planning Commission, while some function with the ministries.

Panagariya, 62, has acquired a reputation as an expert on economic reforms, may be conveying himself as a reformer aiming to make the Prime Minister Narendra Modi's **economic reform** more efficient.
An academic with a doctorate in in Economics from Princeton University, Panagariya worked in the World Bank, International Monetary Fund, World Trade Organization, and the United Nations Conference on Trade and Development (UNCTAD).

A former professor at Economics and Co-director, Center for International Economics, University of Maryland at College Park, Panagariya and current Professor of Indian Political Economy in the Department of International and Public Affairs and of Economics, at Columbia University, was born at Jaipur in Rajasthan.

He was earlier tipped to be the economic advisor to Prime Minister Narendra Modi.

2. FinMin rejects Cochin Port's demand for interest waiver

24 Dec 2014 Business Standard ARIJIT PALADHI

The finance ministry and the Planning Commission have rejected the Union shipping ministry's proposal to waive ~715 crore of penal interest due from Cochin Port Trust (CPT) on a ~258-crore loan.

Of the total penal amount of ~729 crore, the government could have forgone ~715. CPT's request for this had been pending for over a year.

While considering the proposal, the department of expenditure under the finance ministry had raised questions on CPT's performance and asked it to prepare a turnaround plan. Based on those observations, the port had started preparing a strategy, of which interest waiver was a part, a senior port official said.

CPT has been plagued by two major problems. The International Container Transhipment Terminal (ICTT), built to wean away the dependence on Colombo Port for transshipment, is performing at 35 per cent of its total capacity. While the cost of dredging has been increased to enable larger vessels to dock at ICTT, the revenue generated from it have been paltry, even after cabotage relaxations. Additionally, Petronet LNG terminal's pipeline has also not been fully laid yet, so revenue has suffered.

CPT had during the previous government's term sought a waiver of ~715 crore of penal interest, after factoring in the mandatory 0.25 per cent a defaulter has to pay.

3. Passengers have close shave as bus rams into boundary wall, PTI

Business Standatd, December 23, 2014

Several passengers had a close shave here this evening when an orange cluster bus they were traveling in rammed into the boundary wall of Planning Commission building in the heart of the national capital.

Although no one was injured in the incident, a bike parked inside the wall was damaged.

"The incident took place around 6 PM when the driver of the orange cluster bus bearing registration number DL 1P C6299 lost control of the vehicle after crossing the traffic light installed in front of the Planning Commission and the bus rammed into its boundary wall," said a police official.

The driver was detained and sent for medical examination to determine whether he was drunk when the incident took place.

"We are registering a case of rash and negligent driving and the driver may be arrested in this connection," said a senior police official.

4. Centre: No plan to ask staff to report to work on Dec 25 But Depts May Hold Events On Atal's B'day'.

Dec 24 2014 : The Times of India (Delhi)

The Centre on Tuesday denied any plan to ask its staff to mandatorily report to work on December 25, a gazetted holiday in view of Christmas, but said all ministries and departments may conduct their own events to mark former Prime Minister A B Vajpayee's birthday as `Good Governance Day'.

"The personnel ministry is not contemplating issuing any formal circular to all central ministries and departments on how to celebrate Good Governance Day... it is up to the individual ministries and departments to celebrate it as they like," minister of state for personnel Jitendra Singh told TOI.

An officer, however, remarked that the very fact that individual ministries and departments were expected to hold functions on Good Governance Day meant that babus would be left with little choice but to report to work on December 25.

Even so, parliamentary affairs minister M Venkaiah Naidu on Tuesday insisted that no one would be forced to observe December 25 as `Good Governance Day'. At the same time, he added that all central ministers would attend public functions in their respective states and all MPs shall visit their constituencies to mark the occasion.

A senior home ministry official shared with TOI that while Union home minister Rajnath Singh was set to visit Lucknow on December 25 to preside over public functions, MoS Kiren Rijiju and H P Chaudhary would do the same in Arunachal Pradesh and Banaskantha (Gujarat), respectively .

Sources indicated that the department of reforms and public grievances (DARPG), which comes under the personnel ministry was contemplating putting out advertisements in national and regional dailies on December 25, conveying the government's message of "good governance" to all citizens.

Naidu said people were free to celebrate December 25 in "whatever manner they like". Yet, with entities like department of electronics and information technology (DeitY) announcing a function-cum-seminar between 10.45am and 5pm on December 25, babus in the department may not have much choice but to attend the function where their minister, Ravishankar Prasad will be the chief guest.

