



PART A: News pertaining to Planning Commission



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(अरस्तु के अनमोल विचार)

“All virtue is summed up in dealing justly.

अच्छा व्यवहार सभी गुणों का सार है”.

1. Key departments like inter-state council, planning and monitoring division & UIDAI to replace plan panel

By [Yogima Sharma](#), ET Bureau | 26 Nov, 2014, 04.10AM IST



These divisions along with direct benefit transfer or DBT will have a critical role in implementing Prime Minister Narendra Modi's vision.

NEW DELHI: The new institution that will replace the [Planning Commission](#) is likely to be a combination of three key divisions, each headed by a secretary and placed under the umbrella of a more powerful planning ministry. These divisions include the inter-state council, planning and monitoring division and Unique Identification Authority of India (UIDAI), which, along with direct benefit transfer or DBT will have a critical role in implementing Prime Minister Narendra Modi's vision.

Senior government officials told ET that the government is considering consolidation of these divisions under the ministry of planning, presently headed by a minister of state with independent charge Rao Inderjit Singh, and a decision to this effect could be taken before the end of this year.

"The PM is of the view that the states should play a greater role in planning and hence the proposal is to move the [inter-state council](#) from home ministry to Yojana Bhawan to oversee development works of the state," an official said.

Donning New Avatar

THE CURRENT STRUCTURE


PM TRADITIONALLY chairs the Planning Commission.

DEPUTY CHAIRMAN of the commission is the executive authority.

THERE ARE 8-10 members, handling at least three divisions each.

THERE ARE 30 divisions within the commission.

MINISTRY OF planning has been always headed by MoS & had the limited role of answering Parliamentary questions.




WHAT IS BEING CONSIDERED?

The ministry of planning is going to be strengthened and is headed by MoS (Independent charge).

There will be three divisions under this - Inter-state council, planning and monitoring, UIDAI and DBT.

EACH DIVISION WILL BE HEADED BY A SECRETARY



Inter-state council will carry the development agenda of the states forward to finance & other central ministries.

The planning division will work on a long-term plan for the govt & evaluate the flagship social sector schemes.

UIDAI-DBT division will co-ordinate with states for generation of Aadhaar.

Besides, the new government is keen on eventually linking Aadhaar with DBT platform, which will require greater synergy between the two, the official said, adding, "Hence, it has been decided to shift out DBT from [finance ministry](#) to the new institution." According to the official, who did not wish to be named, the third vertical or division will be a new one that will be responsible for long-term planning for the country as well as evaluation of flagship social sector schemes through an existing but much stronger programme evaluation organisation existing within the commission.

"While all the three divisions will be headed by a secretary, the government may rope in experts at the advisor level to strengthen the planning and monitoring division," the official added.

As per the proposal, the interstate council, which is headed by the prime minister, will be responsible for routing the state plans to finance ministry besides coordinating with central ministries on all developmental schemes of the states. However, the security issues that were being handled by the council will continue to be vested with the home ministry.

An email query sent to planning secretary Sindhushree Khullar did not elicit any response. Until last year, annual plans of the states were finalised by the Planning Commission after consultation with the finance ministry and the funds were routed through the commission. However, since the BJP-led NDA government, which took charge in May, decided to replace the institution with a new one, the work of allocation of funds to states has been moved to the finance ministry.

The [UIDAI](#), which is an attached office of the Planning Commission, is responsible for generating

Aadhaar or a unique identity for all by March 2015. Once the target is achieved, the government is thinking of making Aadhaar mandatory for doling out benefits under its social security schemes through a DBT platform and hence it has decided to move DBT out of finance ministry to the commission for better synergy and coordination between the two.

2. New institution in place of plan panel be combination of 3 important divisions: Report

Last Updated: Wednesday, November 26, 2014, 13:38 Zee Media Bureau



New Delhi: The new institution which will replace the old centralised model of **Planning Commission** will consist of three key divisions, a financial daily reported on Wednesday.

The newspaper said, the new institution will include "the inter-state council, planning and monitoring division and Unique Identification Authority of India (UIDAI)".

Earlier, reports in the media were doing the rounds that the new government body in place of the plan panel will likely to be formed by the year end.

The PM had promised on August 15 to announce "a new institution with a new spirit" soon.

The new body will lead the country based on creative thinking, public-private partnership, optimum utilisation of resources, utilisation 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, he had said.

"Very shortly, we are about to move in a direction when this institute would be functioning in place of Planning Commission," Modi had said.

The Congress had opposed the government's move, terming it a "knee-jerk and half-baked decision" and favoured a "restructuring instead of dismantling" of the panel.

Later on his Twitter posts, Modi had invited suggestions from people on the proposed body to replace the plan panel.

"Inviting you to share your ideas on what shape the new institution to replace the Planning Commission can take," he had tweeted.

With PTI Inputs

3. Balance of Trade in North-Eastern Region

Business Standard: November 26, 2014 Last Updated at 00:24 IST

The North East Region of India is endowed with natural resources. Also, due to continued focus on development of the region by the NE States supplemented by the Ministry of Development of North Eastern Region (DoNER), Planning Commission and other Central Ministries has led to substantial improvement in intra-regional connectivity, social and other physical infrastructure and capacity of human resources. Further, 96% of the North Eastern Region has long international borders with four neighbouring countries with several old overland routes. Given its competitive advantages and considerable potential, close proximity and immediate linkages with Bangladesh, Myanmar and other South East Asian countries offer robust opportunities for the North Eastern Region to emerge as a major manufacturing, trading and logistics hub for trade with the ASEAN Region. The consequent benefits to the country are also likely to be substantial.

Keeping in view the above factors, Government of India has focused on expeditious and time bound completion of major infrastructure projects of Rail, Road, Telecom, Inland Water Transport, Airports and Power in the North Eastern Region. Government of India has also taken steps for the development of road and port projects in Myanmar, improvement of customs facilities at the Indo-Myanmar border, development of road and rail connectivity in Bangladesh for access to sea ports and appropriate customs facilities at the Indo-Bangladesh border. Implementation of these major projects is being regularly reviewed at various levels.

Ministry of DoNER and Planning Commission have also taken the initiative to project the recent developments made in North Eastern Region through The North East Business Summit by highlighting the potential and upcoming opportunities, with the objective to invite domestic and foreign entrepreneurs to engage with North Eastern markets and to trigger large scale economic activities in the North Eastern Region that will enhance livelihoods and employment opportunities in the region.

This was stated by Dr. Jitendra Singh, the Minister of State (Independent Charge) for Development of North East Region in Lok Sabha today.

4.Ten coastal economic zones to be developed Dipak K Dash, The Times of India: 27.11.2014

NEW DELHI: In its move to revive the NDA's flagship Sagarmala (string of ports) project, conceptualized during the Vajpayee regime, the government will develop 10 Coastal Economic Regions (CERs) in the influence zone. The project would need Rs 5,000 crore in investment in the next five years, which will include modernization of ports and efficient evacuation besides developing CERs.

This will come from gross budgetary support to create infrastructure and other facilities that would make these zones the hub for manufacturing and economic activities and to take such activities to the hinterland.

While this will primarily focus on major and minor ports, government is also pushing its other agenda to attract private investment in the inland waterway sector that can provide a competitive alternative to road and rail network for cargo transport. The shipping ministry on Wednesday said 17,300 km of inland waterways will involve an investment of at least Rs 1 lakh crore in the next 5-10 years. While government will invest around Rs 20,000 crore, the rest will come from the private sector.

Sources said after the presentation on Sagarmala project, Prime Minister Narendra Modi had asked the shipping ministry to focus more on port-led development. "The committee of secretaries will now take a decision on the government investment needed for Sagarmala and then it will be put before the PM," said a government source. This will cover 300-500 km of coastline, sources said.

