Planning Commission
Government of India

PART A: News pertaining to Planning Commission

18.12.2014

Compiled by:

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Planning Commission Library

(महापुरुषों के प्रेरणात्मक विचार)

(Facts are facts and will not disappear on account of your likes.तथ्य तथ्य हैं और आपके नापसंद करने से गायब नहीं हो जायेंगे.)

Jawaharlal Nehru जवाहरलाल नेहरु

1. Planning Commission is dead, long live the new Plan!

The Economic Times: 17 Dec, 2014, 11.56AM IST

It was a decisive mandate for a change of government during a politically and economically supercharged 2014 that finally led to its epitaph being written.

NEW DELHI: It has commissioned 12 five-year plans and six annual plans involving fund outlays of over Rs 200 lakh crore in its 65-year-history, but the fabled Planning Commission is itself set to be history as the government gears up to replace it with a new-age institution in the new year.

The Plan Panel, as it is commonly known as, was set up by a simple government resolution in March 1950 and has withstood many political and economic upheavals, as also some occasional controversies, including those related to its poverty estimates as also about a huge toilet renovation bill and foreign tour expenses of its last Deputy Chairman.

It was a decisive mandate for a change of government during a politically and economically supercharged 2014 that finally led to its epitaph being written.

Prime Minister Narendra Modi announced in his first Independence Day speech this August that the Commission would get a replacement, while speculation is rife that the name and structure of the new body may be revealed on the Republic Day next month.

In the process, most of the work at Yojana Bhavan, a few blocks away from theParliament, continues to revolve around the consultation and other procedures related to the setting up of the new institution, which the government wants to create as a more practical symbol of 'cooperative federalism'.

Experts and insiders say 2014 would certainly be one of the most important years in the history of Planning Commission, for not just being the last year of its existence, but also for being a period when this socialist-era institution had to struggle for a makeover to remain relevant in a market-driveneconomy.

While it went through numerous operational makeovers over the years of its existence, ranging from being a simple planning body to a powerful 'control-commission' to a fiscal decentralisation instrument to an official think-tank, the voices had begun to grow louder for an overhaul even before the new government took charge in May 2014.

The defeat of the last UPA government, however, led to immediate resignation of the Commission's Deputy Chairman, Montek Singh Ahluwalia, who was at the helm of affairs for a decade, and other members in the last week of May.

Immediately thereafter, rumours began surfacing on the possible names of persons to head the Panel and continued till the big announcement was made by the Prime Minister, who happens to be the Chairman of the Commission, on August 15 about the end of the road for Yojana Ayog.

Subsequently, a consultation process was launched for suggestions on the structure and role of the new body, while a lot many names, including the widely reported 'Niti Ayog' or Policy Commission have also come up in the public domain.

There is no official word as yet on the final structure, role or name of the new body.

It has been suggested that instead of a "control Commission", the new body should play the role of a catalyst and provide a platform to the Centre, states and experts to discuss issues and come out with the best solutions.

To take Chief Ministers on board, Modi also called a meeting earlier this month to deliberate on the structure of the new body, where most state leaders were said to be in favour of decentralisation of power and planning through it.

Congress-ruled states, however, had reservations about dismantling an institution which was set up by the first Prime Minister Jawaharlal Nehru and they suggested restructuring of the existing body, rather than a complete replacement.

Incidentally, Nehru himself is said to have faced resistance to the idea of setting up of thePlanning Commission, but it went on to become a major platform for successive governments to formulate and push forward economic policies and other development plans.

It was set up initially as part of the government's declared objectives to promote a rapid rise in the standard of living of the people by efficient exploitation of resources, increasing production and offeringemployment pportunities.

The Commission was charged with the responsibility of assessing all resources of the country, augmenting deficient resources, formulating plans for the most effective and balanced utilisation of resources and determining priorities.

The first Five-year Plan was launched in 1951 with total outlay of little over Rs 2,000 crore and two subsequent five-year plans were formulated till 1965, when there was a break because of the Indo-Pakistan Conflict.

Two successive years of drought, devaluation of currency, a general rise in prices and erosion of resources disrupted the planning process and after three Annual Plans between 1966 and 1969, the fourth Five-year plan was started in 1969.

The Eighth Plan could not take off in 1990 due to the fast changing political situation at the Centre and the years 1990-91 and 1991-92 were treated as Annual Plans. The Eighth Plan was finally launched in 1992.

For the first eight Plans, the emphasis was on a growing public sector with massive investments in basic and heavy industries, but since the launch of the 9th Plan in 1997, the emphasis on the public sector has become less pronounced and the current thinking on planning in the country, in general, is that it should increasingly be of an indicative nature.

The new year 2015 would again be keenly awaited by the experts to witness what replaces this long-standing structure and what changes does it bring to the way plans and policies are formulated and implemented by the new government.

2. Planning Commission is dead, long live the new Plan!
Zee News: Last Updated: Wednesday, December 17, 2014 - 11:22

New Delhi: It has commissioned 12 five-year plans and six annual plans involving fund outlays of over Rs 200 lakh crore in its 65-year-history, but the fabled Planning Commission is itself set to be history as the government gears up to replace it with a new-age institution in the new year.