> **The very fact that individual ministries and departments were expected to hold functions on Good Governance Day meant that babus would be left with little choice but to report to work on December 25, remarked an officer**

PART B

NEWS AND VIEWS

Tuesday 24th, December 2014

Polity	:	BJP single largest party in Jharkhand, key player in J&K
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Communication, IT Information Division
Phone # 2525

BJP single largest party in Jharkhand, key player in J&K

LIZ MATHEW
NEW DELHI, DECEMBER 23

THE BJP may have felt hemmed in by a united Opposition in Parliament, but the Modi factor continues to resonate across the states. The BJP emerged as the single largest player in Jharkhand and the second largest party in Jammu and Kashmir on Tuesday.

As the picture in the two states became clear, BJP president Amit Shah told reporters at a specially called media conference, "I want to congratulate Prime Minister Narendra Modi, because his government's work and people's love for him is a big reason for our victory... I believe that voters have endorsed Modi's style of governance."

BJP president Amit Shah in New Delhi on Tuesday. PREM NATH PANDEY

Senior party leaders said the victory is a clear vote for Modi. "Look at the case of Jharkhand. The party has ruled the state for the longest period since its formation in 2000. Had it not been for Modi, we could not have gone to polls with promises of good governance and development," said a senior party leader.

Since coming to power at the Centre earlier this year, the BJP has won all the state elections.

Modi himself campaigned across J&K — a top priority for the BJP, which is keen to ensure closer integration of the trouble-torn state with the rest of the country — and Jharkhand. The emergence of the party as a serious player in

Decision 2014
J&K, JHARKHAND

J&K will add one more feather to the caps of both Modi and Shah. "We are now a relevant party in J&K," said a visibly delighted Shah.

For the BJP, which was obviously disappointed with the outcome of the winter session which ended on Tuesday — facing a united Opposition, the government had to defer many of its key legislative agenda — the results have come as a reason to reassure itself. "The poll verdict is a lesson for those who oppose our government's agenda of development and change," said Shah, taking a swipe at the Opposition parties who have tried to corner the government in Parliament over the conversion issue.

Although its Mission-44 in J&K did not succeed, the BJP got 25 seats, just three less than the People's Democratic Party — the main Opposition party in the outgoing Assembly — and also won the highest vote share — 23 per cent as compared to the PDP's 22.7 per cent. In Jharkhand, where the BJP won 37 seats, its vote share was 31.3 per cent votes, while the JMM's was 20.5 per cent.

"The BJP has increased its tally from 18 in 2009 to 41 (with allies) in Jharkhand. In J&K, our seats have increased from 11 in 2008 to 25. We have received the maximum percentage of votes in the state," said Shah.

Senior BJP ministers believe the party's victory in Jharkhand would also give a fresh impetus to the government's economic agenda, as the party's own government can expedite mining projects in the mineral-rich state.

However, Tuesday's election results may also strengthen the bonding between the non-NDA parties, which was often visible in Parliament, especially in the Rajya Sabha.

Business Standard

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14th Finance Panel report to be tabled in Budget session

BS REPORTER
New Delhi, 23 December

The government might keep tradition alive by not tabling the 14th Finance Commission's report in the winter session of Parliament.

The report, unlike what was speculated in certain quarters, would be presented in the Budget session, as it had various ramifications on the government's taxation and expenditure plans, sources said.

The recommendations of the commission, headed by former RBI governor Y V Reddy, relate to the period between April 1, 2015, and March 31, 2020.

There were speculations that the government might break tradition and table the report in the session that concluded on Tuesday.

The 14th Finance Commission, which was also asked to look into the compensation to states after a goods and services tax (GST) is rolled out, submitted its report to President Pranab Mukherjee on December 15.

Usually, the commission's reports are submitted in the Budget session, even if those are presented earlier.

For instance, the 12th Finance Commission, headed by former RBI Governor C Rangarajan, submitted its report in November 2004, but it was tabled in the Budget session in February 2005.

Similarly, the 13th Finance Commission, chaired by former Finance Secretary Vijay Kelkar, submitted its report to the President in December, 2009, but it was tabled in February, 2010.

The 12th Finance Commission had recommended an increase in the share of states to 30.5 per cent of divisible tax proceeds from 29.5 per cent. This was further raised by the 13th Finance Commission to 32 per cent.

Fiscal strains: Govt slashes health budget by 20%

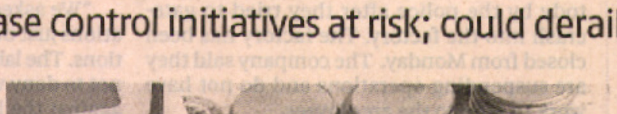
Move puts key disease control initiatives at risk; could derail universal health care programme

REUTERS
New Delhi, 23 December

The government has ordered a cut of nearly 20 per cent in the 2014-15 health care budget due to fiscal strains, putting at risk key disease control initiatives in a country whose public spending on health is already among the lowest in the world.