FLOATING ROAD			
			
* Length in km and investment in ₹ in Crores			
National Waterway	Length	States Served	Investment
NW-1 Ganga (Haldia to Allahabad)	1,620	UP, Bihar, Jharkhand and West Bengal	7,073
NW-2 Brahmaputra (Dhubri to Sadiya)	891	Assam, Bengal, Arunachal and Meghalaya	1,701
NW-3 West Coast canal (Kollam to Kottapuram)	205	Kerala	173
NW-4 Godavari, Krishna & canals (Kakinada to Puducherry)	1,078	Andhra Pradesh, Tamil Nadu and Puducherry	3,278
NW-5 Brahmani, Delta canals	588	Odisha & Bengal	7,106
NW-6 Barak (Lakhimpur to Bhanga)	121	Assam, Mizoram, Manipur, Tripura	801

While Sagarmala will play a key role in the "Make In India" initiative, minister of state for shipping Pon Radhakrishnan said the inland waterways can reduce investment needs in rail

and road infrastructure, reduce transport costs and enhance intra-regional trade.

Speaking at the Integrated National Waterways Transportation Grid, he said while six stretches have been declared as national waterways (NWs), there are plans to declare a total of 66 creeks and canals as a part of the mega plan to provide better and pollution-free transport network.

The first project on the Ganga called Jal Marg Vikas would be developed between Allahabad and Haldia with the assistance of World Bank, which would enable commercial navigation of at least 1,500 tonne vessels. The project will be completed over six years. "The possibility of multi-model logistics at Varanasi with road and rail connectivity is being contemplated", the minister said.

Already the trans-shipment of imported coal to NTPC's Farakka thermal power station through this stretch is being ferried. According to estimates, 21 million tonnes of imported coal is expected to be moved in the next seven years on this waterway. Movement of fertilizers upstream for Tata Chemicals Ltd and downstream for IIFCO on this stretch has also been successful.

PART B

NEWS AND VIEWS

Thursday 27th November 2014

Polity

: In Kashmir, one family, 3 parties

Economy

: Sparks Fly on Black Money

Planning

: 10 coastal economic zones to be developed

Editorial

: Saving credit

Communication, IT Information Division
Phone # 2525

SPARKS FLY ON BLACK MONEY

GOVT, OPPOSITION TRADE ALLEGATIONS IN LS

STATESMAN NEWS SERVICE
New Delhi, 26 November

As anticipated, the special discussion on black money in the Lok Sabha today saw the House erupt in anger and acrimony time and time again with the Opposition and the government throwing charges against each other.

The discussion itself began after a walkout by the Opposition who had demanded that the issue be discussed under an adjournment motion suspending question hour. The Speaker, Ms Sumitra Mahajan, firmly turned down the demand when it was made after the House met for the day. It was taken up in the afternoon under Rule 193 that does not entail voting unlike the adjournment motion.

Initiating the debate on the issue, the Leader of Congress in the Lok Sabha Mallikarjun Kharge said Modi had "played" with people's emotions during the Lok Sabha election campaign saying that every person will get Rs 15 lakh once illegal money stashed away in banks abroad is brought back. Mr Kharge spearheaded the Opposition onslaught, demanding that the government apologise for making false claims.

Congress members consistently accused the government of failing to honour its poll promise of bringing black money



Identity of 427 account holders abroad has been established & 250 of them have admitted to having accounts

JAITLEY IN RS

back into the country within 100 days of taking charge. This was countered by BJP members who alleged that it was the UPA government which did nothing during its 10 years in office despite knowing it.

Mr Kharge said BJP leaders had promised to bring back black money from abroad within 100 days of coming to power.

"Now you have become Prime Minister. You have all the power. I do not want to pain you but remind you," he said, while noting that not a single penny has been brought back.

Mr Kharge referred to the government's contention in the Supreme Court that it could not disclose names of all suspect account holders due to treaties with foreign countries and said its stand was similar to that of the UPA.

"If you are sad to say the same thing, then why

did you defame the UPA government. You misled 125 crore people... You were in power earlier also. You know the difficulties of a government. You have an opportunity today to apologise to people for speak. He said various BJP leaders put the estimated sum of black money at different levels with Rajnath Singh, now Home Minister, and Nitin Gadkari, now Transport Minister, claiming it to be Rs 25 lakh crore and Rs 21 lakh crore respectively.

"Does country benefit by inciting people's sentiments?... You should speak with balance in public," he said.

Making a stout defence of the government, BJP members alleged that the UPA had shielded those who had stashed black money abroad and offered amnesty to around 100 individuals on the black money list.

Anurag Thakur, young and energetic BJP member from Hamirpur (HP), said the PM was the first person to bring up black money issue before the whole world during his recent visits abroad and global leaders supported him. Mr Thakur accused a TMC member of sending money to terrorists in Bangladesh.

There was an uproar in the House as Opposition members chanted 'Ullu mat banao' during Thakur's speech.

Lok Sabha passes Bill to appoint CBI chief

BS REPORTER

New Delhi, 26 November

The Lok Sabha on Wednesday passed a Bill to amend the law to appoint the Central Bureau of Investigation (CBI) chief, despite the Congress and other opposition parties, including Bharatiya Janata Party's former ally, Biju Janata Dal, voting against it.

The Congress' opposition to the Bill is likely to lay more hurdles in the Rajya Sabha. The ruling National Democratic Alliance is in a minority in that House.

The government needs Parliament to pass the Bill as soon as possible because incumbent CBI chief Ranjit Sinha is set to retire on December 2 and the government needs to appoint his successor before that.

The amendments to the Delhi Special Police Establishment Act, 1946, seek

to include the leader of the single largest opposition party in the Lok Sabha in the three-member panel that selects the CBI director. The other two members of the panel are the prime minister and the chief justice of India. Currently, the Lok Sabha does not have a recognised Leader of the Opposition.

Another amendment states the selection process will not be invalid because of any vacancy or absence of any one member in the three-member panel. The Congress is opposed to the second amendment.

Congress sources, however, said a compromise could be reached if the government was willing to drop one of the contentious amendments. "We might support the Bill in the

Rajya Sabha if the government deletes the word 'absent'," a Congress leader told *Business Standard*.

Congress leader M Veerappa Moily termed the amendment that provides for the selection process to continue unhindered despite the absence of a member of the panel as "criminally motivated". He said it will set an incorrect "precedent" and was open to "mis-chief".

"They (the government) have started destroying institutions. The intent of the government is mala fide. This amendment will have far-reaching consequences," he said.

For full reports, visit www.business-standard.com



Congress and other Opposition parties, including BJP's former ally, Biju Janata Dal, vote against the Bill to amend the law to appoint CBI chief

ENHANCING SKILLS OF YOUTH

Parliament passes Apprentices Bill

Employers can fix hours of work, leave as per their discretion

NEW DELHI: A Bill seeking to remove imprisonment as punishment for violating the provisions of the Apprentices Act, 1961 and allowing employers to fix the hours of work and leave as per their discretion or policy was passed by the Rajya Sabha on Wednesday.

The Apprentices (Amendment) Bill, 2014 was passed by voice vote with a majority of speakers favouring the legislation, saying it is aimed at enhancing the skills of youth and make them employable.

It had been passed by the Lok Sabha in the last session.

Some members, however,



Bandaru Dattatreya

had reservations saying certain provisions in the Bill are "draconian" as employers have been given full powers

to deal with apprentices in any manner.

Replying to the debate, Labour Minister Bandaru Dattatreya said the Bill was being brought to implement the Apprenticeship Policy by March 2015 which would help impart skills to youths and make them employable.

He said the government had brought the policy keeping transparency in view and it would involve all stakeholders.

Earlier, Satish Chandra Misra (BSP) said the government should not give so much power to the employers to deal with apprentices. "Don't

make such provisions which are draconian or do away with the penal provisions," he said.

Naresh Agarwal (SP) and CPI(M) members Tapan Sen and P. Rajeev also made some observations on providing protection to apprentices and said the penalty of Rs. 500 was not adequate deterrent for employers on violating the Act.

The Bill seeks to amend certain definitions, increases the minimum age for apprentices in hazardous industries and removes imprisonment as a punishment for violating the provisions of the Act.