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3.10 Cr Aadhaar cards linked to bank accounts: Planning Commission

Vivek Pai, Media Nama.com

The Planning Commission has revealed that 10 crore Aadhaar numbers have been linked to bank accounts of said card holders so far as a part of the government's Digital India mission. According to the agency, this will help it identify genuine beneficiaries and send government welfare subsidies directly into their bank accounts.

To link Aadhaar numbers to their bank accounts, citizens have to provide a copy of their Aadhaar card or e-Aadhaar to the bank branch where they hold an account. Once linked, it is used by the government to pay various subsidies like for LPG cylinders, MNREGA workers, PDS, scholarship and remittance etc.

Citizens with linked accounts will be able to access these subsidies even after moving to another part of the country or on change of account to another bank. As of now, 333 banks are on board with the Aadhaar linking scheme. The report also mentions that citizens can check the status of their Aadhaar bank account link by dialling *99*99# on mobiles, which will cost the user Rs 1.50 per enquiry.

The government also launched the ambitious Jan Dhan Yojana financial inclusion drive in August and Business Standard reports that 8.76 crore bank accounts have been opened under the scheme. Banks have been tasked to cover all the households before the end of December and seek public feedback to ascertain and open accounts for the leftover households. Banks on their part seem to be dependent on the Aadhar-linked direct benefit transfers to make the financial inclusion drive viable as suggested by this interview with B. Sriram, managing director at State Bank of India. Sriram had said that although there were a number of accounts being opened in the scheme, the average balance in basic savings accounts has dropped to Rs 400-300 from Rs 700-600, hence pushing up the costs of maintaining them.

Last month, the Indian Government had launched an Aadhaar-based digital life certificate called Jeevan Pramaan for pensioners. The new system, being developed by the Department of Electronics and IT (DeitY), consists of a software application which enables recording the pensioner's Aadhaar number and biometric details from a mobile device or computer via a biometric reading device, to help establish that the pensioner was alive at the time of authentication, without them having to be physically present.

Interestingly, the Women and Child Development ministry has also suggested that Aadhaar should be used to authenticate profiles on matrimonial sites, so that the government knows who in India wants to get married, and can help them find partners. Strangely the report mentioned that incorporation of Aadhaar has been suggested, but "by early next year all matrimonial sites will have to comply".

SC ruling on Aadhaar: The Supreme Court had ordered the government to not link social benefits to Aadhaar, in September last year. The West Bengal Assembly had also passed a resolution asking for the Central government to delink Aadhar from the Direct Benefits Transfer scheme, specifically LPG subsidy, in December the same year.

4. Step towards true federalism

Kalyani Shankar, The Echo of India: 17.12.2014

The Modi government's decision to do away with the six decade old **Planning Commission** is an important exercise in a federal setup meeting the assertion of the chief ministers. Modi had announced this from the ramparts of Red Fort during his first Independence Day speech. This week it has been taken forward with a meeting of chief ministers to discuss and decide about the shape of the new body. As expected, politics has crept into this important issue and the efforts to sort out the differences in the retreat informally did not work. While the NDA chief ministers endorsed Modi's view the UPA chief ministers, mostly from the Congress ruled states opposed the idea that it was being done with a view to get rid of the Nehruvian legacy.

What kind of new body is being thought of? Modi has given an indication " We will replace the Planning Commission with a new institution having a new design and structure, a new body, a new soul, a new thinking, a new direction, a new faith towards forging a new direction to lead the country, based on creative thinking, public-private partnership, optimum utilization of resources, utilization of youth power of the nation, to promote the aspirations of state governments seeking development, to empower the state governments and to empower the federal structure." It is a huge task indeed.

This is not the first time the government is dismissive of the Commission. Rajiv Gandhi called commission a bunch of jokers. But he stopped short of dismantling it. The BJP in its 1998 manifesto said, "The Planning Commission will be reformed and reorganized in light of the changing developmental needs of our country". The revamp plan during its 13 months rule also explored the possibility. Former Planning Commission Deputy Chairmen like K.C. Pant and even Manmohan Singh made some attempts to explore changes. From a highly centralized planning system, the Indian economy is gradually moving towards indicative planning where the Commission's role is changing gradually.

The arguments for setting up the new body is that the centralized planning concept cannot work in the changed circumstances, as the Commission is losing its relevance. First of all, times have changed and issues have changed and Nehru himself would have been the first to say that the commission needs a re look had he been alive. In a market economy the planning process needs a different orientation and outlook.

Secondly, many state chief ministers had complained about having to visit Yojna Bhavan and go through the annual ritual of getting approval for their annual plans. Modi too must have resented this exercise as the Gujarat chief minister and made a mental note of it to rectify when he became the prime minister. In the changed scenario, the states want more say in a federal setup.

Thirdly the role of Planning Commission after liberalization had nothing to do with keeping the commanding heights of the economy with the public sector. The public sector itself needs reforms.

