

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

*W. Clement stone*

## Polity

- **On Eid, Saharanpur cloaked in curfew:** The month of Ramadan ended without the usual flavour of celebration and festivities surrounding Eid today in the curfew-clamped Saharanpur. Three days after a clash between Sikhs and Muslims over disputed land had left three dead and many injured, the trust-deficit between the two communities, heavy barricading and cops on vigil kept people apart. Curfew was relaxed for three hours in the morning permitting Muslims to offer prayers at the local Idgah and mosques, but it failed to cheer the community members who headed straight back home after prayers. There were no street stalls selling sweets, no vendors vying for people's attention, no toys for kids, no air of merry-making and no camaraderie associated with Eid. There was only the rush to get back home safe. Fear loomed large on deserted streets and tension was palpable as a contingent of cops stood guard on the Ambala road that separated the Sikh and Muslim strongholds. Torched vehicles and shops came as a frightening reminder of all that had transpired in the wee hours of July 26 when Sikhs and Muslims had come to blows near Guru Singh Sabha Gurdwara. The clash was triggered by a dispute over land the gurdwara claims to own, while Muslims believe that a mosque stood at the site not so long ago. The construction of a hall at the "disputed" site triggered collapse of the on-the-surface bonhomie that existed between the communities as its members took each other head-on and the police could do little. (The Tribune).

## Economy

- **SAIL to kick start Govt's divestment in FY15, to fetch Rs 1,800 cr by Sept:** Steel Authority of India Ltd (SAIL) is all set to be the first State-owned entity through which the newly appointed NDA Government will begin its disinvestment exercise, as according to highly placed sources, the Department of Disinvestment (DoD) has approved the auction method to sell 5 per cent of Government's share in it. The move is likely to fetch the exchequer Rs 1,800 crore and the road shows for SAIL divestment are to begin by the end of August and the process will be wrapped by mid-September. "The offer for sale (OFS) route has been finalised for divesting Government's 5 per cent stake in SAIL. At the current rate of Rs 90 per share, we are looking at raising Rs 1,800 crore through the move. Domestic road shows will be held in Mumbai and Chennai in the last week of August. For international road shows, one team will cover London, New York and Boston while another team will cover Singapore and Hong Kong during the first week of September," sources privy to the development said. The Pioneer had exclusively reported on June 23 that DoD met Steel Ministry to roll out SAIL's divestment process. Though the Cabinet Committee on Economic Affairs (CCEA) has approved stake sales in two other entities namely Rashtriya Ispat Nigam Ltd (RINL) and Hindustan Aeronautics Ltd (HAL), sources added that work on these may not immediately start. (The Pioneer).

## Planning

- **Govt plans 'corporate data mgmt scheme:** In a move that will ensure that a more detailed data of companies registered in India is made available to the public, regulators and other agencies, the ministry of corporate affairs has proposed a centrally sponsored scheme, called Corporate Data Management, which entails conversion of statutory information of 13.94 lakh registered companies into readable statistical information for data analysis and research. The proposed scheme intends to analyse the current information base of registered companies. "The proposed scheme is likely to aid in bringing more objectivity and transparency in reporting by the corporates. Dissemination of company level data comprising both financial and non-financial parameters, and analysis thereof would enable evidence based policy formulation, strengthen decision making process, encourage high quality empirical research on various aspects of corporate governance," the ministry said. Initially, data of about 7,000 listed companies will be mined and tabulated in readable form, it said. The corporate data management scheme will require an additional budgetary support of R33.94 crore (to be spent over next three years). This amount, the ministry said, will be above and beyond the Budget allocated for the 12th Five-year Plan period. A proposal for obtaining the necessary clearances from the Planning Commission has been moved by the ministry. (The Financial Express).