— PTI

Govt Acts Tough Against Sexual Harassment

SAFE & SECURE FOR WOMEN Implied or explicit promise of preferential treatment will amount to harassment

Our Political Bureau

New Delhi: The central government has introduced strict rules for checking sexual harassment in its workplaces. Any implied or explicit promise of preferential treatment in employment or creating a hostile work environment for a women employee would amount to sexual harassment, say a new set of provisions inserted by the government into the service conduct rules on November 19.

There are nearly 3.11 lakh women employees working for the central government, at an overall representation of 10%, as per the Census of Central Government Employees, 2012, released by Directorate General Employment and Training. According to the recommendations

of the 62nd Parliamentary Standing Committee, publicity is being given by government to encourage women to join government service.

The government has amended the Central Civil Services (Conduct) Rules, 1964, to expand the definition

Govt amends Central Civil Services (Conduct) Rules to expand definition of sexual harassment

of sexual harassment as well as that of a 'workplace'. Specifying the circumstances which may be construed as sexual harassment, the central government has said that any implied or explicit promise of preferential employment or any such threat of detrimental employment or her present employment status may amount to sexual harassment of a woman government employee.

A FAIR PROSPECT

NEW RULES ALSO COVER scenarios where an employee, whose advances have been spurned, resorts to harassing a women employee by interfering with her work or threatening to harm her present or future job prospects

THE GOVERNMENT has also expanded the definition of a government 'workplace' where such an harassment can take place

"Hospitals or nursing homes, any sports institute or complex, any place visited by the employee arising out of or during the course of employment, including transportation provided by the employer for undertaking the journey or a dwelling place or house"

HAVE ALSO BEEN defined under new rules as a 'workplace' for a government employee

Another act that could spell trouble for male government superiors is if they met out any humiliating treatment likely to affect a woman employee's health or safety, the new provisions say. "Interference with her work or creating an intimidating or offensive or hostile work environment for her" is now listed as another event amounting to sexual harassment.

The government has specified that the above circumstances can be connected to or related to any of the five acts or behaviour termed as sexual harassment under existing conduct rules. The existing acts include physical contact and advances, a demand or request for sexual favours, making sexually-coloured remarks, showing pornography or any other unwelcome physical, verbal or non-verbal conduct of sexual nature.

E-governance in 2.5 L villages by March 2016

CONNECTING INDIA Govt has brought forward the deadline to lay optical fibre by 6 mths; project to aid Digital India scheme

M Rajendran

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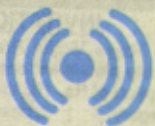
NEW DELHI: Governance services offered over digital platforms will become operational across 250,000 gram panchayats (village councils) by March 2016 as the National Optical Fibre Network (NOFN) project is slated to be completed by then.

Prime Minister's Office has asked the communications ministry to revise the NOFN's deadline to connect 250,000 gram panchayats to March 2016 from December 2016 at present.

NOFN is supposed to do e-governance what the national highways did to road transport—connect remote villages, improve access to healthcare, education and business opportunities.

The previous government missed its March 2014 deadline to connect 100,000 gram panchayats and was only able to connect 60 gram panchayats by optical fibre till May this year.

Prime Minister Narendra Modi was recently assured by the secretary, communications ministry, Rakesh Garg that NOFN will become operational by March 2016. NOFN was con-



SERVICES AT A CLICK

NOFN* was approved in 2011 with an aim to provide connectivity to 250,000 gram panchayats in the country

103,614 No. of gram panchayats (GP) targeted under Phase-I of NOFN

6,410 No. of GPs where work has started

100mbps Network speed on the NOFN

₹20,000cr

Estimated cost of the NOFN project

60 No. of GPs connected till May 2014

2km Length of extra OFC* required in every GP

*NOFN: National Optical Fibre Network; *OFC: Optical fibre network; Source: BBNL, Bureau

ceived in 2011 and since then has been falling back on its targets.

Communications minister Ravi Shankar Prasad's had said upon assuming office that "If Atal Bihari Vajpayee government was known for national highways, Narendra Modi government will be known for broadband highway".

NOFN will enable citizens to access broadband connectivity over a 100 megabits per seconds network. "It will enable the government to implement Digital India-related programmes Bharat

Broadband Network Ltd (BBNL), along with Powergrid, RailTel and BSNL have been asked to expedite the process to meet the deadline," a top source in the communications ministry said.

BBNL was set up in 2012 to connect 250,000 lakh gram panchayats under NOFN project. However, it still does not have a full-time chairman and managing director.

Aruna Sundarajan, Universal Service Obligation Fund (USOF) administrator holds additional charge of CMD of BBNL.

Aviation min to set up transparent, speedy systems for approvals

Tushar Srivastava

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NEW DELHI: Last year, a regional airline suffered a loss of ₹30 crore after an aircraft imported by it was left parked at the airport for close to six months as the airline awaited regulatory and other clearances.

Aviation minister Ashok Gajapathi Raju has now ordered his ministry and departments under it such as the Directorate General of Civil Aviation (DGCA), Airports Authority of India (AAI) and Bureau of Civil Aviation Security to put in place a "transparent" system of time-bound and speedy clearances so that such instances don't occur again.

The minister has directed that

AVIATION MINISTER HAS ORDERED APPLICATIONS PENDING FOR MORE THAN A YEAR TO BE DISPOSED QUICKLY

applications and letters pending for more than a year may be obtained, reasons (for delay) may be ascertained and appropriate action be taken to ensure quick disposal.

"Quick clearances and building a system of transparency and accountability will increase confidence among the stakeholders," said Rajji Rai, chairman, Swift Travel International Ltd.

"Applications and other requests filed by various organ-

isations/ individuals with the ministry and affiliated organisations including DGCA, AAI etc may be processed and disposed of in a time-bound manner and speedy disposal should be given priority," says the ministry's letter to senior officials.

Services and activities within the framework of regulation like application for license, permit for acquisition of aircraft, approval of schedules, license of pilots, permission for utilising bilateral, no objection certificates (NoC) for building construction are to be given priority with the status being conveyed to the applicant within a short period, so as to remove uncertainty, ambiguity and to avoid pecuniary loss to the applicants, the letter said.

LS OKs Bill on CBI chief's appointment

Cong Calls Amendment 'Double-Edged Sword'

TIMES NEWS NETWORK

New Delhi: Overruling protests by Congress, the Lok Sabha on Wednesday cleared a bill to amend a law on appointment of CBI chief. Congress alleged that the amendments were aimed at keeping the largest opposition party out of the selection process with the government denying the charge.

The Delhi Special Police Establishment (amendment) Bill, 2014, makes two amendments. One of which permits the leader of single largest party in Lok Sabha, in the absence of a leader of opposition to be in the selection committee for the appointment of the CBI director. Prime Minister and Chief Justice of India are the other members of the selection panel.

This will clear the way for the leader of Congress in Lok Sabha Mallikarjun Kharge to have a say in the selection of the successor of CBI director Ranjit Sinha even though he has been denied the recog-



“The bill has been brought exclusively to keep out the single largest opposition party from the process of selection of CBI chief

MALLIKARJUN KHARGE
Leader of Congress

nition as leader of opposition on the ground that his party's strength falls short of 1/10th of the total membership of the House.

Congress strongly objected to the second amendment which states that the appointment of the CBI chief cannot be invalidated on the ground of absence or vacancy of any member of the selection committee, saying that it was ploy to oust Congress from the process of the selection of CBI chief. “The bill has been brought exclusively to keep out the single largest opposition party,” contended leader of Congress in Lok Sabha Mallikarjun Kharge, while describing the move as a “double-edged sword” which

“poses a big danger”.

MoS for personnel Jitendra Singh insisted that there was “no ulterior motive” and the amendment was aimed only to “smoothen” the process of selecting the CBI director. Asking the opposition to shed “premonitions” of any conspiracy, he said the provision was only patterned after the process that has been laid down for the selection of the chief vigilance commissioner.