Fourthly, Modi's critics say that he wants to dump Nehru's legacy and doing away with the Planning Commission is one of them. When the Commission came into being in February 1950, it was an era of centralized planning for the country. It assessed the assets of the country and formulated plans for their use. It reviewed and discussed social and economic policies that affect national development. It also allocated funds for the centrally sponsored schemes. It has claimed credit for the increased agricultural and industrial production, modernization of technology, liberalization of the economy and improvement in the social indicators over the years.

So what kind of a new body is going to replace the Commission? If one goes by the presentation given by the Planning Commission Secretary Sindhusree Khuller to the chief ministers, the Prime Minister will head the new institution, which should act as a think tank. It may have 8 to 10 regular members with half of them representing the states. The chief ministers would be members by rotation. The remaining could be experts in various fields. The new body could provide internal consultancy services to states and the Centre on different matters. It would monitor, evaluate, programme projects, conduct cross-sectoral and inter ministerial exercise and appraisal of projects. It is not clear how long it will take for the new body to emerge.

Now that a decision has been taken, there are several questions, which need clarity. The chief ministers meeting this week has not found an answer as to who would allocate funds and transfer from the centre to the states. Will it be attached to the Finance ministry or the PMO? What happens to the NDC, which has a special place in the federal setup? Who will formulate and monitor the annual and five year plans or will there be no planning? What about the centrally sponsored schemes? No doubt the Financial Commission will have a bigger role. Who will arbiter the disputes between the states? Will it get a statutory status?

Once answers to these emerge, then the new body could function smoothly. But care must be taken to ensure the independence of the new body. There should be transparency in selection of its members. It should also remain apolitical to get the trust of chief ministers. With the prime minister’s weight behind it , it should be able attract the highest talent in the country. How far the government accepts its recommendations also depends on the prime minister. IN short the new body should be able to function smoothly and effectively without interference from the political class. (IPA)

5. Letters to the Editor: Planning with purpose

The Statesman: 18 Dec 2014

SIR, This is with reference to the news item “PM: States to play greater role in Plan panel replacement” (8 December). Prior to establishing the **Planning Commission** in March 1950 Jawaharlal Nehru wrote a letter to all Chief Ministers in first December 1949 drawing a road map of planning: “If a planning authority is set up at the Centre, it naturally follows that each province or state should have some counterpart of it, closely associated with the central authority.

It follows that there must be the closest cooperation between the provinces and the Centre in this respect. Also, of course, that each department of government, whether at the Centre or in the provinces, must coordinate its activities with other departments”. Each State has its counterpart of Planning Commission.

However, what is lacking is coordination and cooperation among different development agencies for proper implementations.

Flailing state syndrome prevails here in India: the head remains sound and functional but it is no longer reliably connected via nerves and sinews to its own limbs.

Discussion about planning also reminds me of a story of a drunkard. Once a drunkard lost the key of his apartment and went on searching for the lost key near the street light at night for quite a while, when a second drunkard appeared on the scene to help him.

After joining the search for a while he asked: “Are you sure that you have lost your key here?” The first answered: “Not at all.

But there is light here; hence it is easier to search!” As the drunkard justified his search in the lit area forgetting about the rest of the street, planners in our country justify their pronouncements by highlighting a narrow set of issues, and forgetting the larger picture.

At the time of framing any plan and implementation thereof the proposed “Team India” of Prime Minister should bear in mind the famous “talisman” of Mahatma Gandhi: “Recall the face of the poorest and the weakest man (woman) whom you may have seen, and ask yourself if the step you contemplate is going to be any use to him (her). Will he (she) gain anything by it? Will it restore him (her) to a control over his (her) own life and destiny?”

Yours, etc., Jaydev Jana, Kolkata, 10 December.

PART B

NEWS AND VIEWS

Thursday 18th,December 2014

Polity	: BJP rules out statement by PM
Economy	: RBI intervenes as rupee skids to 63.89 Intra-day
Planning	: Education reforms:HRD to call meet with states
Editorial	: Soft targets,hard questions

Communication, IT Information Division
Phone # 2525

Business Standard

Date-18.12.14

Page No:-06

Rupee volatility could delay rate cuts by RBI

Markets are in uncertain mood at home and abroad, with FIIs moving out from here in recent days; many feel the central bank would take its time

NEELASRI BARMAN
Mumbai, 17 December

BATTLE ON THREE FRONTS

Sources: CCIL, Sebi, Bloomberg

Compiled by BS Research Bureau

Volatility in the international and domestic financial markets has raised doubts among market participants on the possibility of an early interest rate cut by the Reserve Bank of India (RBI).

Global markets have been volatile amid sliding crude oil-prices and expectation of the US Federal Reserve raising interest rates sometime in 2015. The rupee fell to a near 13-month low on Tuesday and the weakness continued even on Wednesday, despite the central bank's occasional intervention.