## Editorial

- **The status quo option:** The Reserve Bank of India (RBI) will make its bi-monthly policy announcement next week. The macroeconomic backdrop to this event is perhaps the most reassuring in the past several quarters. The Budget has come and gone, with the finance minister showing commitment to the previous government's deficit-reduction plan. Industrial production in May showed its fastest growth in almost two years. The current-account deficit has sharply contracted. The stock market is buoyant and the rupee is stable. The government seems determined to get stalled infrastructure projects moving again. And, most importantly, inflation, both wholesale and consumer, has shown distinct signs of softening. Overall, there seems to have been a sharp revival in sentiment, something that would undoubtedly be reinforced if the RBI were to initiate a turn in the interest-rate cycle. The finance minister, like his predecessors were prone to do, has already expressed his desire for lower rates. Should the RBI oblige? As rosy as the macroeconomic picture might be, there are a number of contradictory factors that the RBI needs to consider while making its decision. One, as benign as the oil price situation has been in the face of persistent conflict in West Asia, this is not something that can be taken for granted. A sharp rise in prices can quickly destabilise the macroeconomy on multiple fronts, including inflation. And while the monsoon has shown distinct signs of revival, it is too early to predict the consequences of the first-half deficiency on production and prices. The behaviour of vegetable prices during July certainly suggests potential problems. (Business Standard)

# Consumer Protection Act to be amended to ease mediation

## Move to facilitate out-of-court settlements

**SANJEEB MUKHERJEE**  
New Delhi, 29 July

**A**larmed by the piling up of cases in consumer courts across the country, the department of consumer affairs is mulling a significant change in the Consumer Protection Act-1986 to facilitate mediation and arbitration.

According to officials, the department plans to create a structure of arbitration and mediation at the point of grievance (the place where the consumer is located) before the case is finally moved to the court.

The structure could involve empowering panchayats, gram sabhas or similar institutions to mediate and arbitrate between parties. The idea is to ensure an aggrieved consumer moves court only after he has exhausted all other options.

"It has been observed that because of the large number of cases in consumer courts, the delivery of justice is painstakingly slow, which sometime goes on for years, killing the very

essence of the Consumer Protection Act to deliver swift justice. Therefore, we are proposing a crucial change which will help in appointing arbitrators for ensuring out of court settlement of the case," a senior official from the department of consumer affairs said.

He said the very purpose of the amendment is to ensure that justice is delivered fast to the consumers and at their nearest point of contact and they are not made to run from pillar to post to file a basic complaint.

"Work on the amendments has started and we have invited public comments on the same and hope to introduce them in Parliament as soon as possible," the official said.

Explaining the purpose of the amendment, noted consumer rights activist and founder of Consumer Online Foundation, which pioneered the *Jago Grahak Jago* campaign, Bijon Misra said the amendments also empower an aggrieved consumer to file a complaint at his nearest point of judgment, irrespective of the fact

**BOOSTING CONSUMER SENTIMENTS**



where the office of the company is located.

"To develop such a mechanism of arbitration and out-of-court settlement, it is proposed to give panchayats and gram sabhas the power to arbitrate and summon parties," Misra added.

According to the proposed amendment, the mediator appointed by the government will facilitate resolution of dispute between parties through the normal process. The mediator will facilitate discussion between the parties,

Govt to amend Consumer Protection Act to facilitate arbitration and out-of-court settlement between parties

Amendment will enable consumers to file complaint at places of their residence

Disputes between realty players and buyers may be resolved faster

Amendment to give powers to govt to designate mediators and arbitrators

assist to identify issues, reduce misunderstandings, clarify priorities, explore areas of compromise, generate options to solve the dispute and emphasise it is the parties' own responsibility for making decisions that affect them.

"The state-run arbitration or mediation mechanism will come handy in cases between real estate builders and buyers as well as others as the internal mechanism in companies is not trusted by the consumers," Misra added.

# PM urges farm scientists to focus on soil fertility

**'Work towards achieving self-sufficiency in edible oils'**

**OUR BUREAU**

New Delhi, July 29

Prime Minister Narendra Modi on Tuesday called upon agricultural scientists to focus on soil fertility since demand for food was increasing and the land available would not increase.