The bill was passed by voice vote but not before a division of votes on its consideration as well as an amendment moved by BJD member Tathagat Satpathy, which was rejected.

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

TIGHTENING TOBACCO LAW

New Rules to Put Cigarettes at the Short End of Stick

Govt to clamp down on CSR activities of cos, disallow ads on mobile and Internet

Ritika.Chopra@timesgroup.com

New Delhi: Tobacco companies, already in the frying pan because of an impending ban on the sale of loose cigarettes, may be about to be tossed into the fire in the coming weeks with the government planning to bar them from using their social outreach activities to earn goodwill.

The government's planned new anti-tobacco legislation, news of which sent cigarette stocks crashing on Tuesday, will discourage manufacturers from "earning goodwill" through their legally mandated Corporate Social Responsibility (CSR) activities, officials familiar with its drafting have told ET. This could choke off the few remaining outlets for earning societal goodwill for these firms, which have traditionally tended to publicise their social outreach efforts not least because of strict curbs on advertising and marketing their products.

The law is being amended to make it compliant with WHO's Framework Convention on Tobacco Control

No Designated Smoking Areas >> 20

The Proposals

- **CLAUSE TO** reduce interference of tobacco cos in formulation of policies
- **NO MORE** designated smoking areas in hotels/restaurants/airports
- **NOT JUST** public smoking, spitting of tobacco at public places to also be banned
- **WIDENING SCOPE** of ban on tobacco advertising to Internet & mobiles
- **DISCOURAGING EFFORTS** to earn goodwill by a tobacco co through CSR
- **DROPPING NICOTINE/tar** details on packs along with max permissible limit to avoid 'misuse'
- **SPECIAL COURTS** to try offences related to anti-tobacco law
- **SUSPEND/CANCEL** licence of manufacturer, importer, supplier, distributor or seller for violating Act
- **SET UP A NEW** monitoring and implementation authority – the National Tobacco Control Organisation

No Designated Smoking Areas

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Turning the screws further, the government's new legislation will also disallow restaurants, hotels and airports from creating designated smoking areas and extend the ban on tobacco promotion to media platforms such as mobile phones and the Internet. The ban on designated smoking spaces, however, will not extend to international airports as the journey between two countries and the waiting time in between connecting flights is usually long.

The government, in a written reply to the Rajya Sabha on Tuesday, said the health ministry was considering banning the sale of loose cigarettes and raising the minimum legal age of tobacco consumption, sending shares of tobacco companies sharply lower. The country's largest cigarette maker ITC closed 5% down on Tuesday, but on Wednesday it recovered some of the losses to close 2.14% up.

ITC, which spent about Rs 80 crore in funding CSR activities in 2013, did not want to comment on the proposed amendment. The conglomerate has been spending roughly 1% of its average net profit on CSR activities such as e-Choupal, which helps in direct procurement of agricultural produce from rural farmers. Tobacco producers Godfrey

Phillips and VST Industries could not be reached for comment.

The government's written reply in the Rajya Sabha noted that the health ministry has accepted most of the recommendations made by an expert panel on curbing tobacco consumption, and officials said the ministry is preparing a Cabinet note on the final amendments to the Cigarettes & Other Tobacco Products Act (COTPA) and will soon seek feedback from other ministries. The final note will go to the Cabinet in four-five weeks.

ET had first reported the constitution of an expert panel by the then health minister Harsh Vardhan on August 18 and its subsequent recommendations on September 10. Although the committee, headed by former principal secretary of Delhi Ramesh Chandra, had suggested some radical changes to the law, not all could pass muster with the minister. Government sources say the new minister, JP Nadda, has not made any changes to the draft left behind by his predecessor.

The final amendments approved by Vardhan, before he was moved to the science and technology ministry in the latest Cabinet expansion, also include a clause to reduce interference or influence of tobacco companies in conception and implementation of anti-tobacco pol-

icies, a provision to create special courts to try offences under COTPA and also a new monitoring authority — called the National Tobacco Control Organisation.

The ministry has also decided to introduce a new section empowering the government to suspend or cancel the licence of manufacturers, importers, suppliers, distributors or sellers for violating provisions relating to sale of cigarettes to minors, ban on advertisement and health warnings on cigarette packets. That apart, the ministry has agreed to discontinue the practice of displaying permissible limits for nicotine and tar contents on cigarette packets. "This practice can be misused to promote a tobacco product as a 'safer' product," said an official, who did not wish to be identified.

The anti-tobacco legislation is being amended to make it more compliant with WHO's Framework Convention on Tobacco Control (FCTC) — a treaty that lays down a set of universal standards to limit the use of tobacco worldwide. India ratified FCTC in 2004, a year after passing its own anti-tobacco legislation. "The exemption of having designated smoking areas, for instance, goes against FCTC guidelines for providing complete protection to non-smokers from tobacco smoke. Hence, the proposed ban on such areas as well," said an official.

Every Ministry to spread legal wings

Govt moots proposal to fast-track decision making, nip needless litigations in the bud

ABRAHAM THOMAS ■ NEW DELHI

The Government is actively considering a proposal to equip every Ministry with a legal wing and grievance redressal officer to fast-track decision making and nip in the bud needless litigations. This is seen as big ticket reform to remove delay in several areas including preparation of draft legislations by the Ministries, clearing of affidavits, and time-consuming litigations.

Union Law Minister DV Sadananda Gowda wants to have all Ministries on board as these reforms are path-breaking. Once the consensus arrives, the Ministry will submit the draft for Cabinet approval

Union Law Minister DV Sadananda Gowda wants to have all Ministries on board as these reforms are path-breaking. Once the consensus arrives, the Ministry will submit the draft for Cabinet approval. The Law Ministry has written to all other Ministries and departments to give their opinions on this issue.

Solicitor General of India Ranjit Kumar forwarded the pro-

posal to the Law and Justice Ministry, which is in the advance stage of finalising the framework for a National Litigation Policy. In his views sent to the Law Minister, Kumar has said that the process of decision-making in the Government takes unusually long time since all legal opinions have to be necessarily routed through the Law Ministry.

Thus a file for legal opinion travels from the legal advisor to the Deputy legal Advisor and then to the Joint Secretary, and sometimes even to the Minister depending on the sensitivity of the case. To cut short the tedious process, Kumar proposed appointing legal officers in every Ministry.

Speaking to *The Pioneer*, Kumar confirmed that his proposal is being considered by the Law Ministry. Explaining it further, he said, "At present legal opinions are given by officers of Indian Legal Service (ILS) in the Law Ministry. I see no reason why there can't be such officers in every Ministry."

Govt plans to incentivise home loan seekers for installing roof-top solar panels

ANIMESH SINGH ■ NEW DELHI

With Prime Minister Narendra Modi bullish on greater usage of unconventional sources of energy, especially solar energy, the Ministry for New and Renewable Energy (MNRE) is learnt to be in talks with the Finance Ministry for incentivising home loan seekers to install roof-top solar panels.

Sources privy to the development told *The Pioneer* that discussions between the banking division of the Finance Ministry and MNRE are being held on exploring the possibilities whether a small component of home loans could be earmarked for setting up solar panels on under construction houses. This step can go a long way in incentivising greater installation of solar panels on roof-tops.

A 1 kw of solar PV installation roughly costs under Rs one lakh and generates 4 to 5 units a day. Such installations take up roof space of about 10 to 12 square metres, informed industry experts.

Though talks between the



two departments are at a nascent stage, sources informed that the provision are being seriously considered and could fructify into a concrete proposal at a later stage as considering the dedicated focus of the Centre on improving new and renewable energy generation in the next five years.

The Financial Services Department of the Finance Ministry will have to take a final call as to what percentage of the home loan will have to be

offered to customers for encouraging them to install roof-top solar panels, sources further informed.

Minister for Power, Coal and NRE Piyush Goyal had recently announced that by 2019 the UPA Government plans to take solar power generation to 1 lakh mw, which is currently a paltry 3,000 mw. For this the Government is expecting investments in the renewable energy sector to up to \$50 billion by the time its tenure

ends.