A sharp fall in Consumer Price Index-based inflation, RBI's nominal anchor, had made market entities optimistic of a rate cut sooner than later. After raising the repo rate, the key policy one, thrice between September 2013 and January 2014, status quo was maintained in the next five RBI reviews. In the latest one, earlier this month, RBI opened the possibility of a cut outside the scheduled policy review date.

However, the recent outflow of foreign funds is dampening early rate cut hopes, since such a move would increase the pace of outflow, in turn result in further weakening of the rupee. Data shows foreign institutional investors (FIIs) were net sellers for a sixth straight day till Tuesday.

"There are early signs of growth pick-up and the import intensity of Indian manufacturing is high. Whenever imports pick up, growth of non-oil and non-gold items pick up. The imported costs of these items will go up if the rupee depreciates. This, in turn, has inflationary potential," said Rupa Rege Nitsure, chief economist and general manager, Bank of Baroda.

The rupee has depreciated by 2.6 per cent since the beginning of this month and currency experts see it weakening further as global uncertainty continues.

Nitsure says RBI will weigh the benefits of lower oil prices against the increased imported costs of non-gold and non-oil imports. "Besides, it might not take a call on rates before the Union Budget, as fiscal consolidation is a prerequisite of effective monetary policy," she added.

The two-day US Fed meeting concludes on Wednesday night and traders are exercising caution ahead of it. The rupee weakened for a third straight day on Wednesday to close at 63.62 to the dollar, compared with Tuesday's close of 63.54. It had ended at 63.70 on November 12, 2013.

"In the US Fed's minutes of their meeting, if there is some statement about hiking rates or any other hawkish statement on interest rates, it might lead to more FII outflows, due to which the rupee could weaken further. It might not (though) touch 65 a dollar in the near term because there will probably be RBI intervention," said Suresh Nair, director, Admisi Forex India.

Experts believe if the rupee drops further, RBI might act as it had done in 2013. "Whenever there is a heightened level of volatility in the foreign exchange market and there are outflows from emerging markets on a sustained basis, we have always observed that both the government and RBI tend to become cautious," said Dhawal Dalal, executive vice-president and head of fixed income at DSP BlackRock Mutual Fund.

Though RBI kept the repo rate unchanged at eight per cent earlier this month, the Consumer Price Index (CPI)-based inflation target was revised to six per cent by March 2015. Earlier, the target was to achieve eight per cent by January 2015. Retail inflation rose 4.38 per cent year-on-year in November, the slowest pace since January 2012.

"With inflation falling, an improved macroeconomic landscape and rate cut expectations in the next two to three months, FIIs might not be in a hurry to sell Indian fixed income assets. Having said that, we agree a lot will depend on the future behaviour of the currencies," added Dalal.

Business Line

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RBI intervenes as rupee skids to 63.89 intra-day

OUR BUREAU
Mumbai, December 17

The rupee continued its slide against the dollar, touching 63.89 in intraday trade on Wednesday, on heavy capital outflows from the domestic equity market. However, the central bank's reported intervention saw the domestic unit pull back to close at 63.62.

The rupee dropped to a one-year low on Tuesday, breaching the 63 level to close at 63.54.

On Wednesday, the unit opened weaker at 63.73 as falling crude oil prices, signs of the Chinese economy cooling, a sharp hike in interest rates by Russia and heavy capital outflows from the domestic equity markets weighed on it. Once the rupee touched a low of 63.89 at the Interbank Foreign Exchange market, the RBI intervened (through dollar sales by nationalised banks) to limit a further fall.

Also, there was support for Asian currencies as the rouble depreciated at a slower pace against the dollar. The rupee's slide may continue in the short term as growth concerns and interest rate hikes globally could result in forex outflows.

Call rates, bond yields flat

Amid high liquidity, the overnight call money rate ended flat from Tuesday's close of 8.50 per cent. Intra-day, it moved in the 7.80-9.15 per cent range.

The yield on the 10-year benchmark government security (8.40 per cent G-Sec, maturing in 2024) softened to 7.96 per cent from a close of 7.98 per cent on Tuesday. The price rose a tad to ₹102.84 from ₹102.72.

The Indian Express

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Education reforms: HRD to call meet with states

EXPRESS NEWS SERVICE
NEW DELHI, DECEMBER 17

THE Human Resource Development Ministry plans to convene a meeting of state education ministers as well as secretaries in January in order to deliberate upon reforms in the higher education sector.

Responding to a question in the Lok Sabha, HRD Minister Smriti Irani said a meeting of state education ministers and secretaries has been convened on January 6 to discuss reforms in higher education.

"While UGC has endeavored to regulate higher education system in the country and promote quality and access, it was felt that the UGC could have done better, if it were strengthened and re-structured," Irani said.

The government has already set up committees to review the University Grants Commission (UGC) and the All India Council for Technical Education. The UGC has no mechanism to ensure a follow up on regulatory instructions and to enforce compliance with it.

"These limitations can only be overcome by a thorough review and amending the UGC Act, 1956, to meet the emerging challenges in the higher education sector," the minister said.