Addressing the agricultural scientific community on the 86th Foundation Day of the Indian Council of Agricultural Research (ICAR) here, Modi also called upon scientists to work for achieving self-sufficiency in edible oils, improving protein content and availability of pulses.

Modi said that scientists should work towards a two-fold objective - of enabling the Indian farmer to

Modi said that scientists should work towards a two-fold objective - of enabling the Indian farmer to feed India and the world, as well as earn a good income.

feed India and the world, as well as earn a good income, an Agriculture Ministry release said.

Giving away 10 awards for excellence in agricultural research, the Prime Minister said farming in India was hereditary, and practices were difficult to change, adding that change would happen only when the farmer was convinced about its efficacy.

"Therefore, agricultural scientists must - in accordance with changing circumstances of climate, water and soil - help the farmer get convinced about their initiatives," he said.

Commenting on the changing weather cycle and its impact on farming, the Prime Minister also urged scientists to work towards managing the water-cycle so that more crops can be grown per drop (of water).

**Blue revolution**

Animal husbandry, the lifeline of agriculture in India, also required special attention from researchers, especially to raise the level of milk productivity. He also called for a 'blue revolution' to extend the benefits of scientific research to the fisheries sector.

Calling for a digitised database of all agricultural research in the country, Modi said young, educated and progressive farmers and agricultural research scholars could together form a talent pool in all districts. To meet the challenge of "lab to land", he also exhorted agricultural colleges to start radio stations for farmers.



Jai Kisan Prime Minister Narendra Modi is with Union Agriculture Minister Radha Mohan Singh during the 86th ICAR Foundation Day function in New Delhi on Tuesday. PTI

# Govt cautious but decisive on labour reforms

**Raj Kumar Ray**

**New Delhi, July 29:** When Prime Minister Narendra Modi underscored the need for "skill, scale and speed" to compete with China, it was just an indication of what the NDA government intends to do in the days to come to help the economy come out of a slump.

While many expected some big labour reforms in the form of amendments in the Industrial Dispute Act to make hire-and-fire easy, the government is treading slowly but decisively on reforms with focus on skill development and youth employment. It is likely to move amendments in the Apprentices Act to help absorb many of the freshers in manufacturing while changes in Factories Act is being considered to allow companies to scale up operations through extended hours of work.

In case of the Apprentices Act, a Labour ministry note said the proposal is to enhance the scope of apprenticeship training to all graduates in various fields such as BA, BCom and BSc, other than those having a technical education from ITIs or engineering colleges. Also, the proposal is to make it mandatory for industry to keep the number of apprentices to

2.5-10% of the total workforce with the flexibility to take into account seasonality in operation. The government also wants to extend the period of apprenticeship training to a maximum 5 years from the present 6 months to 4 years.

Also, companies can be allowed the flexibility to frame their own policies on whether to retain an apprentice or not after completion of training. Under the present rule, companies are not bound to offer any employment to any apprentice after the completion of training period, nor it is obligatory on the part of the apprentice to accept an employment under the employer. While this is an impediment which discourages youth to join the apprenticeship training as they are not sure whether they will get employment after completion of the apprenticeship training, companies are also wary of fearing that employees may join competitors at a higher salary after the training.

What could be a game changer is a proposal to dilute the penalty under Apprentices Act. Due to fear of imprisonment, employers tend to avoid coming under the purview of the Act and training facilities available with them go unutilised. The government may propose that the



The amendments are being opposed by some trade unions. "Increase in overtime may come in the way of new employment. We are also opposed to night shift for women without adequate safeguards," said DL Sachdev of AITUC.

Though discussion has also started in amending the politically-sensitive Industrial Disputes Act to make hiring and firing easy, the relaxation may first be applicable for National Investment Manufacturing Zones (NIMZs) and not the entire manufacturing sector.

While the broad contours of what the Centre intends to do will come out in the months to come, industry body CII has presented a detailed report to the labour and industry ministries seeking major changes in the Act, including raising the threshold limit from 100 workers to 1,000 for a company, to mandatorily seek government approval for retrenchment, lay-offs or closure of a unit.

