



PART A: News pertaining to Planning Commission



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and Communication, IT & Information Division

[Note : Now the Daily Digest is divided into two parts: Part A contains News pertaining to Planning Commission and Part B contains general News and Views]

1. The Financial Express 11th September 2014

Fixing India's government

Steps to replace Planning Commission lack clarity. Start with the value chain of government decision-making

In my last column, I suggested that no replacement for the Planning Commission (PC) is needed, and that its functions could be spread among other existing government institutions. What has transpired in the last few days illustrates the problems in India's governance structures, ones that a "think tank" will not fix. The main relevant event has been the firing of the head of the Independent Evaluation Office (IEO), which will likely now be wound up, after a short existence. Apparently, the Prime Minister's Office had been questioning the need for an IEO when an older Programme Evaluation Organisation (PEO) already existed under the PC. Meanwhile, and probably not coincidentally, a committee of government secretaries had recommended strengthening the PEO.

The ironies and absurdities of these developments are obvious. The PEO has been relatively ineffective, and the secretaries who want to strengthen it (and presumably scrap the IEO) may simply want to reassert bureaucratic control. The politicians in the ministries may also be happy to have one less body looking over their shoulders, as they shovel money to purposes and programmes that may or may not be the right ones, or well-designed, or well-implemented. One battle for accountability in government will have been lost.

In a column last year "Making government work", (*FE*, July 26, 2013, goo.gl/YcTmBU), I highlighted some relatively simple structural reforms for bureaucratic decision-making, as well as the importance of pushing untied funds

down to the state and local level for spending that might be better subject to accountability through citizens in their roles as voters. The demise of the PC still leaves the latter possibility as a strong hope. But killing the IEO leads me to reopen the question of whether a replacement for the PC is needed, and what it should look like. In my view, this discussion has lacked clarity and focus, even from those who have touted replacements.

Start with the value chain of government decision-making. First there is strategic envisioning and goal-setting. Then there is the detailed process of translating the vision and goals in feasible action plans with the right budgets. Third is implementation, and finally there is evaluation of the results of the spending and actions. This may sound like planning, but it is just as descriptive of processes of business strategy. In the Indian government, all four of these steps are currently weak. The possible new think tank, as described by several people, including the former head of the IEO, would tackle the first step, presumably giving the Prime Minister and Cabinet intellectual inputs

NIRVIKAR
SINGH

A think tank might point out priorities for formulating programmes and calculate their financial parameters and social returns, but the actual work has to be done in the ministries

for exercising authority, which the think tank itself would lack. Interestingly, India has been churning out National Policies on manufacturing, water, education, empowerment of women, urban street vendors, and anything else one can think of. Presumably a strategic think tank would envision issues at a higher level, in a more coordinated and integrated manner.

Setting aside the likelihood of creating a brand new body with the intellectual heft to make a valuable contribution, if one considers the second step, this is something that the line ministries have to do, and the finance ministry has to monitor and coordinate. A think tank might provide starting points and priorities for choosing projects and programmes, formulating them and calculating their financial parameters and social returns, but the work has to be done in the ministries, perhaps with

some outsourcing to experts outside government. The third step, implementation, also has to be done by the line ministries, but now they have to oversee efforts that may involve hundreds or thousands of people over whom they have little or no direct control. This is a

problem which has nothing to do with whether or not there is a PC or a think tank, but recognising it is important for programme design.

The fourth step, monitoring and evaluation of outcomes, will presumably be done by a strengthened PEO, where one aspect of strengthening is to give the PEO sufficient independence or autonomy. The work of the PEO has to feed back into all the three prior phases of government decision-making, so that implementation and design are improved, and reality checks are provided for grand visions. Perhaps a think tank would also be able to consider the PEO's outputs in an integrated manner, so that, for example, sanitation, nutrition, health and education are understood as part of an interlocking system for development.

The point of this exercise in deconstruction is to make it clear that (1) a think tank would do only a part of what the PC did, (2) to be effective it would need other steps in the chain to be strengthened, and (3) even then it might run the risk of stretching beyond its capabilities. A final important point is that the possible role of a think tank would not look very much like China's National Development and Reform Commission (NDRC). Even a cursory review of the NDRC's goals and its practices suggests that the organisation's scope is far beyond what a new think tank might do. So in thinking about replacing the PC, China is not the place to look for institutional design.

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CREATING JOBS

India must reform labour laws or face an employment crisis in the coming years

The World Bank has warned of a jobs crisis in the G20 countries. There are over half a billion people in G20 nations who are either unemployed or are working poor which means their wages are below \$2 per day. The World Bank study says that nearly 600 million new jobs need to be created by 2030, just to keep up with population growth in these countries. In this backdrop, India's latest job creation figures are a cause for concern. In Q4FY14, fewer than 36,000 jobs were created in eight key sectors—the number of regular jobs, in fact, declined by 60,000 from the previous quarter while a little over 24,000 temporary jobs were created.

Given the Union government is focused on giving manufacturing a fillip which, in turn, is likely to boost employment, there is reason to expect the jobs data to improve in the coming quarters. But to ensure this, the government must reform outdated labour laws so that employers are not apprehensive of hiring more workers because of the attendant regulatory burden—something that the state governments must also recognise given labour is a concurrent subject. The Centre, for its part, has announced a single-window digital platform to ease compliance with at least 16 of the Central labour laws. This significantly curtails the 'inspector raj' that these laws have propped up—annually, nearly 1.75 lakh inspections are carried out, with the decision to undertake one being entirely at the discretion of the labour officials. Employers can now annually upload all compliance-related data on a new website while companies are selected for inspection in a random computerised method. As for the states, Rajasthan, as this newspaper has pointed out before, has made the right start in reforming the Factories Act, the Industrial Disputes Act, the Apprentices Act, and the Contract Labour Act. It is time that other states caught up, given how a recent McKinsey report pointed out that states with flexible labour laws had a higher proportion of workers in the organised sector (35.3%) in 2010 than those that didn't (23.2%).