She said the government is considering a new scheme to train teachers and is also drawing up parameters for national ranking of universities.

The Times Of India

Dated:- 19.12.14
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Cabinet clears amendment to GST Bill

TIMES NEWS NETWORK

New Delhi: The Union Cabinet on Wednesday approved the Constitutional Amendment Bill on Goods & Services Tax (GST), inching closer to the rollout of an ambitious indirect tax reform expected to raise revenues and boost growth.

The government aims to implement GST by April 1, 2016 and has been working overtime to get states on board. The tax reform is a centrepiece of Modi government's economic agenda.

Sources said the government hopes to introduce the bill in the current session of Parliament. It may be introduced in the Rajya Sabha on Thursday. The tax reform measure has missed several rollout dates in the past due to lack of consensus between the Centre and states on a host of issues and the government is keen to get the bill approved in the current session.

The Centre managed a breakthrough after finance minister Arun Jaitley assured the states of a fair deal

On Monday night, the Centre managed a breakthrough after finance minister Arun Jaitley assured the states of a fair deal.

Sources said initially, petroleum will be kept out of GST but will be included in the new tax set up once states come on board. It may take two years but the government hopes to include it in the years ahead. Alcohol too is expected to be kept out of the comprehensive levy.

Additionally, the Centre has devised a levy of 1% above the GST rate on select items and is assuring the states full compensation for revenue loss for three years, followed by 75% in fourth year and 50% in the fifth.

The Centre does not see a significant amount of compensation to be paid as it expects collections through GST to be better due to fewer exemptions and a gain from service tax.

Experts cheered the Cabinet nod to the GST bill.

"Cabinet clearance assumes greater importance as there were few doubts after the empowered committee meeting wherein it seemed that consensus between Centre and states still eluded on few critical points," said Pratik Jain, partner, indirect tax at consultancy firm KPMG, India.

In a bid to bridge the trust deficit between the states and the Centre, Jaitley had approved the release of Rs 11,000 crore as compensation for loss on account of central sales tax which had been pending since 2010. He had vowed to pay the pending amount as he moved to ensure that the states come on board for rolling out the tax reform measure.

Nod to real estate Bill deferred

Dipak.Dash@timesgroup.com

New Delhi: The Cabinet on Wednesday deferred the Real Estate (Regulation & Development) Bill, which seeks to ensure consumer protection, establishing regulatory bodies at Centre and states for ethical and transparent business practices in the real estate sector. Sources said the housing ministry has been asked to review the bill to explore how it can be made more consumer-friendly and to have better provisions for promotion of low-cost housing.

Low-cost housing and roof to all have been identified as a focus area by the Narendra Modi government and it has promised shelter to all by 2022.

For the full report, log on to www.timesofindia.com

PROVISIONS IN DRAFT LAW

Salient features of Real Estate Regulatory Authority Bill

- **"Carper Area"** to be the unit for enticing and selling to customers
- **No change in plan & structural designs** unless 2/3rd allottees approve it
- Both residential & non-residential **projects to come under the authority's jurisdiction**
- Projects covering less than 1,000sq m or 12 flats **won't come under the authority**
- Builder to **rectify structural defects within 2 years**
- 50% of investors' money **can go to other projects**
- **Buyers barred from approaching consumer forums for wrong information,** defective house sold and delay in delivery by developers
- **No check of antecedents of developers** while registering projects
- **No blacklisting of developers** if they default in two earlier projects

Business Line

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New legislation seeks to impose death penalty on hijackers

PRESS TRUST OF INDIA

New Delhi, December 17

A Bill seeking stringent punishment including death penalty for hijackers and giving the right to security forces to shoot down an aircraft which may be used as a missile, was introduced in the Rajya Sabha on Wednesday.

The Anti-Hijacking (Amendment) Bill 2014 was introduced by Civil Aviation Minister Ashok Gajapathi Raju after he withdrew a similar Bill of 2010 amid din over demand for reply by PM to debate on rising incidents of communal violence.

The new legislation to amend the anti-hijack law has been brought to incorporate the latest global treaties like the Beijing Protocol, 2010 of the UN body International Civil Aviation Organisation (ICAO), which have been signed and ratified by India.

The protocol, which provides for stringent measures to deal with civilian aircraft being used as a weapon of mass destruction by terrorists, was brought about after incidents like the hijack of Indian Airlines flight IC-814 in 1999 and the September 11, 2001 terror strikes in the US.

The Anti-Hijacking (Amendment) Bill 2014 also gives the right to security forces to shoot down an aircraft which may be used as a missile.

The earlier Bill, which has now been withdrawn, did not contain such stringent measures to deal with hijacking as the Beijing Protocol and other global agreements came later.

The Anti-Hijacking Act 1982, which is now sought to be amended, provides for imprisonment for life and fine for the offence of hijacking.

The erstwhile UPA government had last year decided to withdraw the 2010 Bill and incorporate the fresh changes and bring a new legislation to amend the 1982 law.