Two health ministry officials told *Reuters* on Tuesday about ₹6,000 crore , or $948 million, had been slashed from their budget allocation of around $5 billion for the financial year ending March 31, 2015.

Despite rapid economic growth over the past two decades, successive governments have kept a tight rein on health care expenditure. India spends about one per cent of its gross domestic product (GDP) on public health, compared with three per cent in China and 8.3 per cent in the United States.



India spends about one per cent of its GDP on public health, compared with three per cent in China and 8.3 per cent in the US

But hopes were high that Prime Minister Narendra Modi, who was elected in May, would upgrade basic health infrastructure and make medical services more affordable for the poor.

The United Nations estimates about one third of the world's 1.2 billion poorest people live in India.

"We were not expecting (budget cuts) this time because of the commitments they made in the manifesto," one of the health ministry officials said, referring to Modi's Bharatiya Janata Party (BJP). "No reason was given...but there is shortage of funds. It is not rocket science."

The officials requested anonymity because of the sensitivity of the matter.

The finance ministry, which ordered the spending reduction and overruled objections from the health ministry at a recent meeting, did not respond immediately to requests for comment.

The move reflects the government's struggle to achieve its 2014-15 fiscal deficit target of 4.1 per cent of GDP.

Dominated by private players, India's health care sector is growing at an annual clip of around 15 per cent, but public spending has remained low and resulted in a dilapidated network of government hospitals and clinics, especially in rural areas.

One of the health ministry officials said the cut could crimp efforts to control the spread of diseases. More newborns die in India than in poorer neighbours, such as Bangladesh, and preventable illnesses such as diarrhoea kill more than a million children every year.

The retrenchment could also derail an ambitious universal health care programme that Modi wants to launch in April. The plan aims to provide all citizens with free drugs and diagnostic treatments, as well as insurance benefits. The cost of that programme over the next four years had been estimated at ₹1.6 lakh-crore ($25 billion). The health ministry officials had been expecting a jump in their Budget for the coming year, in part to pay for this extra cost.

"Even next year we don't think we'll get a huge amount of money," said one official, adding that it was unclear how the new programme would be funded.

In addition to the health care budget, the finance ministry has also ordered a spending cut for India's HIV/AIDS programme by about 30 per cent to ₹1,300 ($205.4 million).

India had the third-largest number of people living with HIV in the world at the end of 2013, according to the UN AIDS programme, and it accounts for more than half of all AIDS-related deaths in the Asia-Pacific.

In October, India was on the brink of running out of a critical medicine in its free HIV/AIDS drugs programme due to bureaucratic delays. A crisis was averted with the assistance of pharmaceutical companies and global health organisations.

The Economic Times

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Govt to Focus on FY16 Budget for Now

Our Bureau

New Delhi: With the next state elections some way away and the Parliament session behind it, the government is expected to get down to preparing the budget for FY16 and the business of reviving the economy, which looks a lot more difficult seven months into the term of new government.

Prime Minister Narendra Modi is expected to review the performance of the finance ministry at the end of the month, setting the tone for the most anticipated budget in recent years. The only political distraction for the NDA government in the next 12 months before the crucial Bihar election is the Delhi assembly polls that should happen sometime in the next few months. The term of the Bihar assembly ends on November 29, 2015. The government couldn't manage much legislative business in the Parliament session that concluded on Thursday, with the combined opposition in the Rajya Sabha, where the NDA is in a minority, stalling proceedings.

"Mend and repair work will continue that does not require legislative action," said DK Joshi, chief economist, Crisil. "Two things that they need to be pushing in 2015 is GST and revival of mining activity. These two are very critical. Infrastructure sector needs a huge facelift. The government will also have to begin the process for rationalising LPG and kerosene."

The government has to get the executive machinery going to revive the economy that seems to be struggling again after a brief spark at the beginning of the current financial year. The economy expanded 5.3% in the July-September quarter, lower than the 5.7% recorded in the preceding one, and the 4.2% contraction in industrial production in October does not suggest things are looking up.

The govt has to get the executive machinery going to revive the economy

The government had lined up an ambitious legislative agenda for the just-concluded Parliament session, but it did not make much headway because of its lack of strength in the Rajya Sabha. It is now likely to opt for the ordinance route to take some of that forward in the insurance and coal sectors.