3. The National Development Policy Commission

What should replace the Planning Commission?

Shankar Acharya/ Business Standard 11/09/2014

Shankar Acharya September 10, 2014 Last Updated at 21:50 IST

A Piece of my mind



Ever since the prime minister announced the demise of the Planning Commission (PC) from the ramparts of the Red Fort last month, the commentariat has been busy speculating about and pronouncing on the shape of the of the new institution to take its place. I feel duty-bound to offer some thoughts. My focus will be entirely on the new body, not on the erstwhile PC. All I will say on the latter is that I am broadly sympathetic to the fairly widespread view (see, for example, C Rangarajan in *The*

Hindu of August 28, 2014) that the PC's roles of financial resource allocation, project appraisal/evaluation and acting as a secretariat to the National Development Council can, and should be, transferred to other organs of the government, such as ministries and the Finance Commission. Its role of preparing medium-term blueprints (plans) for national economic and social development needs to be seriously recast before inclusion in the mandate of the successor institution.

So what should the new institution do? How should it be staffed? How should it be empowered? What should it be called?

Functions

Much of the commentary thus far has assumed that the new body should be some sort of government "think tank" or "think tank plus". Well, yes, may ... except the connotation of "think tank" to many people is of a research organisation primarily charged with undertaking basic or applied research, with the latter sometimes feeding into policy. My discomfort with this is that government organs in India too often dismiss think tanks (and their output) as "academic", in the sense of not practically useful. I believe the intention here is much more about having a *policy-focused organisation*, which is charged with advising government (initially central, later including states that seek advice) on key policies of national economic and social development. Of course, to be credible and useful such policy advice has to be analytically sound, research-based and cognizant of the real political economy. It should be backed by a good deal of "creative thinking", to use the prime minister's phrase.

It would be unrealistic to expect the new institution to be able to credibly advise on all big issues

in national development right away. Where should it start? My suggestion would be to initially build analytical/advisory capacity in four or five key priority areas indicated below.

International economic analysis: We live in a fast-changing world, where shifts in economic power, trade, technology and capital flows are often quite swift, with serious implications for India's development potential, possibilities, constraints and policies. Yet no single place in the current government structure is well-equipped to assess these developments, draw out the implications for India and advise on appropriate national policy. The new institution is the right home.

Employment and labour markets: Creating many more half-decent jobs for the 10 million plus new entrants to the labour force each year must surely constitute the primary development challenge for India today. Labour-using economic development is the surest path to more "inclusion" in our society, a path we have yet to find. The new institution should accord primary attention to understanding the primary constraints to employment-intensive development in today's India and then propagate the policy reforms required to lift these constraints.

Energy and environment: As we know from a daily reading of newspapers, India faces major and complex issues in energy production, pricing, demand management, coordination/planning across sub-sectors (coal, hydro, oil and gas, nuclear, electricity, and solar and other non-conventional sources) and the associated issues relating to environmental impact and conservation. These issues need sustained, high-quality analysis to yield good policies to develop the country's varied energy supplies to meet the growing demand.

Transport and communication: Similarly, the domain of transport and communication development cuts across various sectors (such as railways, roads, ports, shipping, inland waterways, air transport, telecommunication and information technology) and ministerial responsibilities. Here, too, medium- and long-range forward thinking is critical to develop the right kind of development strategies and to foster appropriate regulatory and policy frameworks. As in the case of energy/environment, this set of issues needs urgent and continuous analytical attention, which the new institution should aim to provide.

Water, sanitation and public health: Issues of water scarcity and mismanagement are becoming serious constraints to both rural and urban development. Water is linked to many things, including the long festering problems of inadequate sanitation and sewerage, which are at last receiving serious attention, especially since they are closely linked to basic issues of public health. Again, because of the cross-sectoral (and cross-ministerial) nature of these problems, the new institution would do well to focus on this area early in its evolution.

What about a name?

Names are important. Here's by suggestion: National Development Policy Commission (NDPC). That should make clear that the new institution is national, it's about development, and, crucially, it's about actual government *policy* ... that it's not just a think tank producing research

papers only a few read. Of course, a name is no guarantee of a vibrant and effective future.

Organisation and staffing

If the new NDPC is to get off to a good start, two things are absolutely essential. It must have strong prime ministerial support, and it must be equipped with high-quality staff. As in the case of the erstwhile PC, the prime minister should chair the NDPC, with a well-empowered, Cabinet-level deputy, who really runs the institution. Will that be enough to ensure that the rest of the government pays attention to the policy papers and advice offered by the NDPC, especially in the absence of the PC's allocative functions? That is an open question. There are ways of increasing the chances for getting governmental attention: such as by requiring Cabinet discussion and decision on the policy papers prepared by the NDPC; or by requiring that all Cabinet notes in the NDPC's designated (and gradually evolving) areas of focus/expertise should only reach the Cabinet after inclusion of the NDPC's comments.

The effectiveness of the NDPC will depend crucially on the quality of its policy advice. And the best chance of ensuring high-quality advice is to staff the organisation with high-quality people, whether economists, technologists or various domain experts. Ergo, the NDPC must have highly flexible recruitment rules, which allow engagement of high-quality analysts for several years or a few months as required. Their number need not be large. It must also have a generous consultancy/research budget that allows it to readily farm out necessary, specialised studies to existing think tanks and non-government experts. It must not become a convenient parking spot for various "surplus" government cadres.

Beyond all this, the NDPC's success (or failure) will depend on luck and the unknowable trajectory of events and people that actually make history.

The author is honorary professor at ICRIER and former chief economic adviser to the government. These views are his own

4. Monitoring and Accountability Panel to replace Planning Commission

10 Sep 2014, 03:09 PM [Jagran Post Editorial](#) | Last Updated: 10 Sep 2014, 06:53 PM

New Delhi: Narendra Modi-led National Democratic Alliance (NDA) government at the Centre may come up with Monitoring and Accountability panel to replace over 50-year-old Planning Commission.