Besides death penalty for hijackers, the proposed law would give teeth to concerned agencies and security forces to immobilise an aircraft and allow the Indian Air Force to scramble its fighters to intercept a hijacked aircraft and force it to land.

The legislation provides that anyone, alone or in concert with others, who commit acts like seizure or control of an aircraft by force or any form of intimidation would be deemed to have committed the offence of hijacking.

It also proposes to give powers to the agencies and forces for stern action against those making phone calls and doling out hoax threats.

Hindustan Times

Date: -18.12.14
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Amended Companies Act gets cleared in LS

HT Correspondent
letters@hindustantimes.com

NEW DELHI: In a move to improve the business climate in the country, Lok Sabha on Wednesday amended the Companies Act to remove "oppressive provisions" in the law.

This includes a Prevention of Terrorism Act-style provision that made it near impossible for company officials charged with a violation to get bail. In its new form, the law will retain such strong provisions only for the most heinous violations such as fraud that can only be tried by special courts. All other violations of the Companies Act would be tried by normal courts.

Finance minister Arun Jaitley said the 14 amendments had been proposed just a year after the Companies Act 2013 was enacted because some provisions made doing business in India extremely difficult.

"There are four kinds of changes which we are making. One is with an intention of 'ease of doing business'; the other is, drafting errors; the third is oversight; and the fourth is some provisions which are ex-facie oppressive to an environment to do business," Jaitley said.

He added the UPA had made it impossible for businessmen violating the law to get bail even though the government – while incorporating provisions from the now-repealed Pota – had refused to keep a similar provision in the anti-terror law.

"So a terrorist could get bail, but the businessman won't," Jaitley – who also holds charge as corporate affairs minister – said.

Hindustan Times

Date: -18.12.14

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J'khand women voters make history, outnumber men in 30 of 65 seats

Sanjoy Dey

sanjoy.dey@hindustantimes.com

RANCHI: Women voters have outnumbered men in the four phases of the Jharkhand assembly elections — a marked rise from the past, when male voters formed the overwhelming majority of voters in the backward eastern state.

Polling figures of the four phases show that women made up 65.55% of the total 65% turnout and that number is expected to rise in the fifth and final phase. The male figure for that time was 64.46%.

In 2009, female voters had outnumbered males in only eight of the total 81 seats. This time, female voters dominated in 30 of the 65 seats that have gone to the polls so far, with political parties attributing the high turnout to their development plans.

The BJP called it the people's response to the Narendra Modi magic.

"Women have shown faith in Modi ji," said BJP spokesperson Pradip Sinha. "They are turning up to the polling stations only to realise Modi ji's dream of making Jharkhand a developed state."

The ruling Jharkhand Mukti Morcha (JMM) said women were reposing faith in the government by turning up in huge numbers to vote.

"The unprecedented enthusiasm from women shows they are aware of their rights. They want development and change the way the Hemant Soren-government has shown in the past 15 months," said JMM spokesperson Supriyo Bhattacharya.

Jharkhand has seen a high voter turnout this elections, with people defying a Maoist call for poll boycott, even in rural areas.

However, very few political parties have shown faith in women candidates. Of the 1,136 candidates contesting elections, only 111 are women and 27 of them are contesting as independent candidates. The Congress and JMM lead with 12 women candidates each, while the BJP has fielded nine women and the Jharkhand Vikas Morcha-Prajatantrik has eight women to represent the party.

Women in Dhanbad queue up to cast their votes. HT FILE PHOTO

STATISTICS

- In 2009, female voters had outnumbered males in only eight of 81 seats
- This time, female voters dominated in 30 of the 65 seats
- Figures of four phases show that women made up 65.55% of the 65% turnout
- However, of the 1,136 candidates in fray, only 111 are women

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BJP rules out statement by PM

CONVERSIONS ROW Modi holds strategy meet with key aides; asks them not to yield to oppn pressure

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NEW DELHI: Despite the Opposition's insistence that Prime Minister Narendra Modi be present in the Rajya Sabha for a discussion on communal violence in the country, the BJP has clearly ruled out any statement from the PM regarding the issue.

This came after PM Modi held a strategy meeting on Monday with key lieutenants in his party where he asked them not to yield to the Opposition's pressure.

"We (the government) have not done any mistake. Why should we feel sorry?" a source quoted him saying in the meeting.

The PM, however, will be present in the Rajya Sabha during Thursday's Question Hour.

"Will the Opposition decide what the government or the party would do?" parliamentary affairs minister Venkaiah Naidu asked.

The source added that Modi instructed them to collect information – circulars and letters – against the Opposition.

For instance, Naidu dug out a Rajiv Gandhi-era order to Navodaya Vidyalaya's where students were instructed to stay in school and celebrate all festivals. "All festivals should be celebrated in the vidyalaya only and children should not be permitted to visit their homes during festival time," the circular issued in 1987 reads.

Though the Opposition has stalled proceedings in the Upper House, government managers are looking for ways to push bills. Several parties, including the Congress and TMC, have issued a whip to their MPs to remain present in the RS on the last two days of session. "For us, the PM's image is more important than a session. Last time the PM made a statement on the Sadhvi issue, but the Opposition continued to disrupt the Rajya Sabha for next three days," a minister said.