In a recent interaction with media persons, Goyal had said that the Government was hopeful of generating an investment worth \$250 in the overall power sector, out of which \$50 billion could come for the new and renewable energy sector.

Gujarat, during Modi's tenure as Chief Minister of the state, had set up a 1 mw solar project on Narmada branch canal network, which was connected to the national grid.

During a global event held earlier this month, Goyal had said that the focus of the Government is to improve the bankability of solar power purchase agreements as subsidies are a thing of the past.

Amid falling interest rates and foreign exchange rates stabilizing, the cost of capital for renewable projects will gradually come down, he had said at that time.

Looking at this scenario, the Government has increased the target of solar generation to 100,000 mw by 2022.

10 coastal economic zones to be developed

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New Delhi: In its move to revive the NDA's flagship Sagarmala (string of ports) project, conceptualized during the Vajpayee regime, the government will develop 10 Coastal Economic Regions (CERs) in the influence zone. The project would need Rs 5,000 crore in the next five years, for modernization of ports and efficient evacuation besides developing CERs.

This will come from gross budgetary support to create infrastructure and other facilities that would make these zones the hub for manufacturing and economic activities and to take such these to the hinterland.

While this will primarily focus on major and minor ports, government is also pushing its other agenda to attract private investment in the inland waterway sector that can provide a competitive alternative to road and rail network for cargo transport. The shipping ministry on Wednesday said 17,300km of inland waterways will in-

FLOATING ROAD

* Length in km and investment in ₹ in Crores



National Waterway	Length	States Served	Investment
NW-1 Ganga (Haldia to Allahabad)	1,620	UP, Bihar, Jharkhand and West Bengal	7,073
NW-2 Brahmaputra (Dhubri to Sadiya)	891	Assam, Bengal, Arunachal and Meghalaya	1,701
NW-3 West Coast canal (Kollam to Kottapuram)	205	Kerala	173
NW-4 Godavari, Krishna & canals (Kakinada to Puducherry)	1,078	Andhra Pradesh, Tamil Nadu and Puducherry	3,278
NW-5 Brahmani, Delta canals	588	Odisha & Bengal	7,106
NW-6 Barak (Lakhimpur to Bongaigaon)	121	Assam, Mizoram, Manipur, Tripura	801

volve an investment of at least Rs 1 lakh crore in the next 5-10 years. While government will invest around

Rs 20,000 crore, the rest will come from the private sector.

Sources said after the presentation on Sagarmala pro-

ject, Prime Minister Narendra Modi had asked the shipping ministry to focus more on port-led development. "The committee of secretaries will now take a decision on the government investment needed for Sagarmala and then it will be put before the PM," said a government source. This will cover 300-500km of coastline, sources said.

While Sagarmala will play a key role in the "Make In India" initiative, minister of state for shipping Pon Radhakrishnan said the inland waterways can reduce investment needs in rail and road infrastructure, transport costs and enhance intra-regional trade.

Speaking at the Integrated National Waterways Transportation Grid, he said while six stretches have been declared as national waterways (NWs), there are plans to declare a total of 66 creeks and canals as a part of the mega plan to provide better and pollution-free transport network.

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

ONGC's ₹10,000-cr Power & Gas Project in Tripura Set for Launch

Two power units of 726.6 MW capacity are being synchronised to supply power to 7 states in northeast



Rajeev Jayaswal
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New Delhi: Prime Minister Narendra Modi will inaugurate ONGC's ₹10,000-crore power and gas production project in Tripura, which is the company's biggest investment in a single location in northeastern India, and may sell electricity to neighbouring Bangladesh.

Two power units of 726.6 MW capacity are ready and being synchronised to supply power to seven states in the northeast. After states' quota, about 98 MW electricity will be surplus and could be sold on commercial terms to any interested party including Bangladesh, Tripura government and industry officials said.

The Tripura government, which is one of the promoters of ONGC Tripura Power Company Ltd (OTPC), is keen to involve Bangladesh in the project and is awaiting a nod from the Centre, officials said. The previous UPA government had in-principle agreed for sale of surplus electricity

across the border and also considered offering Bangladesh a minority stake in the project. Company officials said Bangladesh government went out of the way to set up the power plant by allowing the company to use its territory to move 90 cargos of heavy equipment. "The proposals are awaiting approval of the power ministry, which is examining the technical feasibility of a commercial tie-up across the border," an official said requesting anonymity.

State-run exploration giant ONGC and IL&FS are other promoters of OTPC where ONGC holds 50% equity stake. IL&FS and the state government hold 26% and 0.5% stakes, respectively. Balance stakes could be offered to a strategic partner, officials said.

ONGC invested in the power plant to consume natural gas produced from its field as this gas cannot be transported to industrial consumers in different parts of the country due to lack of infrastructure.

ONGC's gas fields will supply about 3 million standard

cubic meters per day (mmscmd) gas to run the plant, ONGC officials said. The state has enough gas to run the plant for over 20 years. "There will be about 2 mmscmd surplus gas from our fields that will be consumed by local industries because of lack of transmission facility," one ONGC official said.

The project involved investments of about ₹4,000 crore in power plants, ₹2,000 crore in electricity transmission and ₹4,000 crore in development and production of gas. "OTPC is India's biggest Clean Development Mechanism (CDM) project, which is registered with the United Nations Framework Convention for Climate Change (UNFCCC)," the official said. The first unit of 363.3 MW plant at Palatana was dedicated to the nation President of India Pranab Mukherjee in June last year. The second unit has been commissioned recently. Assam, Meghalaya, Tripura, Arunachal Pradesh, Mizoram, Manipur, and Nagaland will benefit from this project.

In Kashmir, one family, 3 parties

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Srinagar: It's not uncommon for members of a family to be fielded by opposing parties in an election, but it is a rarity to see three members of a royal family that lives under the same roof, be affiliated to three political parties that are not even allies.

Kashmir's royal family is in a three-way split politically. Congressman Karan Singh's elder son Vikramaditya Singh recently joined the Muftis' PDP for a political debut, while younger son Ajat Shatru Singh quit the Abdullahs' National Conference to join the BJP.



ROYALE SPLIT: Karan Singh

The other powerful two-party family is the Ranas. Jatinder Singh Rana, BJP MP from Udhampur, and MoS in the PMO, is reportedly burning the midnight oil to ensure his younger brother Davinder Singh Rana's mentor CM Omar

Abdullah and his party NC are soundly defeated this time round.

Nagrota will see two powerful scions pitted against each other — NC's Davinder will contest royal Ajat Shatru.

The Abdullahs and the Mufti family hasn't seen such a wide split, though this time Omar Abdullah is facing a lot of heat from cousin Muzaffar Shah, who is heading the breakaway faction of National Conference called Awami National Conference.

On the other side, surrendered-militant Abdul Gani Lone's sons are on opposite sides. While younger

son Sajjad Lone — of party People's Conference — has fielded many candidates and is eyeing the CM's post too after he met Prime Minister Modi, older son Bilal Lone as leader of the Hurriyat's 'moderate faction', has called for a boycott of the polls. Sajjad is contesting from Handwara constituency in Kupwara district, seeking votes for 'change' and 'freedom from dynastic rule' of NC and PDP. The brothers live in adjacent houses with a common compound. Both have CRPF protection, their father having been killed by LeT in 2000 at a function in downtown Srinagar.

For Budget 2015-16, FinMin has no Plan panel to work with

SURABHI

NEW DELHI, NOVEMBER 26

AS THE Budget exercise for 2015-16 gains speed, the finance ministry is trying to fill up for the lack of a Planning Commission.

For starters, the Budget circular 2015-16 that was issued by the finance ministry last month said Plan ceilings shall be communicated by the Budget division instead of the Planning Commission that earlier was responsible for it.

"At this stage of Budget discussions, the absence of the Planning Commission is not being felt. The role of the Plan Panel usually starts from January or February when the allocations are worked out," said a senior government official, adding that the Planning Commission is still operational and staffed with officers who are working on various issues.