Narendra Modi

The new body, which will take the place of Soviet-era institution, will closely monitor all the centrally-sponsored schemes and make several ministries accountable in the Parliament on the basis of its report.

According to sources, the government is busy in giving finishing touches to the Monitoring and Accountability Commission. The number of employees of this new body is expected to be lesser than that of Planning Commission.

It will also keep a tab on the annual target of different ministries and present its report in the Parliament. This will ensure accountability of the ministries.

During his Independence Day speech on 15th August, Prime Minister Narendra Modi, speaking from the ramparts of Red Fort said that a new institute will soon replace Planning Commission. He also said that the proposed institution should be able to meet demands and requirements of 21st century India and also underline the role of each and every state in this process.

However, the role of states is not yet clear in the proposed institution. On 19th August, Narendra Modi also sought suggestions from the people regarding the new body.

HIGHLIGHTS

Monitoring and Accountability Panel to replace Planning Commission

Monitoring and Accountability Panel to monitor centrally-sponsored schemes

New body to make ministries accountable in the Parliament on basis of its report

New body to have lesser number of staff

Monitoring and Accountability Panel to keep tab on annual target of ministries

Modi announced to replace Planning Commission with new body
PM heads Planning Commission

Term of 12th Five Year Plan is from FY 2012-13 to FY 2016-17

Besides, on the direction of Prime Minister's Office (PMO), Planning Commission Secretary Sindhushri Khullar called a meeting of experts to discuss shape of new institution.

Planning Commission was founded in 1950 and it has drafted 12 Five-Year Plans so far. It is headed by the Prime Minister. The term of the 12th Five Year Plan is from FY 2012-13 to FY 2016-17.

It needs to be mentioned here that the Planning Commission's role has been criticized by several states in the recent times and one of the prominent leaders to express reservation is Tamil Nadu Chief Minister J Jayalithaa, who questioned the credibility of the 64-year old body.

Besides, Modi himself in capacity of Gujarat Chief Minister sounded skeptical of the Planning Commission's modus operandi.

Apart from that, Programme Evaluation Office also batted for scrapping of Planning Commission.

5. Govt. to reconstitute wildlife board

Meena Menon

The Hindu 11/09/2014

Decision follows apex court's stay on decisions of standing committee

The government has decided to reconstitute the National Board for Wildlife (NBWL) after the Supreme Court stayed decisions of its newly constituted standing committee in August for violating provisions of the Wildlife Protection Act.

Official sources on Thursday confirmed that the Board was being reconstituted and a notification would be issued on Thursday. While names of the nominees were not divulged, it is understood that the new committee is in keeping with the legal provisions of the Wildlife Protection Act which prescribes 10 non-official members and five independent NGOs and representatives from 10 States or Union Territories.

The Supreme Court on August 25 had in response to a petition put on hold the over 100 proposals approved by a truncated standing committee of the Board notified on July 22 which had only two non-official members and one government organisation on board, apart from a representative only from Andhra Pradesh. The government did not constitute a full fledged Board.

The apex court while staying the August 12 decisions of the standing committee, said they were not in consonance with section 5 A the Wildlife Act, 1972. The Bench directed that none of the orders passed by the standing committee would be given effect to until the next date of hearing after two weeks from August 25. The order came in response to a petition filed by Pune resident Chandra Bhal Singh.

6. Indian economy poised to grow at 5.6 per cent in 2014: UNCTAD

PTI

The Hindu 11/09/2014

The Indian economy will grow at a rate of 5.6 per cent in 2014 while developing economies as a whole will see between 4.5 and 5 per cent rise in economic expansion, a report by the United Nations Conference on Trade and Development (UNCTAD) said on Wednesday.

The UNCTAD Trade and Development report 2015 forecasts that developing economies as a whole are likely to repeat the performance of previous years, growing at between 4.5 and 5 per cent. It forecasts China's economy to grow by 7.5 per cent in 2014.

Improved performance of mining, manufacturing and services sector pushed India's economic growth rate to two-and-a-half- year high of 5.7 per cent in the April-June quarter.

Speaking at the report launch, Jawaharlal Nehru University Professor and economist Jayati Ghosh, however, said expectations might need to be tempered.

"This recent (domestic GDP) growth that everyone is getting excited about it, that there is possibility for 7 or 8 (per cent), yes it is possible but what are we seeing so far, we are seeing another bubble being generated," Ms. Ghosh said.

"It is not growth based on sustained foundations and the bubble will again be associated with construction, house prices and the like rather than sustained demand of basic needs, basic infrastructure and so on. "So, I am a little wary of this recent recovery.

" I don't think that a recovery based on these is a sustainable one and I think it would leave us with bigger problems in future," she added.

Expressing concern over power sector issues, Ms. Ghosh said, "There are at least 16 and I think possibly 25 major power investments that are half complete, and are possibly never to be completed, all of which have taken public sector loans which are paid for finally by all of our money and which are never going to repay."

The UNCTAD report forecasts that growth will exceed 5.5 per cent in Asian and sub-Saharan countries, but will remain subdued at around 2 per cent in North Africa and Latin America and the Caribbean. Meanwhile, transition economies are expected to further dip to around 1 per cent, from an already weak performance in 2013.