At an informal meet between the government and opposition leaders, the latter refused to give assurance that order would be restored if the PM makes a statement. BJP members have also moved a notice to discuss the Saradha scam on Thursday, coinciding with TMC chief Mamata Banerjee's arrival in Delhi.

The Oppostion's protests stalled proceedings in the Rajya Sabha for the third consecutive day. PTI PHOTO

Hindustan Times

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PDP to project old war horse Sayeed as its CM candidate

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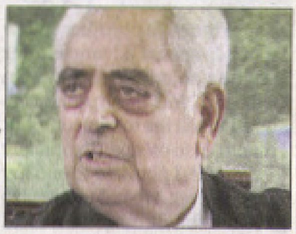
SRINAGAR: At a time when political parties across the country are projecting young blood, the Peoples Democratic Party (PDP) has decided to fall back on its old war horse, Mufti Mohammad Sayeed, and fight the ongoing assembly elections in Jammu and Kashmir under his leadership.

PDP insiders told HT that projecting Sayeed and not his daughter Mehbooba Mufti, 45, as the chief ministerial candidate was part of a well-crafted strategy formulated after taking views of the workers and supporters. The "failure" of the young leadership, a senior PDP leader said on the condition of anonymity, also forced the leadership to change its tactic vis-à-vis fighting the assembly polls. "Look what happened to Omar Abdullah, Akhilesh Yadav or for that matter Rahul Gandhi. Their example is not something that others would want to replicate," he said.



Mufti Mohammad Sayeed.

A former Jammu and Kashmir CM, Sayeed, 78, has the distinction of being the country's first Muslim home minister. He was in charge of the ministry during the VP Singh government in 1989.

Sayeed, who once headed the Jammu and Kashmir Pradesh Congress Committee, formed the PDP in 1999.

"Majority of our leaders and workers wanted Mufti sahib to be named as the chief ministerial and fight the elections on the good work he had done during his previous tenure," another PDP leader said.

Mehbooba — who heads the PDP and represents the Anantnag constituency in the Lok Sabha — has "acceptance" issues within the party, as a particular section continues to owe its allegiance to her father. But PDP sources maintained that she remains the number two in the party and has the ability to lead from the front.

Business Standard

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Opposition makes for heavy going in Rajya Sabha session

Bills not resisted in Lok Sabha run into winter of discontent in Upper House

BS REPORTER
New Delhi, 17 December

Members of Parliament from the Rajya Sabha, especially from the Opposition, are considering going home. "*Chhutti*! (holiday)," said one morosely when asked if any useful outcome could be expected in the remaining four working days of the winter session, scheduled to conclude on December 23.

On Wednesday again, the Upper House managed to do very little as the Opposition continued to block the House unless the Prime Minister presented himself and explained the government's position on religious conversion. The PM may come to the House on Thursday, but disruptions are likely to continue.

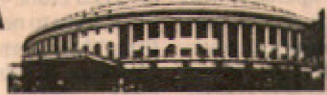
Evident is the disconnect between the Lok Sabha, where the government has majority, and the Rajya Sabha, where a combined Opposition has majority. Leveraging its strength in the Upper House, the Congress-led Opposition is nuancing its political position, saving its strength for the battles it believes it can win instead of wasting it on ones it knows it can't.

This was clear from the Lok Sabha debate on the Coal Mines (Special Provisions) Bill, 2014, which will replace the coal ordinance. No Opposition MP pressed for division, a parliamentary device that forces members to state their voting preference. The Trinamool Congress, which is vociferous in the Rajya Sabha and needs little provocation to troop to the well of the House, was politeness personified in the Lok Sabha. Saugata Roy, its MP, said about an amendment he had moved, "Sir, I do not want to ask for separately moving the amendments and for asking division. We are in a hurry to pass the Bill. All I would ask the honourable minister is to correct the language in the Bill." He was content when minister of state for power Piyush Goel told him his concerns would be looked into.

In the Rajya Sabha, the Congress would still like to get the insurance Bill, which it has accepted is its own baby, passed. But it is in danger of being isolated because of the relentless pressure of the Communist Party of India (Marxist) and the Trinamool Congress. "On this issue, if they don't do what we ask them, they know they will stand alone" said a CPI(M) MP about the Congress.

Congress leaders say they've dealt a double blow. On the one hand, they cannot oppose the legislation they themselves had proposed.