In the wake of rising strike calls in big companies, specially in the auto sector, CII pointed out that the ID Act mandates prior notice for a strike only for public utility services which means workers in "other industries can go on a lightning strike even without a single day prior notice". A

small change in the Section 22 of the ID Act can moderate strikes and ensure a better work culture.

Trade unions have opposed any changes in the ID Act while industry experts remain cautiously optimistic saying it is a long drawn process.

Labour minister Narendra Singh Tomar has sounded off state governments, industry and trade union on the need to amend archaic labour laws. States' views are necessary as labour is a concurrent subject as per the Constitution. Out of the 44 labour laws that Centre enacts, 16 can be enforced both by the Centre and states, including the Industrial Disputes Act, Contract Labour Act, Apprentices Act and Minimum Wages Act. Another 16 laws are enforced specifically by states, including the Factories Act, Trade Unions Act, Employment Exchange Act and Unorganised Workers' Social Security Act. Only 12 laws are enforced exclusively by the Centre, including the EPF Act, ESI Act and Mines Act.

Clearly, states, specially the BJP-ruled ones, are going to play an important role in driving the labour reforms. Rajasthan has taken a lead here but other states are expected to follow suit once the Centre initiates the process.

# Govt plans 'corporate data mgmt' scheme

**By Bureau**  
**New Delhi, July 29**

**I**N A MOVE that will ensure that a more detailed data of companies registered in India is made available to the public, regulators and other agencies, the ministry of corporate affairs has proposed a centrally sponsored scheme, called Corporate Data Management, which entails conversion of statutory information of 13.94 lakh registered companies into readable statistical information for data analysis and research. The proposed scheme intends to analyse the current information base of registered companies.

"The proposed scheme is likely to aid in bringing more objectivity and transparency in reporting by the corporates. Dissemination of company level data comprising both financial and non-financial parameters, and analysis thereof would enable evidence based policy formulation, strengthen de-

cision making process, encourage high quality empirical research on various aspects of corporate governance," the ministry said.

Initially, data of about 7,000 listed companies will be mined and tabulated in readable form, it said.

The corporate data management scheme will require an additional budgetary support of ₹33.94 crore (to be spent over next three years). This amount, the ministry said, will be above and beyond the Budget allocated for the 12th Five-year Plan period. A proposal for obtaining the necessary clearances from the Planning Commission has been moved by the ministry.

To execute this scheme, the ministry will obtain the services of professional IT companies via tendering process and a forward linkage of MCA 21, the e-governance project under which it is mandatory for all registered companies to file their company-related informa-

tion online. The IT companies hired for this project will have to develop software/IT tools for data cleaning, data mining and data analysis.

As per the proposal, the third-party IT company engaged for this project will clean the data stored with MCA21 and make available financial aggregates and non-financial information relating to Indian corporates in the public domain for individuals, research agencies and regulators.

"Given the importance of such statistical information for planning, research, economic analysis and other such important purposes, it is imperative that this Project is established as a forward linkage of MCA21," the ministry said in a note moved seeking comments from stakeholders.

"An extended Plan Scheme could be considered for the next Plan Period to cover a larger canvas if the present pilot yields gratifying results," it said.

## SAIL to kick start Govt's divestment in FY15, to fetch ₹1,800 cr by Sept

ANIMESH SINGH ■ NEW DELHI

Steel Authority of India Ltd (SAIL) is all set to be the first State-owned entity through which the newly appointed NDA Government will begin its disinvestment exercise, as according to highly placed sources, the Department of Disinvestment (DoD) has approved the auction method to sell 5 per cent of Government's share in it.

The move is likely to fetch the exchequer ₹1,800 crore and the road shows for SAIL divestment are to begin by the end of August and the process will be wrapped by mid-September.