7. What to make or break of PC?

The Kashmir Times: 10.09.2014

Editorial

The entire debate on the re-structuring of Planning Commission of India is mired in controversy. The present debate on the making or breaking of the **Planning Commission** of India (PC) has been shown to be open by seeking suggestions from the public and experts on the issue and its functioning and the mandate it should enjoy so far as centre-state relations on development programmes are concerned. What to make and what not to is the moot question in the minds of the people concerned with governance of finances that mark the devolution of funds to the states from the centre. Now that the exchequer is the contribution from hard-earned money of the poor people and the elected governments are custodians of this resource, the question arises how to devolve the funds for the larger benefit of populace, which is the sole stakeholder of the money and its distribution. The new regime that has taken over the reins of power, more than a hundred days ago, at the centre has embarked on a new path that is seeking to exercise its full control in a centralised system on planning and development process of the country. The cautious approach adopted by the experts and all those believing in devolution of funds to states, which enjoy some sort of autonomy in allocation of funds as per their individual needs, is for the fear of losing the entire planning process to a centralised authority that is in the making. This is the reason that the new regime likely to replace the PCI is becoming opaque and PMO will not only be influencing the planning process but also exercising full authority on its working in the days to come. All the suggestions invited for its re-structuring are likely to be dumped in the dustbin before the formation of the new body is announced by the authoritarian government that wants to rule the roost as per its whims and fancies while making it appear that everything is right for its people.

The announcements of Prime Minister's Jan Dhan Yojna (PMJDY) after the Independence Day speech is a pointer towards the allocation of funds in their own way without caring for creation of a provision in the annual budget that was presented to the Parliament to which everybody in the government is accountable. Never in the past, such announcements have been made without making any provision in the budget in the first instance and making the entire process accountable to the people's parliament. It is a different issue that PC had evolved as an institution with checks and balances in place so that the devolution of funds from the central body takes place with planning process coming up from the states and making their needs felt at

the centre. Moreover, the PC was expected to function as an institution which it failed to do and also failed to discharge its functions the way it should have. Only experts and those believing in decentralised system of governance would be mourning the death of such an institution which was in place for over seven decades after independence of the country. It is yet to be seen what will be the future of the country when the people will be handed down a regime where there will be air of inevitability without a vision in the name of improving economics of the nation. There will be many questions when nobody will be in a position to challenge the development vision of the regime that thinks in terms of planning land mass in the age of Special Economic Zone (SEZ). The regime will push through environmental clearances for the projects taken over by the corporate world for creating another occasion to make quick buck in the process at the cost of poor people. Another ring of new corporate world is being woven around the people, who labour hard for the country and get poorer and lose everything they possess in the process.

8. India needs USD 4.7 trillion investment over next 5 years for 7% growth - CII study

Business Standard: 10.09.2014

In a projection of investment requirement in the Indian economy over the next five years (2014/15 to 2018/19) for achieving an average growth of 7 per cent per annum, the Confederation of Indian Industry (CII) has estimated the figure at Rs. 280 lakh crore (USD 4.7 trillion), which is nearly double the value of Rs. 139 lakh crore (USD 2.9 trillion) that was invested in the last 5 years.

CII study titled 'Investment Requirements in India: 2014/15 to 2018/19', has also estimated sectoral investment targets. Monetary, fiscal, trade and other relevant policies could be realigned to help the economy mobilize the required investment, according to the study.

Mr. Chandrajit Banerjee, Director General, CII said the study aims at estimating the future investment requirements of the economy, charting out a roadmap for investment across sectors and identifying the possible sources of funding so as to help in aligning our policies to meet the target in a time-bound manner.

CII projects an average growth of 6.3 per cent for the industrial sector over the next 5 years, up from 5.2 per cent in previous corresponding period, for which a cumulative investment of Rs 146 lakh crore is required. Of this, Rs 98 lakh crore is to be invested in manufacturing alone, which is understandable from the fact that the sector needs to accelerate its growth and create mass employment to absorb the rapidly growing population of job seekers, either displaced from agriculture or the result of growing population.

High growth of manufacturing is also critical for sustaining elevated growth of services sector as witnessed in the last several years. Services sector in the study is projected to grow at an average of nearly 8 per cent per annum, roughly the same as in the previous 5 years period and it requires an investment of Rs. 98 lakh crore. If manufacturing sector is able to meet the desired investment target, it should automatically lead to greater attractiveness of services sector. Having said that, there is also a vast unexploited potential in areas such as health, education,

trade, financial services and tourism, where appropriate policy interventions can make a big difference, stated Mr. Banerjee.

Agriculture sector, which continues to be heavily dependent on rain for irrigation and has recorded abysmally low productivity when benchmarked against international standards, is desired to expand by an average growth of 4 per cent per annum over the next 5 years, requiring a total investment of Rs. 36 lakh crore.

Meeting the target of agriculture sector is perhaps the most critical from the perspective of maintaining macro balance of the economy. In recent years, we have seen how food inflation has not only affected the vulnerable sections of population in the country but has also resulted in a tighter monetary policy, thus lowering the overall economic growth. In order to usher in modernization in agriculture sector and accelerate its productivity growth, it is critical that policies are geared up to make the sector much more attractive for private sector investment, stated Mr. Banerjee.

CII expects infrastructure investment to go up from around Rs 24 lakh crore (USD 500 billion) in XI plan period to Rs. 64.3 lakh crore (USD 1071 billion) during 2014/15- 2018/19 period. The figure is comparable to the Planning Commission's estimate of around USD 1.0 trillion during the 12th plan period. Investment in infrastructure is estimated to average 7.7 per cent of GDP over the next five years, up from 7.2 per cent recorded during the XI plan period.

The CII study suggests that around 40 per cent of the total investment in infrastructure should come from private sector, which is lower than 48 per cent prescribed by the Planning Commission for the 12th plan period. Commenting on the need for greater investment from public sector, Mr. Banerjee said that the private sector continues to face multifarious challenges in infrastructure and even PPP has failed to produce desired results, making the task of raising nearly half of investment from private sector, as envisaged in the 12th plan document, quite difficult in the present milieu.

He added that among the various possible sources of public sector funding, it may be worthwhile to look at options like disinvestments, utilising the reserves & surplus of Central PSUs, disposing off the assets of sick PSUs among others.