It will also need to speed up disinvestment so that a large reduction in expenditure is not needed to reach the fiscal deficit target of 4.1% of GDP.

The Union budget is expected to provide a big push forward in terms of drawing up the framework for key policy reforms that the government is proposing to get the economy back on track.

The clamour from the business community for big-bang reforms has grown and the budget will be keenly watched to see whether it delivers.

DK Pant, chief economist, India Ratings, said there is a lot that the government can do without the hard measures that need legislative approval.

"The government needs to push through subsidy reforms. Power sector reforms need to be taken up. Drastic administrative reforms are needed not just at the central level but also at the state government level," he said.

Govt May Move on Crucial Bills Via Ordinance Route

Ordinances related to raising FDI cap in insurance & coal auction to be taken up today

Our Bureau

New Delhi: Frustrated by the opposition in its bid to get parliamentary approval for two crucial items of legislation, the government is likely to get the Union cabinet to take up ordinances to raise the overseas investment limit in insurance and facilitate coal mine auctions on Wednesday.

The last day of the winter session was again stalled by opposition parties with the Lok Sabha and Rajya Sabha adjourned sine die on Tuesday.

Government officials indicated that proposals to promulgate ordinances to raise the foreign direct investment (FDI) limit in insurance to 49% from 26% and amend the Coal Mines Act could be taken with Parliament prorogued.

The Upper House was disrupted over the issue of religious conversions and failed to conduct any significant legislative business. The government is keen to send out a strong signal regarding its intent to carry out policy changes by issuing the ordinances, officials said.

To be sure, there are concerns over whether the insurance proposal meets the criterion of needing "immediate action" and also whether investors would be keen on bringing in money on the basis of an ordinance. On the other hand, the coal ordinance has to be repromulgated in any case.

Last week, finance minister Arun Jaitley had said that the government is "extremely determined" to push through with insurance sector reforms and will not allow political obstructionism to get in the way. He had said the coal bill was another important item of legislation that was being similarly held up in the Rajya Sabha.

While the LS passed 18 bills against 12 in the last budget session, the RS cleared only 12 items of legislation during this period

"It is a bill which has been unanimously passed by the Lok Sabha. All doubts have been cleared. It was not allowed to come on the agenda of Upper House for discussion," he had said. The government had wanted to get both bills approved during the session.

Earlier this month, cabinet approved the Insurance Amendment Bill after incorporating changes suggested by a parliamentary select committee.

The Coal Mines (Special Provisions) Bill that was moved to replace an ordinance issued earlier was passed by the Lok Sabha in the winter session but it could not be taken up in the Rajya Sabha.

The government promulgated the Coal Mines (Special Provisions) Ordinance, 2014, in October to facilitate coal block auctions after the Supreme Court cancelled 204 coal blocks in September.

The bill provides for the allocation of coal mines and vesting of the right, title and interest in and over land and mine infrastructure, together with mining leases, to successful bidders and allottees through a transparent bidding process.

While the Lok Sabha passed 18 bills against 12 in the last budget session, the Rajya Sabha cleared only 12 items of legislation during this period, reflecting the government's lack of numbers in the upper house.

The insurance bill has been held up for nearly six years on account of political differences.

Changing Tack

- Govt under pressure to deliver on big ticket reforms
- Mulls ordinance to raise FDI limit for insurance
- It will also work on making legal changes to facilitate coal auctions
- Coal Mines Bill was passed by Lok Sabha but held up in Rajya Sabha

ALREADY IN WORKS

- FM Arun Jaitley said govt determined to push the insurance bill
- President Pranab Mukherjee prorogued the Lok Sabha on Tuesday evening
- It clears the deck for issue of ordinances

I won't let even the PM speak: Speaker

Lok Sabha adjourned sine die amid protests by Congress

PRESS TRUST OF INDIA

New Delhi, December 23

The Winter Session of the Lok Sabha was adjourned sine die on Tuesday after passing a "record" number of 18 pieces of legislation, including amendment Bills on coal mines allocation and labour laws, in 22 sittings.

Speaker Sumitra Mahajan announced the sine die adjournment soon after noon when the House reassembled after an adjournment forced by a vociferous opposition which demanded a response from Prime Minister Narendra Modi on the issue of conversions.

Congress leader Mallikarjun Kharge made a vain attempt to seek a response from the Prime Minister, who was present in the House, on the conversion issue.

"I will not allow anyone to speak. I not allow even the Prime Minister to speak," the Speaker said. When Kharge rose to speak after papers were laid, Mahajan said in a lighter vein "You don't say anything good."