"The offer for sale (OFS) route has been finalised for divesting Government's 5 per cent stake in SAIL. At the current rate of ₹90 per share, we are looking at raising Rs 1,800 crore through the move. Domestic road shows will be held in Mumbai and Chennai in the last week of August. For international road shows, one team will cover London, New York and Boston while another team will cover Singapore and Hong Kong during the first week of September," sources privy to the development said.

The Pioneer had exclusively reported on June 23 that DoD met Steel Ministry to roll out SAIL's divestment process. Though the Cabinet Committee on Economic Affairs (CCEA) has approved stake sales in two other entities namely Rashtriya Ispat Nigam Ltd (RINL) and Hindustan Aeronautics Ltd (HAL), sources



added that work on these may not immediately start.

Also the big ticket divestments like Coal India Ltd (CIL) and ONGC are likely to be delayed, especially CIL as the Coal Ministry is non-committal about it owing to threats of strike by the CIL's unions.

In this scenario, SAIL stake sale will ring in the proceeds for the Government in 2014-15. Finance Minister Arun Jaitley had announced a disinvestment target of ₹43,425 crore for the current fiscal in the Budget.

Sources further pointed out that the Government is keen to wrap up the SAIL stake sale by September as this will give the markets a concrete message that the NDA regime is serious about walking the talk.

This is the reason why the OFS route has been identified for SAIL divestment, as sources pointed out that by using this method, the entire exercise can be completed

within a month of launching, whereas in the follow on public offer (FPO) route, around three to four months are consumed.

According to Sebi norms, there should be 25 per cent public float in State-owned entities, and in SAIL's case it is currently 20 per cent. Once Government divests 5 per cent more from its stake, the steel maker will achieve the required percentage.

Meanwhile as reported by this newspaper earlier, the Government is also in the process of making a list of sick PSUs which it can sell off to private entities and earn well required capital. Especially the real estate worth of these entities is what the Government is eyeing, sources said.

The Narendra Modi-led BJP Government rode to power at the Centre largely on the promise of expediting economic growth and disinvestment is a significant tool towards achieving this.



■ Nearly a third of all large infrastructure projects in the country are delayed

# Cost of delayed infra projects shoots up by ₹1 lakh crore

SURABHI







NEW DELHI, JULY 29

**A** THIRD of all large infrastructure projects in the country are delayed resulting in cost overruns of nearly Rs 1 lakh crore.

The data, which was tabled in the Lok Sabha, reveals that of the 727 large projects costing over Rs 150 crore and monitored by the ministry of statistics and programme implementation, 282 projects were delayed as on May 1, 2014, and are estimated to cost at least an additional Rs 98,992 crore.

Of these, two in three projects in the petroleum sector were delayed, while nearly half the projects in power as well as highways were running behind schedule. The data is even starker in the sector of atomic energy where all four projects being monitored are delayed from anywhere between 3 months (Rajasthan Atomic Power Project 7 and 8) to as much as 75 months in the case of Kudankulam in Tamil Nadu.

"The main reasons for delay in implementation are law and order problems, delay in land acquisition, rehabilitation and resettlement problems, fund constraints,

HANGING FIRE							
	 Railways	 Road transport and highways	 Petroleum	 Power	 Shipping	 Coal	Total *
Projects facing monitoring	283	136	84	100	19	56	<b>727</b>
Projects facing time over runs	36	81	53	54	4	28	<b>282</b>

All projects are above Rs 150 crore, status as on May 1, 2014. \* Total includes several other projects SOURCE: Mospi, Parliament Papers

## 282 PROJECTS FACE DELAYS

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delay in forest and environmental clearances, right of way and right of use issues, delay in supply of material, contractual issues, etc," Rao Inderjit Singh, minister of state for statistics and programme implementation, informed the Lok Sabha last week.

However, the project facing the longest delay is the Udampur-Srinagar-Baramulla railway line that is running behind schedule by over 15 years and has registered a cost overrun of 700 per cent to Rs 20,000 crore from the original cost of Rs 2,500

crore. Similarly, Arunachal Pradesh's Kameng Hydroelectric project would cost Rs 4,653.95 crore against original cost of Rs 2,496.90 crore with time overrun of 87 months while the Subansiri lower hydro project would cost Rs 10,667 crore against the original cost of Rs 6,285.33 crore with time overrun of 96 months.