9. PM Wants State Pointsmen in Each Ministry

11 Sep 2014 Economic Times

Modi has stressed on increasing cooperation with states, responding to their issues faster

Once an issue is raised by a state, these officers would be responsible for follow up at the Centre

Dheeraj.Tiwari@ timesgroup.com New Delhi: Prime Minister Narendra Modi has directed all the central ministries to designate a nodal officer to deal with issues raised by chief ministers and respond quickly to correspondence received from them. The move is in line with the prime minister's stress on increasing cooperation with the states and involving them more in wider decision making. "The idea is to streamline the system of communication. If there are any issues pending with different ministries, such nodal officers will be coordinating for a speedy resolution," said a government official aware of the development. Treating issues raised by states sensitively and swiftly has been one of Prime Minister Modi's top mantras for governance, enunciated right from his first meeting with officials in the PMO on May 28. Modi is the first former chief minister to become prime minister of India since 1991, when PV Narasimha Rao, a former Andhra Pradesh chief minister, took on the country's top job.

"India's progress lies in the progress of states and this would strengthen our federal structure," Modi had told PMO officials in his first meeting after taking over.

In a directive to all ministries, the PMO has sought early action on naming such officers, who would be the point-persons for issues that states flag with the Centre. Once an issue is raised by a state, these officers would be responsible for following up on requisite actions within their respective ministries and keep the state abreast of developments. "The government is committed to work closely with the states and this is one of the many steps that are being worked out to strengthen such mechanism," said the official quoted earlier. In his Independence Day speech, Modi had acknowledged that state governments have been at the centre of India's development, adding that the country's federal structure is more important today than in the last 60 years.

The prime minister in his speech had noted that to further strengthen the federal structure and make it more vibrant, the present structure of Centre-state coordination through Planning Commission needs rejuvenation. "To take our federal structure as a heritage of development, a team of chief minister and prime minister should be there, a joint team of the Centre and the states should move forward," he had said.

Outlining the vision of the Modi government, President Pranab Mukherjee in his address to Parliament had said that the government will reinvigorate fora such as the National Development Council and the Inter-State Council in order to actively engage with the states on national issues.

PART B

NEWS AND VIEWS

Thursday, 11th September 2014

Polity

: UP police chargesheets Amit Shah for 'objectionable' campaign speech in April

Economy

: Indian economy poised to grow at 5.6 per cent in 2014: UNCTAD

Planning

: Govt to change wage norms in MGNREGS

Editorial

: Filth in free flow

Communication, IT & Information Division
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Central Ministries allowed to clear projects up to ₹1,000 crore

Move to expedite clearances

OUR BUREAU

New Delhi, September 10

In a move that will hasten decision making, the Centre on Wednesday empowered Central Ministries and Departments to clear projects up to ₹1,000 crore by themselves.

Earlier, the limit was ₹300 crore. The Government has raised the limit by amending the Transaction of Business Rules for the Cabinet Committee on Economic Affairs.

The move will help dispel the impression about centralisation of power within the Government. Prime Minister Narendra Modi's critics have often alleged that the Prime Minister likes to involve him-

self in all decisions, thus delaying projects. The amendment now stipulates that the Cabinet Committee on Economic Affairs (CCEA) will consider investment proposals worth more than ₹1,000 crore, including those recommended by the Public Investment Board/Expenditure Finance Committee/Expanded Board of the Railway or any other appraisal fora/committee. The exception will be cases where separate thresholds have been laid down by the Cabinet Committee or any other competent authority.

The revision will help minis-

tries such as Road Transport and Highways and those implementing social sector schemes, where investments are huge and require quick decisions. Several road projects involve investments of less than ₹1,000 crore but get delayed due to the multi-layered decision mechanism. This has been pointed out both by Finance Minister Arun Jaitley and Road Minister Nitin Gadkari. In his Budget speech on July 10, Jaitley said: "The sector (road sector) had taken shape from 1998-2004 under NDA-I. The sector again needs a huge amount of invest-

ment along with de-bottlenecking from a maze of clearances."

On the same day, Gadkari had said that he was moving a proposal to allow expenditure of up to ₹1,000 crore at the ministry-level without having to take additional approvals. He also said that he had proposed flexibility in awarding projects on either public-private partnerships or an engineering procurement contract basis.

The Government aims to award contracts for 8,500 km of roads during the current fiscal year, besides completing construction of 6,300 km.

CUTTING RED TAPE

Central Ministries to clear projects up to ₹1,000 crore

Earlier limit for investment approvals was ₹300 crore

CCEA will consider proposals worth over ₹1,000 crore

Several projects, especially roads, expected to get faster clearance

UP police chargesheets Amit Shah for 'objectionable' campaign speech in April

Allegedly violated the Model Code of Conduct

PRESS TRUST OF INDIA

Muzaffarnagar, September 10

BJP President Amit Shah was chargesheeted on Wednesday by the police for allegedly violating the Model Code of Conduct by delivering an "objectionable" speech during campaigning for the Lok Sabha elections in Uttar Pradesh.

The chargesheet was filed against Shah in a court here for allegedly seeking votes on the grounds of religion, race, caste and community.

The Deputy SP of New Mandi Circle, Yogender Singh, said the chargesheet has been filed under various sections of IPC, including 153A (promoting enmity between different groups on grounds of religion,



BJP President Amit Shah

race, place of birth, etc.), 295A (deliberate and malicious acts, intended to outrage religious feelings of any class) and 505 (false statement, rumour, etc, circulated with intent to cause mutiny or offence against the public peace), and Section 123-3 of Representation of People Act (making an appeal to vote on

the grounds of religion amounting to corrupt practice).

Violation of model code

Police had registered a case against Shah for allegedly violating the model code following a direction from the Election Commission, which had also banned him from cam-

paigning in the State on April 4, 2014.

The FIR was lodged against Shah in New Mandi police station by a district official and the case was handed over to Sub-Inspector BL Shah for investigation.

Major controversy

Shah had landed in a major controversy for allegedly saying that the 2014 Lok Sabha polls were an opportunity to seek "revenge for the insult" inflicted during the riots in Muzaffarnagar in Uttar Pradesh last year.