To that Kharge said: "I will say something good" and wanted Modi to make a statement.

Apparently referring to the PM's *Mann ki baat* programme on All India Radio, some Congress members were heard saying, "PM *apni mann ki baat sadan ko bole* (The PM should speak his heart out in the House)."

However, the Speaker asserted that nobody would be allowed to speak. "When I have said no, it is no," she said.

After that she said: "I am happy to inform you that 18 legislations were passed during the session which is a record of sorts in the recent years."

Parliamentary affairs Prime Minister Narendra Modi with BJP members of Parliament, at Parliament House in New Delhi on Tuesday PTI

The Financial Express

Date: 24/12/2014

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BJP puts up strong show but still has a weak hand

Takes Jharkhand outright, comes a close second in Jammu & Kashmir

fe Bureau
New Delhi, Dec 23

ON the day the winter session of Parliament ended, leaving very little for the Narendra Modi government to flag in terms of economic reforms owing to the Opposition's intransigence, the results of assembly elections that poured in from two states — trouble-torn Jammu and Kashmir and minerals-rich Jharkhand — showed Modi's appeal with the electorate is largely intact.

J&K returned a hung verdict with the PDP bagging 28 seats to emerge as the single largest party in the 87-strong state assembly, and the BJP, helped by spectacular gains in the Jammu region, came a close second with 25 seats, its highest ever. In Jharkhand, the BJP stormed to pole position along with its smaller ally AJSU and looked poised to form the first stable government in the state, which saw rickety coalitions and nine chief ministers since its formation in 2000.

While the PDP chose to remain non-committal in the initial hours after the electoral picture became clear on who it would ally with, the Congress, looking at a moderate strength of 12 seats and recalling its coalition government it formed in the state with PDP in 2002, was quick to promise support to the party led by Mufti Mohammed Sayeed and daughter Mehbooba Mufti.

However, a government led by the PDP-BJP combine, possibly with the latter extending outside support, looked more likely in J&K, given that it would cross the majority mark of 44 in the assembly far more comfortably than other permutations would. Addressing a conference in Delhi, BJP president Amit Shah said his party was open to both options — of joining the government or sitting in the opposition.

Though Tuesday's electoral results did not measure up to the BJP's expectations, the party, in an aggressive bid to fortify its pan-India presence, wasn't disappointed either with the success in J&K. In increasing the Modi government's ability to push the structural reforms that the economy is in crying need of, the latest tidings out of the electoral arena will, however, have only marginal immediate relevance, analysts said.

The Modi government's legislative reforms, aimed at bolstering the economy, is being stymied by the fact that despite its thumping majority of 335 in the 543-member Lok Sabha, it continues to be in a minority in the Rajya Sabha, having only 65 seats along with its allies — just 45 on its own — in the 245-strong House.

BJP President Amit Shah being greeted by party workers over the party's victory in the Jharkhand assembly poll, at BJP headquarters in New Delhi Express photo: PREM NATH PANDEY

The Hindu

Date 24/12/2014

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RAISING FDI CAP

Govt. firm on insurance ordinance

It is left with no other option, say senior Ministers

National Bureau

NEW DELHI: As the winter session of Parliament came to an end on Tuesday, highly placed sources said the government is determined to push through the raised cap on Foreign Direct Investment in insurance via the ordinance route.

At least two senior Ministers indicated that the Narendra Modi government was left with no other option but to effect the policy change through an ordinance. One of them said the ordinance was necessary to "spell out the government's intent" even though he did not expect foreign investors to immediately invest in the insurance sector in the absence of an enabling legislation. "The makers of our Constitution have thought far ahead for every situation. For everything else, there are enough precedents," said the other Minister, alluding to ordinances being brought in the past to push key policy decisions.

Rajya Sabha session in New Delhi on Tuesday. – PHOTO: PTI

Reacting to the Opposition's criticism that the government wanted to push through the insurance legislation before U.S. President Barack Obama's visit to India in January 2015, the Minister said: "They are the ones obsessed with Mr. Obama. We are only thinking of national interest."

The Union Cabinet had earlier this month cleared a proposal to raise the FDI cap in insurance to 49 per cent from the current 26 per cent. The government brought in amendments to a Bill in Parliament for the necessary legislative sanction. The Insurance Laws (Amendment) Bill, 2008, that had been listed in the legislative business of the Rajya Sabha, was not passed till the House adjourned on Tuesday afternoon due to frequent disruptions.