Sources said the expenditure department's Plan finance division, which works on the Central Plan and state finances has also been filling in for the Planning Commission wherever required.

Traditionally, while the finance ministry works on the non-plan aspect relating to subsidies, interest payments and salaries and pensions in the Budget, it is the Planning Commission that reviews schemes and programmes of the various ministries and finalises the Plan spend to these agencies.

The gross budgetary support is decided in consultation by the two although the final say is with the Prime

THE PLAN

finance division in the department of expenditure has been filling in for the Planning Commission whenever required

Currently, the finance ministry has begun pre-Budget discussions and is finalising the Revised Estimates for 2014-15 with each government ministry and department.

"We are holding meetings twice a day to finalise these estimates. After this work on the Budget Estimate for 2015-16 will be started," said the official, pointing out that the Plan panel was also absent during the preparations of the Union Budget 2014-15 that was presented by the NDA government in July.

A former finance secretary said the absence of the Planning Commission in the Budget exercise would make life much easier for the finance ministry. "Usually, there is a lot of to and fro between the two on what the gross budgetary support should be and is only finalised after inter-mediation from the Prime Minister. This is likely to be avoided this year as the amount can be decided by the PM based on discussions with the finance ministry alone," he said.

However, the Budget division has neither the manpower nor the tools to work out Plan allocation for each ministry, which is usually monitored by the Plan panel and finalised,

■ Experts say the power should not go to the finance ministry 'Plan Panel successor must have powers to grant funds'

PRIYADARSHI SIDDHANTA
NEW DELHI, NOVEMBER 26

THE proposed new body that replaces the Planning Commission should have the powers to grant Plan funds, in order to fulfil the development mandate of the government, former members of the Plan panel and experts have said. They added that the power to grant funds should not be transferred to the finance ministry to prevent a potential conflict of interest.

If this is not done, then Prime Minister Narendra Modi may not have a complete picture of the development scenario and may deny him the "benefit of an inde-

'CONFLICT OF INTEREST'

■ The argument for giving powers to grant Plan funds rests on the premise that the finance ministry is not equipped to handle the development mandate of the government, given its structure

■ This could lead to potential conflicts of interest between ministry functions viz. to control expenditure and the development agenda

pendent, and at times possibly adversarial view, about the importance of various types of developmental expenditure", they argued at a meeting convened by the commission on August 26 to discuss the contours of the proposed body.

The experts justified their stand by saying that the finance ministries in all nations normally focus on short-term issues, especially expenditure control. Its agencies and line functionaries are limited by

their mandate to preserve revenues, manage expenditures and oversee regulations of financial systems.

"Hence there are numerous potential conflicts between line functions of the ministry and what may be called the development mandate of the government," they said, according to the minutes of the meeting.

The experts were also of the opinion that shifting fund allocation function to the Prime Minister's Office

(PMO) would also not be a desirable option. This was because the Prime Minister may chair the new institution, and would be free to decide the PMO's role and extent of its involvement in the process of Plan fund allocation.

Among those who participated in the meeting included former finance minister Yashwant Sinha, former RBI governor Bimal Jalan, former Planning Commission member Saumitra Chaudhury, Chairman of the Thirteenth Finance Commission Vijay Kelkar, BJP spokesperson MJ Akbar, former UGC chief YK Alagh and other economists and academics such as Shankar Acharya, TN Ninan and Pratap Bhanu Mehta.

Centre, States to step up checks on plastic bag use

Surveillance squads with power to levy fines soon: Javadekar

OUR BUREAU

New Delhi, November 26

The Government will set up surveillance squads with the power to levy spot fines on manufacturers of plastic bags below 40 microns, Environment Minister Prakash Javadekar said in the Lok Sabha on Wednesday.

The squads will be set up by the Central Pollution Control Board and State Pollution Control Boards to strengthen and monitor the ban on plastic bags below 40 microns, Javadekar said in reply to supplementaries. As of now, nine States and three Union territories have banned plastic bags but to no avail, he added.

In reply to a question on whether the Centre has any



Question of microns Union Environment Minister Prakash Javadekar at Parliament House in New Delhi on Wednesday

plans to help hundreds of MSMEs affected by the ban, he said: "With a little bit of technological modernisation, it is not difficult to change over from 20 microns to 40 microns."

With over 700 ongoing devel-

opment projects getting delayed in the North-East, the Centre is thinking of setting up a committee of MPs to monitor such schemes.

Replying to supplementaries, Minister for Development of

North Eastern Region Jitendra Singh said 555 ongoing projects under the Non Lapsable Central Pool of Resources and 153 schemes being carried out by the North Eastern Council were delayed.

Monitoring projects

This was due to procedural problems and hostile climate and terrain, among other reasons. He said the Centre is keen to involve all the 39 MPs from the region to monitor the projects and a meeting in this regard will be held next month.

The Centre has been accused of "dismantling" the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) scheme by "depriving" states of funds meant for it.

Raising the issue during Zero Hour, CPI(M) member from Tripura Jitendra Chowdhury said that of the Budget estimate of ₹40,000 crore earmarked for

the current fiscal, "only ₹20,428 crore has been released so far, affecting lakhs of rural poor."

Of the 100 man-days of employment to be generated through the scheme, only 32 have been generated, he added, demanding a full-fledged discussion on MGNREGA in the House.

Irani to the rescue

Human Resource Development Minister Smriti Irani came to the rescue of Minister of State Upendra Khushwaha, who skirted replying to a question on school admission of children with special needs under the Sarva Shiksha Abhiyan.

After the Opposition asked Khushwaha to "do his homework", Irani got up to reply and informed the House that 25.03 lakh such children have been enrolled in schools across the country this year and 2.06 lakh are being covered through home-based education.

Focus on rail projects as Modi visits Northeast

AVISHEK G DASTIDAR

NEW DELHI, NOVEMBER 26

ON HIS maiden visit to the Northeast on Saturday, Prime Minister Narendra Modi will showcase a bouquet of railway-related projects — laying the foundation stone of a new line in Mizoram, flagging off the first-ever train to Meghalaya and emphasising on his government's resolve to complete a link to Shillong, delayed due to protest by tribals.

The foundation stone of the new line between Bhairabi and Sairang comes more than five years after the project was announced in the Rail Budget by former railway minister Lalu Prasad in 2008-09. The 51.38 km rail link, which would cost Rs 2393.48 crore, is a na-

tional project being funded by the government.

The zonal railway had been conducting a survey and identifying land for the project. Given the engineering challenges involved in the construction, the line will require around 23 tunnels and 200 long and short bridges, as per the assessment.

The PM will visit Assam the ensuing weekend. Railway Minister Suresh Prabhu and Chairman of the Railway Board Arunendra Kumar will also be there.

The train between Dudhnoi and Mendipather, which connects Meghalaya to the Railway map by linking it to the main broad-gauge line in Assam, will be flagged off by Modi via a video link from Guwahati.

The train has

three parcel cars and 10 general compartment coaches. Modi is expected to name the train as the Railways has not yet christened it yet.

One of the main outcomes of the visit, sources said, would be Modi communicating the government's resolve to complete the two-phased rail line connecting Shillong-Tetelia-Byrnihat line of 21.5 km and the Byrnihat-Shillong line of 108.4 km. The Khasi tribe has been disrupting survey work for the line. Sources said locals have protested against a train linking the hilly region to the rest of the country through the railway network.

Modi's speech, being prepared by officials, is going to emphasise on the need to complete this section for enhanced connectivity of the Northeast, sources said.

Boeing considers India partners as Modi offers 'welcome change'

■ FDI cap hike prods US firm to identify partners 'for strategic, meaningful relationship'

New Delhi, Nov 26

Boeing, the world's largest plane-maker, is considering investing in India as Prime Minister Narendra Modi eases rules for foreign investment in the defence sector and expedites defence contracts.

The Chicago-based aerospace company is in the process of identifying partners "for a strategic and meaningful relationship", Dennis Swanson, the New Delhi-based vice-president at Boeing Defense Space & Security, said in an interview.