Taking note of the "revenge" remark by Shah, the EC had issued a notice to him for prima facie violation of the model code. Shah had denied having violated the model code and asked EC to reconsider its notice to him claiming that the remarks were not recorded in the right perspective. The ban on him was later lifted.

Police

Indian economy poised to grow at 5.6 per cent in 2014: UNCTAD

NEW DELHI: The Indian economy will grow at a rate of 5.6 per cent in 2014 while developing economies as a whole will see between 4.5 and 5 per cent rise in economic expansion, a report by the United Nations Conference on Trade and Development (UNCTAD) said on Wednesday.

The UNCTAD Trade and Development report 2015 forecasts that developing economies as a whole are likely to repeat the performance of previous years, grow-

ing at between 4.5 and 5 per cent. It forecasts China's economy to grow by 7.5 per cent in 2014.

Improved performance of mining, manufacturing and services sector pushed India's economic growth rate to two-and-a-half-year high of 5.7 per cent in the April-June quarter.

Speaking at the report launch, Jawaharlal Nehru University Professor and economist Jayati Ghosh, however, said expectations

might need to be tempered.

"This recent (domestic GDP) growth that everyone is getting excited about it, that there is possibility for 7 or 8 (per cent), yes it is possible but what are we seeing so far, we are seeing another bubble being generated," Ms. Ghosh said.

"It is not growth based on sustained foundations and the bubble will again be associated with construction, house prices and the like rather than sustained de-

mand of basic needs, basic infrastructure and so on. "So, I am a little wary of this recent recovery.

"I don't think that a recovery based on these is a sustainable one and I think it would leave us with bigger problems in future," she added.

Expressing concern over power sector issues, Ms. Ghosh said, "There are at least 16 and I think possibly 25 major power investments that are half complete, and are possibly never to be completed, all of which have taken public sector loans which are paid for finally by all of our money and which are never going to repay."

The UNCTAD report forecasts that growth will exceed 5.5 per cent in Asian and sub-Saharan countries, but will remain subdued at around 2 per cent in North Africa and Latin America and the Caribbean. Meanwhile, transition economies are expected to further dip to around 1 per cent, from an already weak performance in 2013. — PTI

Economic prospects brighten: Moody's

NEW DELHI: Moody's, on Wednesday, said the downside risks to the economy had receded and prospects had brightened with growth rate expected to accelerate to 5.2 per cent in 2014 and 6.5 per cent by the end of 2015.

"With risks receding and most sectors expanding, our 2014 forecast calls for 5.2

per cent GDP growth ... Will accelerate towards 6.5 per cent by the end of 2015," Moody's Analytics said in a report titled India outlook: prospects brighten.

It said downside risks had receded around the external sector and fiscal deficit, but inflation remained elevated.

India's economic growth accelerated to 5.7 per cent

in the April-June quarter, much better than 4.7 per cent in the same quarter of previous fiscal.

Observing that Prime Minister Narendra Modi's first 100 days in office had been relatively uneventful, Moody's said he had an opportunity to lift the economy's long-term trajectory.

Govt to change wage norms in MGNREGS

Subodh Ghildiyal
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New Delhi: The Centre may retain the 20-point preference for employment over material cost for a bulk of work under the job guarantee scheme despite saying that the lopsided weightage for wages was behind MGNREGS's (Mahatma Gandhi National Rural Employment Guarantee Scheme) failure to create durable assets.

The rural development ministry has announced that the mandatory 60:40 wage to material ratio would be changed to 51:49 to allow higher spending on construction material like cement etc for creation of durable assets. The BJP government has been critical that MGNREGS had become



CHANGING EQUATIONS: The rural development ministry has announced that the mandatory 60:40 wage to material ratio would be changed to 51:49 to allow higher spending on construction material like cement for creation of durable assets

a ditch-digging scheme with the high outflow of funds showing little for output. The scheme has been allocated Rs 33,000 crore for 2013-14. But according to sources in the ministry, the

alteration could hurt the objective of the job scheme — employment. A higher expenditure on material would come at the cost of jobs offered for a work undertaken.

Given the sensitivity of the issue, the 60:40 ratio could be retained at the gram panchayat level. The works done in the villages are wage-oriented and low on expertise.

In contrast, sources said, the altered ratio that puts wages and material almost at par could be used at the district level. Here, agencies other than gram panchayats take up works which are based on expertise like construction and conservation.

Departments like agriculture, irrigation, PWD, sericulture and land resources are involved in roads and water conservation among other works.

"We feel such an approach would keep the sanctity of the objective behind MGNREGS while also leading to quality assets at the

level where they matter," an official said. This approach, still under discussion, means the bid to pare down the employment budget in favour of raw material used under MGNREGS could be limited in terms of funds and works. According to the Act, 50% of the works under the scheme have to be taken up at the gram panchayat level.

The proposed change in the wage-material ratio has left another ticklish issue to be resolved. Given that the demand for jobs must be fulfilled, any increase in spending on material would shrink the money available for wages at the current level of jobs sought, resulting in the need for higher budgetary allocation. Sources said the financial implications may require a nod from the finance ministry.

Over 60,000 applications from states pending with the mines ministry

PMO calls for prompt decisions on mining leases, to take monthly stock

PRIYADARSHI SIDDHANTA
NEW DELHI, SEPTEMBER 10

THE Prime Minister's Office has asked the mines ministry to process mineral lease applications sent by state governments in a "transparent and prompt" manner. There are currently over 60,000 applications pending with the mines ministry.

Principal secretary to the Prime Minister, Nripendra Misra, has written to mines secretary Anup Pujari on the imperative to expedite processing of applications in keeping with the government's larger aim of kick-starting the developmental process in infrastructure and manufacturing.