The Upper House where the ruling NDA is in a minority saw little legislative business being transacted. The Lok Sabha passed eight Bills but these could not be passed in the Rajya Sabha. In all, 16 Bills were introduced this session – only one in the Rajya Sabha. As against 102 per cent productive hours in the Lok Sabha, the Rajya Sabha barely clocked 61 per cent. The government had planned on getting 18 Bills passed, only 10 went through.

The Indian Express

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Key decisions to be taken at Cabinet meeting

Ordinance for coal, insurance likely today

LIZ MATHEW
NEW DELHI, DECEMBER 23

THE Union Cabinet on Wednesday is likely to consider bringing out ordinances to push through reforms in two key sectors of insurance and coal. These Bills could not be taken up in the Rajya Sabha due to a logjam between the treasury and Opposition benches in the just-concluded winter session.

While the Cabinet is expected to clear the ordinance on the Coal Mines (Special Provisions) Bill, 2014, in the meeting, the government is yet to decide on whether an ordinance should be promulgated for the Insurance Laws Amendment Bill, 2008.

The Insurance Bill could not be taken up for discussion despite being approved by a Select Committee of the Rajya Sabha due to the uproar over the conversion and other issues. The Coal Mines (Special Provisions) Bill, 2014, has already been approved by the Lok Sabha during the session but was again stalled in the Upper House.

"There is an argument that an ordinance on insurance would not bring much enthusiasm among investors," said a BJP leader.

However, a senior minister indicated that the intent of the government is to push through ordinances for these two sectors "Skepticism will be there. But the intention of the government will be clear (if an ordinance is issued)," he pointed out.

Minister of state for finance Jayant Sinha too indicated that the government would resort to the ordinance route for these two sectors. "We need the skills and the expertise that foreign insurance companies provide. So we have to really think through the different alternatives. We need to ensure that the product and services (related to insurance) are available to all the people of India... We will have to consider all possibilities right now because the fact is that the country needs more investment in the insurance sector," Sinha said when asked whether the government would look at the ordinance route.

Parliamentary affairs minister M Venkaiah Naidu said the Insurance Bill could not be passed due to the obstructionist attitude of the Opposition.

"We will do whatever required to clear it. The government is keen to implement it," he asserted.

LOGJAM RESULT

- The Cabinet is expected to clear the ordinance on the Coal Mines (Special Provisions) Bill
- The Bill has been passed by the Lok Sabha during the current session, but could face hurdles in the Rajya Sabha
- Both the Coal Bill and the Insurance Laws Amendment could not be taken up for discussion in the Rajya Sabha due the logjam between the Treasury and the Opposition benches

The Hindu

Date 24/12/2014

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Rajnath promises holistic development of East Delhi

Jatin Anand

NEW DELHI: Union Home Minister Rajnath Singh promised holistic development of East Delhi, highlighted the performance of the Bharatiya Janata Party government during its seven months in office, and praised the contribution of former Prime Minister Atal Bihari Vajpayee towards the country's economic and surface transport infrastructure here on Tuesday.

Mr. Singh was speaking at a ceremony held to mark the commencement of the extension of the elevated Barapullah flyover project, for which he laid the foundation in the presence of Lieutenant-Governor Najeeb Jung, local MP Maheish Girri, former Speaker of Delhi Vidhan Sabha M.S. Dhir and Public Works Department (PWD) Secretary Arun Baroka.

Union Home Minister Rajnath Singh laying the foundation of Phase-III of the Barapullah flyover project in New Delhi on Tuesday. Also seen is Delhi Lieutenant-Governer Najeeb Jung. – PHOTO: SUSHIL KUMAR VERMA

"This flyover will reduce commuting time between South and East Delhi to 10 minutes and will be ready by 2017. East Delhi will not be left behind in terms of development. *Poorvi Dilli ko apoorv Dilli banne se koi nahin rok sakta* [No hindrance will come in the way of East Delhi becoming a unique part of Delhi]," Mr. Singh said.

The Minister's comment on the Capital's 'traffic situation' followed a declaration that improvement of infrastructure was a mission for the BJP, which as a party it has been following since Mr. Vajpayee's first stint as Prime Minister in the mid-1990s.

"The massive improvement in the country's road-surface transport infrastructure in the form of multi-lane highways such as the Golden Quadrilateral was first undertaken during Mr. Vajpayee's time. We will continue this tradition and ensure that India becomes a clean, rich and comfortable nation, with this part of Delhi following suit in the coming days," he added.

Mr. Jung stated that the completion of the entire Barapullah Elevated Road project will benefit lakhs of commuters.

"Government Departments have a way of taking their own time with projects, but this is not one such project. At a recent meeting, it was decided to ensure that such infrastructural projects, which aim at making life more comfortable for Delhiites, be taken up and completed at a war footing. We are confident we will deliver within the stipulated deadline," said Mr. Jung.