BILLS PASSED ONLY IN LOK SABHA



- Coal Mines (Special Provisions) Bill, 2014
- Companies (Amendment) Bill, 2014
- Public Premises (Eviction of Unauthorised Occupants) amendment Bill, 2014
- Appropriation (No 4) Bill, 2014
- The Repealing and Amending Bill, 2014
- The Payment and Settlement Systems (Amendment) Bill, 2014
- National Capital Territory of Delhi Laws (Special Provisions) Amendment Bill, 2014

BILLS PASSED IN BOTH HOUSES

- The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Amendment Bill, 2014
- The Apprentices (Amendment) Bill, 2014
- The Delhi Special Police Establishment (Amendment) Bill, 2014
- The Merchant Shipping (Amendment) Bill, 2014
- The Indian Institutes of Information Technology Bill, 2014
- The School of Planning and Architecture Bill, 2014
- The Textile Undertakings (Nationalisation) Laws (Amendment and Validation) Bill, 2014
- The Constitution (Scheduled Castes) Orders (Amendment) Bill, 2014
- The Central Universities (Amendment) Bill, 2014

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Soft targets, hard questions

The world saw terrorism's darkest face on Tuesday. The cold-blooded killing of 132 students and nine staff members in a school in Peshawar has left the entire world shaken at the terrorists' determination to find ever softer targets and notch up higher levels of brutality. There could not have been a more vulnerable place than a school, or more defenceless targets than children. Yet, even in a place used to terrorist acts, even after the Taliban targeted a 15-year-old girl called Malala Yusufzai two years ago, if parents continued to send their children to school, it was because they thought terrorism had already plumbed such depths that nothing worse could happen. They were proved tragically wrong. Going by the accounts of those who were inside and fortunate to live to tell the tale, the six men who entered the school were merciless, going from classroom to classroom hunting for those still alive. The Tehreek-e-Taliban Pakistan have claimed responsibility for the act, describing it as revenge for the Pakistan Army operation against them in North Waziristan and other parts of the north-western frontier region. The bombing campaigns by the Pakistan military in those regions had claimed civilian lives, and the Taliban have said they carried out the school bloodbath because they want the Army to feel the same pain. The Pakistani Taliban are evidently hoping to bring public pressure on the Army to call off operation Zarb-e-Azb entirely.

Pakistan's response to this outrage will be crucial to its own future, and to the peace and stability of the region. After an all-party meeting, Prime Minister Nawaz Sharif said that the military operation would go on until the last terrorist was eliminated. Army chief General Raheel Sharif has also stood firm. But it will take more than a drive against a select group of militants to root out terrorism. Decades of active encouragement by the Pakistani state and its security establishment to terrorism aimed at Afghanistan and India have engendered a high level of tolerance within sections of the Pakistani military, polity and society for such non-state actors. Only those with blinkers would believe that there are "good" and "bad" Taliban, that it is all right for the Lashkar-e-Taiba to run free and recruit for *jihadi* missions in India but it is unacceptable for Taliban to strike inside Pakistan. Lifting a moratorium on hangings, as Prime Minister Sharif has announced, is not going to stop terrorists. Unless the change comes in what Pakistan describes as its "national ideology", in effect a fusion of religion with national security, militancy will continue to haunt the country. The widespread revulsion over the school massacre provides an opportunity to craft a new ideology that does not confuse terrorists with instruments of national security.

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THE HINDU BusinessLine
THURSDAY, DECEMBER 18, 2014

Small change

Why does the RBI need to think so much about scrapping the two-step verification for small transactions?

The Reserve Bank of India's decision to reconsider the two-step verification process for small value online transactions is welcome, even if it has come so late in the day. Online transactions need to be regulated keeping in mind two opposing considerations — safety and convenience. The RBI's policy has hitherto been tilted much too strongly in favour of the former and thereby not providing e-commerce — which is still in a nascent stage and contributes less than 0.25 per cent to the country's \$2 trillion economy — the much needed fillip it requires. The use of credit cards, particularly online, depends critically on customer convenience and speed of transaction.

For some time now, banks and industry players have been recommending a threshold limit for two-level authentication for online transactions. The RBI's move to consider doing this may have been triggered by the problems this process had caused for users of Uber, the popular taxi aggregator service that had to scurry to change its payment processes, which worked satisfactorily in other geographies. Now, Uber and other taxi aggregators have been forced to tie up with a mobile payment provider in order not to flout the RBI's authentication requirements, a fussy and inconvenient process that is far from consumer friendly. In this context, it is important to stress that the two-step authentication is not required, for either offline or online transactions, in most other countries. Apart from being possibly unnecessary, it also goes against the RBI's own objective of encouraging consumers to use less cash and move towards an electronic payment mode. It was only recently that the central bank justified charging customers for ATM usage on the grounds that this would encourage them to shift to non-cash payments.

While it is not clear what the RBI may eventually decide, one hopes that it strikes the right balance between safety and convenience, reviewing it at periodic intervals based on user experience and incidents of fraud. International experience suggests that customers are willing to trade in a little bit of safety for seeing their transactions completed swiftly and easily. The prospect of doing away with the second level of authentication has already cheered e-commerce companies, which expect a 15 to 20 per cent growth overnight just on this simple rule change. The RBI must take this to the next level and raise the limits quickly, based on feedback over the next few months. If the evidence weighs in favour of safety, which is unlikely, then it would be reasonable for the RBI to change tack. But in the absence of this, the policy must be to facilitate e-commerce and the use of plastic rather than being both safe and sorry.