In a letter on September 3, Misra has also asked Pujari to "furnish monthly updates on actions taken by the mines ministry to revive legal and re-

LEGAL & RESPONSIBLE OPERATIONS



IN A letter to the mines secretary, principal secretary to the PM has called for monthly updates on actions taken towards reviving legal and responsible mining

THE MB SHAH Commission of Enquiry had pegged the losses to states due to illegal mining at ₹1 lakh crore

KARNATAKA TOPS the list of states with pending applications followed by Rajasthan, Andhra Pradesh and Madhya Pradesh

sponsible mining".

The suggestions follow the observations of the MB Shah Commission of Enquiry into illegal mining in Goa and Orissa that pegged the losses to the state exchequer at close to Rs 1 lakh crore.

The PMO has advised the mines secretary to intensify

consultations with the concerned states and "work out a corrective action plan for transparent approval of mining leases and their renewal".

The PMO is concerned that 63,393 mineral concession applications are pending with the governments of Karnataka, Andhra Pradesh, Ra-

jasthan, Chhattisgarh, Goa, Gujarat, Jharkhand, Madhya Pradesh, Maharashtra, Orissa and Tamil Nadu.

As per the existing rules, there are provisions for disposal of Reconnaissance Permits within six months; Prospecting Licences within nine months and execute Mining Leases applications within 12 months.

According to a presentation prepared by the mines ministry, Karnataka tops the list of the states with 19,497 pending applications followed by Rajasthan with 13,893 applications, Andhra Pradesh with 7,691, Madhya Pradesh with 4,680 and Jharkhand with 4,517 applications.

The mines ministry had asked the state governments on August 22 to process applications for concessions only for notified areas. Pujari has conveyed to the

states that all applications received from them for approving leases in non-notified areas will not be entertained and returned.

The government is unable to usher in comprehensive mining reforms as the legislation drafted for the purpose has lapsed with the dissolution of the previous Lok Sabha.

The Mines and Mineral (Development and Regulation) Bill 2011 envisaged auctioning mineral resources and ensuring seamless transition of mineral concessions.

The Bill, however, lapsed on the dissolution of the previous Lok Sabha. In view of the illegal mining in Karnataka, the Supreme Court had banned mining in the state in 2011. Iron ore output slid to 145.48 MT 2013-14 from 218.65 MT in 2009-10, which have drastically lowered the availability of the mineral.

Govt okays coastal shipping norms

New Delhi, Sept 10: To decongest railways and road transport, the government on Wednesday approved new guidelines that will promote coastal shipping.

The country's 12 major ports have been told to earmark exclusive berths and green channel for coastal cargo to promote the sector.

The ministry of shipping has issued new guidelines under which these ports will have to give priority berthing to dry bulk or general cargo coastal vessels irrespective of the origin and final destination of the cargo, an official statement said.

These 12 ports are: Mumbai, Jawaharlal Nehru Port



Trust, Kolkata (with Haldia), Chennai, Visakhapatnam, Cochin, Paradip, New Mangalore, Mormugao, Ennore, Tuticorin and Kandla.

The guidelines, approved by shipping minister Nitin Gadkari, also provide for

concessional port charges whether the vessel is berthed on priority basis or on normal basis. The guidelines are aimed at promoting coastal shipping to reduce pressure on rail and road transport systems, the statement said.

Gadkari, who took charge of the ministry along with the ministry of road transport and highways on May 29, had said that to save on fuel cost and promote water transport the government may allow transport of vehicles through sea.

The 12 major ports handle approximately 61% of the country's total cargo traffic besides about 200 non-major ports. Ennore Port, near Chennai, has already seen export of 4.49 lakh automobile units till December 2013, including by automobile manufacturers such as Nissan, Ford and Ashok Leyland from Chennai, Toyota from Bangalore and Honda from Delhi. PTI

STREAMLINING COMMUNICATION

PM Wants State Pointsmen in Each Ministry

Modi has stressed on increasing cooperation with states, responding to their issues faster

Dheeraj.Tiwari@timesgroup.com

New Delhi: Prime Minister Narendra Modi has directed all the central ministries to designate a nodal officer to deal with issues raised by chief ministers and respond quickly to correspondence received from them. The move is in line with the prime minister's stress on increasing cooperation with the states and involving them more in wider decision making.

"The idea is to streamline the system of communication. If there are any issues pending with different ministries, such nodal officers will be coordinating for a speedy resolution," said a government official aware of the development.

Treating issues raised by states sensitively and swiftly has been one of Prime Minister Modi's top mantras for governance, enunciated right from his first meeting with officials in the PMO on May 28.

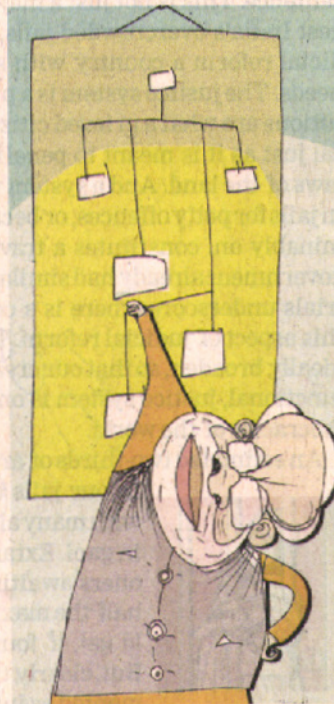
Modi is the first former chief minister to become prime minister of India since 1991, when PV Narasimha Rao, a former Andhra Pradesh chief minister, took on the country's top job.

"India's progress lies in the progress of states and this would strengthen our federal structure," Modi had told PMO officials in his first meeting after taking over.

In a directive to all ministries, the PMO has sought early action on naming such officers, who would be the point-persons for issues that states flag with the Centre. Once an issue is raised by a state, these officers would be responsible for following up on requisite actions within their respective ministries and keep the state abreast of developments.

"The government is committed to work closely with the states and this is one of the many steps that are being worked out to strengthen such mechanism," said the official quoted earlier.