More worryingly, though just about three dozen of the 283 projects in the railways sector are delayed, the government has no data on either the date of commissioning or completion for a

majority of rail projects.

The data is significant given that Prime Minister Narendra Modi met with secretaries of infrastructure ministries to review sectoral targets and speed up such projects. Faster project implementation is expected to bring in larger investments in the economy and help revive it from a sub-five per cent growth trajectory.

Amongst states, Assam had the highest number of delayed projects with 28 of its 34 projects facing time overruns, followed by Maharashtra where 22 of 51 projects were delayed.

Surprisingly, both Gujarat and West Bengal had almost equal number of projects facing time over runs. While 13 of the 33 projects being monitored in Gujarat were delayed, 10 of the 37 such projects in West Bengal were also facing time overruns.

## UD ministry sets ball rolling for implementing smart city project

**HT Correspondent**

■ letters@hindustantimes.com

**NEW DELHI:** With finance minister Arun Jaitley allocating ₹7040 crore in 2014-15 budget for developing smart cities, the urban development (UD) ministry has set the ball rolling for preparing the blueprint for the project.

At a two-day brainstorming session, UD minister M Venkaiah Naidu met his counterparts from other ministries as well as MPs from different parties to get their suggestion on how to go about implementing the smart cities project. The UD ministry is yet to finalise a concrete plan on the project's implementation.

The session saw power min-

ister Piyush Goyal suggesting that states which have ready land available should be given priority for developing new cities based on smart technology while Congress leader Jyotiraditya Scindia said that "small towns that are not handicapped by land and cities that are not handicapped by legacy issues like congestion and limited land availability could be chosen first to developed as smart cities."

BJD leader Baijayant Panda observed that emerging towns should included under smart cities initiative aimed at energy efficiency, clustering of infrastructure and efficient management and governance ensuring inter-sectoral linkages. BJP leader Rajiv Pratap Rudy emphasised

on the need to develop a "India specific smart city model."

"The new urban development initiatives should aim at improving the quality of urban life in the country by addressing the chronic urban problems and by going beyond provision of just infrastructure," said UD minister M Venkaiah Naidu.

Naidu suggested that there could be two different schemes — one for renewal of 500 urban habitations by providing safe drinking water, sewerage management and use of recycled water, solid waste management and digital connectivity and the other for developing smart cities. He directed officials of his ministry to prepare a cabinet note for the project at the earliest.

## Financial inclusion to be flagship scheme; include urban poor also

**HT Correspondent**

■ letters@hindustantimes.com

**NEW DELHI:** The NDA government is all set to re-launch the financial inclusion scheme in a new avatar and make it its flagship welfare programme. Prime Minister Narendra Modi will unveil the revamped plan on Independence Day.

This time the focus would be on rural and urban areas and an estimated 150 million new accounts would be opened. These accounts will have an overdraft facility of ₹5,000 available credit.

Under the previous UPA regime, where the financial inclusion exercise had largely

**AN ESTIMATED 150 MN NEW ACCOUNTS WOULD BE OPENED IN RURAL AND URBAN AREAS WITH AN OVERDRAFT FACILITY OF ₹5,000**

been rural centric, this time the programme will also include poor living in the urban areas.

"There will be a big launch of the new programme and this will be time-bound," a senior finance ministry official said.

The government is set to launch a competition open to all citizens in a bid get innova-

tive and catchy ideas for the name, logo and tagline for the programme.

Earlier, while presenting the Union Budget, finance minister Arun Jaitley had announced a time-bound mission for financial inclusion. "It would particularly focus to empower the weaker sections of the society ... Two bank accounts in each household are proposed to be opened which will also be eligible for credit," Jaitley had said.

Public sector banks have been asked to provide a detailed plan on the same, the official added.

Jaitley is also expected to meet the heads of public sector banks to discuss the issue.