Modi's decision in July to allow overseas investors to buy as much as 49% Indian defence companies is a "welcome change" that Boeing wants to study further, he said.

"That has made a difference because it provides an opportunity to not only invest in India, but also to explore the export market out of here," Swanson said. "We want to have more than a purchase order-based relationship. In the 2015 time frame, you'll see Boeing in strategic partnerships in India."

Boeing is among companies stepping up engagement with India as the US surpassed Russia as the top supplier of defence equipment to the South Asian country in the three years to March.

Boeing, which is close to winning a \$2.5-billion deal to supply 22 Apache attack helicopters and 15 Chinook heavy-lift transport aircraft to the Indian Air Force, is



Modi's decision in July to allow overseas investors to buy as much as 49% in Indian defence companies is a 'welcome change' that the plane-maker wants to study more, a New Delhi-based official of the firm said recently

counting on more as Modi modernises the nation's defences to deter neighbouring China and Pakistan.

Modi raised the foreign direct investment limit in defence to 49% from an earlier cap of 26% as he vowed to

BUILDING UP DEFENCES

■ Boeing is already close to winning a \$2.5-billion deal to supply 22 Apache attack helicopters and 15 Chinook heavy-lift transport aircraft to the Indian Air Force

■ Modi raised the foreign direct investment limit in defence to 49% from the earlier cap of 26%, saying that this would bolster the defence industry and reduce reliance on foreign weapons

■ In 2013, the barrel of an India-made piece of artillery



produced off 1980s blueprints cracked when it was test fired, while efforts by Hindustan Aeronautics starting in 1983 to design and build a light combat aircraft, Tejas, haven't yet shown results

bolster the defence industry and reduce reliance on foreign weapons. Modi is also seeking to rely less on state-run companies that have failed to help replace obsolete weapons.

Last year, the barrel of a

locally made piece of artillery produced off 1980s blueprints cracked when it was test fired, while efforts by Hindustan Aeronautics starting in 1983 to design and build a light combat aircraft haven't yet shown results.

"It gives companies more latitude to work beyond the 26%," Swanson said. "I know others feel the need to cross over the 50% barrier. My feeling is that it makes a difference even at 49%."

Lockheed Martin, the largest US government contractor, said in July that though Modi's move to raise the limit was positive, the Indian government needs to do more to attract big-ticket products involving intellectual property.

India surpassed China in 2010 to become the world's largest arms importer and relies on purchases from abroad for 70% of its weapons, according to the Stockholm International Peace Research Institute.

Besides using software from Indian companies including Tata Consultancy Services, Wipro and Infosys, Boeing has sourced components such as exit doors for the 757 aircraft, uplock boxes and flaperons for the 777, gunbay doors and wire harnesses for the F/A-18 and transponders for the Poseidon P-8i from Hindustan Aeronautics and Bharat Electronics.

The aircraft-maker wants to enhance those partnerships for a wider variety of work under Modi's "Make in India" programme, Swanson said.

Boeing is ready to supply 22 Harpoon anti-submarine missiles to India in a deal worth \$200 million, while there's also an option for 11 more Apaches and seven more Chinooks in a later follow-on order, he said.

Bloomberg

Modi proposes special facility to fund Saarc infra projects

Kathmandu, Nov 26: Seeking to strengthen economic ties within the Saarc region, Prime Minister Narendra Modi on Wednesday proposed a special purpose facility to finance infrastructure projects and called for common standards to speed up trade activities.

"Let's make it even easier for our businesses through a Saarc Business Traveller Card," Modi said in his address to leaders at the 18th Saarc Summit.

Noting that Saarc nations have failed to move with the expected speed, he said, "today, less than five per cent of the region's global trade takes place be-

tween us. Even at this modest level, less than 10 per cent of the region's internal trade takes place under Saarc Free Trade Area."

Infrastructure is the region's "greatest weakness and its most pressing need", he said, adding it is harder to travel within the region than to Bangkok or Singapore. According highest priority to infrastructure development, Modi said the proposed Special Purpose Facility would help in funding projects in the region.

Touching upon ease of doing business in India, Modi underlined the need for extending the same to Saarc region.

"I promise to ensure that our facilities at the border will speed up, not slow down, trade... Let's all make our procedures simple, our facilities better, our standards common

and our paper work less burdensome," he said.

The Prime Minister said that goods travel from one Punjab to the other Punjab through Delhi, Mumbai, Dubai and Karachi—making the journey eleven times longer and the cost four times higher.

"I know that many of your goods, too, have to do a Parikrama of India to reach their destinations," Modi said. PTI

PM raises terror issue, Sharif mum

THE KATHMANDU POST/ANN
& AGENCIES

Kathmandu, 26 November

Pakistan's intransigence today led to the failure of the SAARC Summit to reach agreements on greater connectivity among the eight member nations on its opening day which was marked by Prime Minister Narendra Modi firmly asking the members to fulfill their commitment to combat terrorism.

As the opening of the summit coincided with the sixth anniversary of Pakistan-sponsored 2008 terror attacks in Mumbai which left 166 people dead, Modi told his Pakistani counterpart Nawaz Sharif and six other leaders that "we feel the endless pain of lost lives." Sharif on his



part totally skipped any reference to the issue of terrorism, on which other leaders including new Afghan President Ashraf Ghani and Sri Lankan President Mahinda Rajapaksa spoke in their speeches.

Rajapaksa said, "Terrorism still remains fundamental security challenge both regionally and internationally... radical views of few and misplaced agenda of some oth-

ers do not undermine the security and well-being of large majority of peace loving people in the region." Ghani criticised those countries that provide safe havens to terrorists and said, "we will not allow our territories to be used against any of our neighbours. We will not permit anybody to conduct proxy wars on our soil." Meanwhile, the possibility of even an unstructured meeting between Modi and Sharif remained a matter of speculation. Their cold vibes underlined by the fact that they did not even exchange pleasantries at the opening ceremony of the two-day summit. However, a brief chat at the retreat was still being talked about.

Pakistan also stalled

the inking of connectivity agreements, including motor vehicle pact, saying it was yet to complete its "internal process", notwithstanding SAARC countries including Sri Lanka, Bangladesh and India strongly pitching for having these deals to strengthen the people-to-people contact and movement of goods in the region.

However, Nepal Foreign Minister Mahendra Bahadur Pandey told PTI that "There are some roadblocks and we are working to clear them." He also said his country will make all efforts to ensure that the connectivity pacts, including the motor vehicle agreement, are signed before the SAARC declaration tomorrow.

SAARC agreements hang fire

Disappointment as Pak. agrees only to one pact; hopes rest on final day

Suhasini Haidar & Damakant Jayshi

KATHMANDU: Pakistan is likely to clear the energy cooperation draft agreement at the SAARC summit here, but may not agree to other landmark agreements planned, including the motor vehicles agreement and railway linkages pact.

Sources say Pakistani officials indicated that the energy cooperation agreement would be agreed to "in principle" by Prime Minister Nawaz Sharif before the closing ceremony of the summit.

While the agreement will ensure that the Kathmandu Declaration is not a complete failure, there is clear disappointment over the other two agreements.

Officials said the final draft Kathmandu Declaration was still being ironed out, and may incorporate some of the discussions on the role of observers and agricultural initiatives such as a seed bank and a food bank. India's proposal that SAARC summits should be held at least once every two years has also been accepted.

Speaking to *The Hindu*, Pakistan's Foreign Affairs Adviser Sartaj Aziz would only say, "It is incorrect to say Pakistan is blocking the agreements, we are simply asking for more time." Asked if there was still hope of Mr. Sharif agreeing to sign the drafts while in Nepal,

Mr. Aziz said: "There is still one more day of the summit. A lot can happen."