According to government estimates, 70,000 four wheelers make use of the Barapullah's Phase-I stretch daily. After completion of Phase-II of the flyover, an estimated one lakh cars are expected to do so. Phase-III, which is to be completed by December 2017, is estimated to be used by up to 1.5 lakh vehicles.

P.C

The Pioneer

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Despite ban, plastic bags still in vogue

PNS ■ NEW DELHI

Despite ban on use of plastic bags in most States and Union Territories, a recent study conducted in Chandigarh, Sikkim and Delhi shows that it is being rampantly used not only by roadside vendors but even by big brand stores. The study finds that it is a big urban phenomenon. Though aware of its hazardous effects, most of the people covered under study continued to use it as a matter of convenience and easy availability.

The study called "Plastics and the Environment — Assessing the Impact of the Complete Ban on Plastic Carry Bags" has been conducted by Toxics Link, an organisation that works on management of various kinds of waste.

It was conducted with the objective of checking the compliance of plastic bag ban, reasons for success and failures and providing alternatives for improving the compliance.

Plastic Waste (Management and Handling) Rules notified in 2011 bans the use of plastic bags with thickness less than 40 microns. Delhi Government had issued a notification for a blanket ban on the use of all kinds of plastic bags in 2012.

The study surveyed a total of 834 respondents in Delhi. It was found that majority of consumers and vendors continue to use plastic bags in spite of the ban. Plastic bags are freely available in the market areas and there seem to be no check on its usage.

Total number of respondents in Chandigarh were 500, of which about 74 per cent of the consumers and 75 per cent of the vendors used plastic bags because of convenience. In Sikkim, on the other hand, the usage of plastics bags was comparatively lesser. Newspaper wrappings and paper bags were being used as alternatives to plastic bags.

On the positive side, the study, however, found increased awareness level among both vendors and consumers on the harmful impacts of plastic on environment. As per the study, 80 per cent of the vendors and 70 per cent of the consumers were aware of the ill effects of plastics, who however continue to use them.

"Plastic bags not only clog the drains hitting the urban sewage system but fills up the landfill spaces and dumping of plastic bags on land leads to toxic elements such as lead and cadmium pigments leach into the underground water," says Priti Mahesh, Chief Programme Coordinator, Toxics Link.

ALTERNATIVES

- Plastic/ Polythene bags contribute to major usage of 4 million tonnes of plastic in India
- Non-woven bags used as alternative are also actually plastic bags under the preview of the ban
- Feasible alternatives are reusable bags come in canvas, woven plastic fibre, hemp, cotton etc
- Bio Plastic from renewable organic sources can also replace plastic as they are decomposable

G.O.I

The Financial Express

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Opec won't cut output even at $20 a barrel: Saudi Arabia

Oil minister says it is unfair for the cartel to reduce production

Riyadh, Dec 23

OPEC will not cut oil production even if the price drops to $20 a barrel and it is unfair to expect the cartel to reduce output if non-members do not, Saudi Arabia said.

"Whether it goes down to $20 a barrel, $40, $50, $60, it is irrelevant," the kingdom's oil minister Ali al-Naimi said in an interview with the Middle East Economic Survey (MEES), an industry weekly.

In unusually detailed comments, Naimi defended a decision by the Organization of the Petroleum Exporting Countries, whose lead producer is Saudi Arabia, last month to maintain a production ceiling of 30 million barrels per day.

The decision sent global crude prices tumbling, worsening a price drop that has seen them fall by around 50% since June.

Saudi Arabia has traditionally acted to balance demand and supply in the global oil market because it is the only country with substantial spare production capacity, according to the International Monetary Fund.

The kingdom pumps about 9.6 million barrels per day but Naimi said it is "crooked logic" to expect his country to cut and then lose business to other major producers outside Opec.

The increasingly competitive global oil market has seen daily United States oil output rise by more than 40% since 2006, but at a production cost which can be three or four times that of extracting Middle Eastern oil.

"Is it reasonable for a highly efficient producer to reduce output, while the producer of poor efficiency continues to produce?" Naimi asked during the interview conducted with MEES.

"If I reduce, what happens to my market share? The price will go up and the Russians, the Brazilians, US shale oil producers will take my share."

He added it is "unfair" for the cartel to reduce output because it is not the world's major oil producer.

"We produce less than 40% of global output. We are the most efficient producer. It is unbelievable after the analysis we carried out for us to cut," he told MEES.

In Asian trade on Tuesday prices nudged higher on hopes of improved economic figures from the United States.

'Crooked logic'

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- The kingdom pumps about 9.6 million bpd but Naimi said it is 'crooked logic' to expect his country to cut and then lose business to other major producers outside Opec
- The increasingly competitive global oil market has seen daily US oil output rise by more than 40% since 2006

Oil firms seen cutting spending 25% in 2015

Plunging oil prices will prompt energy companies to cut investments in new projects by 25% or more in 2015, analysts said over the past week, as firms try to stay cash-flow positive and keep debt in check.

With oil prices down more than 40% since June, some companies, including ConocoPhillips, have slashed spending by 20%. But because crude prices have yet to stabilise, other companies are waiting to draw up budgets.

"Many are buying time on 2015 capex and production guidance while hoping for a stable baseline to plan from," Capitol One Securities said in a note to clients. "We think cuts of 25% or more versus a year ago are on the way and won't be unusual."

Whiting Petroleum said on Monday it will not release its 2015 capital spending plan until February, citing volatile oil prices. Budgets from Chevron and Exxon Mobil are also due out in early 2015, along with comprehensive spending surveys from industry analysts at Cowen and Barclays.

The spending reductions, once announced, are likely to be the biggest in years. But the US government still expects output to be the highest in decades as productivity for new wells rises. Investment bank Simmons expects average US oil production growth of about 900,000 barrels per day (bpd) next year, up from around 9 million bpd in November.

Bernstein Research said if benchmark Brent crude oil was at $80 per barrel, then global exploration and production spending would fall 20% to $640 billion. *Agencies*

Arab Opec producers see oil back above $70 by 2015-end

Abu Dhabi, Dec 23: Arab Opec producers expect global oil prices to rebound to between $70 and $80 a barrel by the end of next year as a global economic recovery revives demand, Opec delegates said this week in the first indication of where the group expects oil markets to stabilise in the medium term.

The delegates, some of which are from core Gulf Opec producing countries, said they may not see — and some may not even welcome now — a return to $100 any time soon. Once deemed a "fair" price by many major producers, $100 a barrel crude is encouraging too much new production from high cost producers outside the exporting group, some sources say.

But they believe that once the breakneck growth of high cost producers such as US shale patch slows and lower prices begin to stimulate demand, oil prices could begin finding a new equilibrium by the end of 2015 — even in the absence of any production cuts by Opec. *Reuters*

The Hindu
Editorial

WEDNESDAY, DECEMBER 24, 2014

A fragmented verdict

The fiercely fought election in Jammu and Kashmir has thrown up a fragmented verdict that is not going to easily yield a government, in one of the most difficult places to govern in India. The performance of the BJP, the People's Democratic Party, the National Conference and the Congress shows that the contest was truly a four-cornered one, and was not just about a polarisation between two parties. But the outcome suggests a polarisation on religious lines, between Hindus of the Jammu region who voted overwhelmingly for the BJP and Muslims of the Kashmir valley, who split their approval among the PDP, the NC and the Congress. Contradictory interpretations can be attributed to the outcome that would make the process of government-formation difficult. First, it was an outright disapproval of the NC government led by outgoing Chief Minister Omar Abdullah. Second, the popular approval of the BJP is the highest of all four contestants — it won 23 per cent of the votes polled. Third, the PDP, despite scoring lower than the BJP in terms of vote share, has won the highest number of seats, and has become eligible to be invited to form the government, going by precedents. Fourth, unless at least two parties come together a government in the State cannot be sustained, and not any two parties can now add up to a simple majority. For instance, the PDP and the Congress, the least hostile pair ideologically, do not have a combined strength of 44.

The situation, therefore, calls for an extraordinary level of wisdom, maturity and willingness on the part of all the four parties to place the national interest above partisan interests. If the BJP and the Central government that it leads are clear that it is not desirable to have Governor's Rule in the sensitive State, several combinations are possible. The PDP has said it would explore the options without losing its credibility, to see whether it can form a government that can live up to the expectations of the people. The BJP has said all options — offering support to someone, taking support from someone and sitting in opposition — are open. The NC has admitted that it lost the mandate and would not be proactive in any government-formation efforts. The Congress has offered support to the PDP. Any combination that one can think of could be seen as going against the popular verdict or being opportunistic, or both. Therefore, the onus is on all four main parties, Sajjad Lone's People's Conference that has won two seats, and Independents, to work in tandem in the interests of the State, irrespective of where they are — in the government or in opposition — to meet the expectations of the people of Jammu and Kashmir. For they voted in large numbers in the hope of better governance and fewer troubles in their lives.