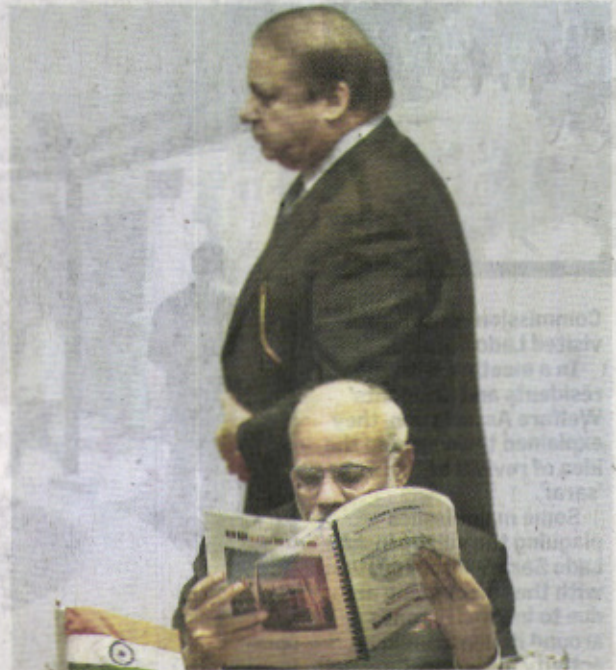
Nepal Prime Minister Sushil Koirala told *The Hindu* that he was still "very hopeful" of an agreement when the leaders went into a retreat on Thursday.

Confirming the differences with Pakistan, Nepal's Foreign Ministry spokesperson Khagnath Adhikar said, "Pa-

Officials hopeful of consensus during leaders' retreat

kistan has said that it needs more time on internal preparations." Pakistani officials said objections to the motor vehicle and railway agreements had come from the truckers and transporters associations in Pakistan, and the government had to clear their doubts before clearing the agreements.

"Other SAARC leaders spoke to Prime Minister Modi about the situation," said External Affairs Ministry spokesperson Syed Akbaruddin, "They are worried that it doesn't augur well for SAARC if these agreements don't go through, as even the previous SAARC at Addu had seen several agreements signed."



COLD VIBES: Prime Minister Narendra Modi and his Pakistani counterpart, Nawaz Sharif, did not greet each other at the SAARC Summit in Kathmandu on Wednesday. — PHOTO: PTI

Pain of 26/11 remains: Modi

Suhasini Haidar

KATHMANDU: Prime Minister Narendra Modi recalled the 26/11 terror attack in Mumbai during his SAARC speech, calling on all countries in the region to keep their pledge to "combat terrorism." Mr. Modi made no reference to the slow pace of the trial in Pakistan, which India has raised bilaterally.

"As we remember the horror

of the terror attack in Mumbai in 2008, we feel the endless pain of lost lives," said the Prime Minister.

"Let us work together to fulfil the pledge we have taken to combat terrorism and transnational crimes."

Afghanistan President Ashraf Ghani made a strong reference to terrorism, criticising "state actors who use non-state actors as a terror tool."

Hindustan Times

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Page: 01/15

Oppn corners govt on black money in House

HT Correspondent

■ letters@hindustantimes.com

NEW DELHI: A united opposition Wednesday launched into the government in both the Houses of Parliament, accusing it of failing to fulfil its poll promise of bringing back all the black money stashed abroad within 100 days of coming to power.

Braving the opposition onslaught, finance minister Arun Jaitley told the Rajya Sabha that 427 people on a list of 627 names provided by HSBC, Geneva had been identified and of them, 250 had admitted to having overseas accounts. Almost the entire opposition, however, walked out, saying they were "disappointed" with the reply.

Tackling black money was part of the BJP's manifesto for the summer's Lok Sabha election that saw it being voted to power six months ago. The government has already submitted to the Supreme Court, which is hearing a matter on black money, the HSBC list.

"The country was misled and a perception was created.



■ Jaitley vs Sharma in RS

They said ₹15 lakh will come to every one's account. Now, the government has taken a 360 degree turn," deputy leader of the Congress in Rajya Sabha Anand Sharma said, initiating the debate.

Hitting out at Prime Minister Narendra Modi, Sharma said, "In all his election rallies, the Prime Minister said ₹85 lakh crore was in banks abroad. Now, the Prime Minister says he does not know how much black money is there."

Though there are no official figures of the illicit money, unofficial estimates range from \$460 billion to more than \$1.4 trillion.

ELECTRICITY FOR ALL

Government draws up action plan to kickstart power projects

HT Correspondent

■ letters@hindustantimes.com

NEW DELHI: With the aim of ensuring adequate power supply at affordable costs, power and coal minister Piyush Goyal said on Wednesday that a detailed action plan has been drawn to avert power outages and blackouts and kick start the huge power capacity that is currently lying blocked in various coal and gas based stranded power projects in the country.

"I have taken a comprehensive review of the power sector and will ensure adequate power supply at affordable costs," Goyal told a media conference in the capital.

Goyal also met oil minister Dharmendra Pradhan and discussed ways to make power tariff from gas based power plants affordable by pooling the prices



■ Goyal: powering growth

of domestic gas and imported LNG. He said discussions were also on with finance ministry to seek support of banks in reviving stranded power projects.

Government officials revealed that during the meeting Goyal and Pradhan have finalised the contours of a plan to revive over 100,000 mega watt of power capacity that is currently lying stranded in various power plants.

A financial aid package has also been worked for the consideration of the finance ministry to make tariff affordable from these projects.

Officials said that in order to provide a new lease of life to stranded projects, the power ministry has requested the finance ministry to ask RBI to extend the repayment schedule for power developers from the present 10 years to 25 years.

"Gas-based power plants are facing survival issues and the two ministers (Goyal and Pradhan) have sought support of finance ministry by demanding a relief package from RBI for such plants.... The central bank will direct banks to co-operate with developers and take steps to ensure that these projects are revived at the earliest," a senior power ministry official said.

Saving credit

Rajan makes the right points, now to act on them

RBI Governor Raghuram Rajan got it completely right when, while talking of how large borrowers were taking advantage of the inefficiencies in the system to not repay banks, he said this free ride was at the expense of both the banks as well as other borrowers. Had borrowers been more conscientious, the cost of loans would have been lower for everyone. Instead, with lenders pencilling in risks for non-payments and defaults, loan rates are higher than they should be—as Rajan pointed out, loans to the power sector are priced at 13.7% even though the policy rate is just 8%, implying a high credit risk premium of 5.7%. While promoters may have behaved with impunity, with political backing in most cases, it is also true that banks needed to be more circumspect while disbursing credit; many of the accounts that have ended up in the CDR (corporate debt restructuring) cell might not have needed to be there had banks been more diligent while assessing risk. Some of the sums lent, in absolute amounts, are disproportionate to the turnover and profits of the companies.

Indeed, RBI itself needed to have tightened prudential norms for bank exposures to groups and individuals—to match global standards—several years ago. While it is easy to say that banks could still have restricted loans to certain groups even while RBI allowed higher exposure levels, the fact is PSU bank chiefs are susceptible to political pressure. Which is why, had RBI lowered prudential limits, bankers could have used this as a legitimate shield against political pressure. Also, in the past the central bank has agreed to forbearance for certain stressed assets—Air India, for example. Making exceptions is not a good idea, even if the assets belong to the government. In the past, RBI also allowed a restructured asset to be classified as a standard asset, an attempt to camouflage an NPA (non-performing asset) as a good one. As the Governor pointed out, nobody is fooled by this, and the market believes most restructured loans are NPAs. This, of course, will change from next April when a restructured loan will have to be classified as an NPA. Meanwhile, the Governor has ruled out forbearance while promising lenders a little flexibility on restructuring. While RBI is now beginning to do its bit, bankers must insist on more guarantees and collateral, and must not hesitate to declare a borrower a wilful defaulter; indeed, one would have expected many more promoters to have been classified wilful defaulters after Vijay Mallya. It is true the judicial system is unhelpful making recoveries slow and small, and hopefully the government will act on Rajan's suggestions including the shortage of appellate tribunals for debt recovery. But with an RBI Governor who bats for them, this is the time for banks to work towards cleaning up the system.