In his Independence Day speech,



ANIRBAN BORA

Modi had acknowledged that state governments have been at the centre of India's development, adding that the country's federal structure is more important today than in the last 60 years.

The prime minister in his speech had noted that to further strengthen the federal structure and make it more vibrant, the present structure of Centre-state coordination through Planning Commission

Once an issue is raised by a state, these officers would be responsible for follow up at the Centre

needs rejuvenation.

"To take our federal structure as a heritage of development, a team of chief minister and prime minister should be there, a joint team of the Centre and the states should move forward," he had said.

Outlining the vision of the Modi government, President Pranab Mukherjee in his address to Parliament had said that the government will reinvigorate fora such as the National Development Council and the Inter-State Council in order to actively engage with the states on national issues.

Govt Approves Fifth Phase of Aadhaar Enrollment in 4 States

The UID scheme now extends to the four states of Uttar Pradesh, Bihar, Chhattisgarh and Uttarakhand

Our Bureau

New Delhi: The government has approved the fifth phase of Aadhaar enrollment, taking the Unique Identification (UID) scheme to the four states of Uttar Pradesh, Bihar, Chhattisgarh and Uttarakhand.

The decision was taken at a meeting of the Cabinet Committee on Economic Affairs (CCEA). There had been some doubts about the future of the Aadhaar scheme under the new government. "With this, the Unique Identification Authority of India (UIDAI) has been given the target of generation of 100 crore Aadhaars by 2015," the government said in a statement after the meeting.

As of now 67.38 crore Aadhaar numbers have been generated by the UIDAI after the process started in August 2010.

The total expenditure incurred by UIDAI since inception is ₹4,906 crore as of August 31, the government said in the statement.

The union cabinet also reviewed the progress of the government's ambitious financial inclusion scheme, the

Reaching More Individuals

100 crore

Target set for UIDAI for generating Aadhaar cards by 2015

67.38 crore

Aadhaar numbers generated by UIDAI since August 2010

₹4,906 crore

Total expenditure incurred by UIDAI since inception as of August 31, 2014



Other Cabinet Approvals

CCEA approves ₹287.67 cr for payment of statutory dues & salaries of 11 loss-making state-run cos

Approves an additional liquid bulk terminal at Jawaharlal Nehru Port Trust at an estimated total cost of ₹2,496 crore

Cabinet also reviews the progress of the Pradhan Mantri Jan Dhan Yojana, which seeks to cover about 7.5 crore unbanked households in the country

Pradhan Mantri Jan Dhan Yojana (PMJDY). "The cabinet reviewed progress and was told that so far three crore accounts have been

opened," said a government official, requesting anonymity.

Last month, Prime Minister Narendra Modi had launched PMJDY, which seeks to cover about 7.5 crore unbanked households in the country. Modi shortened the time for achieving the target to six months, urging the finance ministry to complete the task by January 26, 2015.

CCEA also approved ₹287.67 crore for payment of statutory dues and salaries of 11 loss-making, state-run companies. These include Hindustan Cables, HMT Machine Tools and Nagaland Pulp and Paper Co. and Hindustan Photo Films.

The committee approved an additional liquid bulk terminal at Jawaharlal Nehru Port Trust (JNPT) at an estimated total cost of Rs 2,496 crore.

"The project will be taken up for implementation under the public private partnership (PPP) mode on design, build, finance, operate and transfer basis," an official statement said.

The entire investment of ₹2,496 crore on the project will be made by the concessionaire.

First farmers' market out of APMC coming up in Delhi

Being set up by Small Farmers' Agri-Business Consortium; likely to start operations by Nov

RAJESH BHAYANI
Mumbai, 10 September

The country's first wholesale centre (mandi) for trading in fruit and vegetables outside the jurisdiction of an Agriculture Produce Marketing Committee (APMC) is coming up at Alipur in north Delhi.

The aim is to begin operations by the end of November.

The city government had earlier notified the removal of fruit and vegetables from the list of APMC products. This allows legal trade in these outside an APMC, under the law. This first such mandi, termed a 'kisan mandi', is being set up by the Small Farmers' Agri-Business Consortium (SFAC), a body under the Union ministry of agriculture.

"We have chosen NCDEX Spot, a spot exchange set up by the National Commodity & Derivatives Exchange, as a service partner which will help in



Maharashtra, Bihar, Tamil Nadu and Madhya Pradesh are other places where such markets are possible. PHOTO: REUTERS

backward and forward linkages," said Pravesh Sharma, managing director of SFAC. "Under this project, we will bring consumers and farmers together. Trading will be based on samples and

SFAC will ensure quality and quantity to bulk consumers, while guaranteeing payment to farmers."

For retail consumers, fruit and vegetables from here would be sold

through mobile vans.

A few months earlier, SFAC had invited bids in this regard. Six companies participated. These included NCDEX Spot, Basix and Reuters Market Light. NCDEX Spot's chief executive, Rajesh Sinha, said: "We are tying up with farmers groups and also contacting bulk buyers like food processors, hotels and retail chains."

With sale from here, the mark-up for retail consumers from what the farmer gets is expected to halve. Farmers, said Sinha, would also be able to send commodities directly from their farm or warehouse to a consumer's site. The growers would also be able to get 15-20 per cent more, he said, since middlemen would be absent.

Maharashtra, Bihar, Tamil Nadu and Madhya Pradesh are other places where such mandis are possible — they either do not have APMCs or have delisted fruit and vegetables from their APMC law.

NHAI to offer six packages for Eastern Peripheral Expressway

MANSI TANEJA
New Delhi, 10 September

To promote competition and thereby hasten projects, the National Highways Authority of India (NHAI) plans to split the Eastern Peripheral project expressway into six packages. This is part of a larger strategy under which two more expressways are likely to be bid out in a similar way.

NHAI has floated three separate bids of shorter stretches for the Eastern Peripheral, which is likely to cover 135 km between Sonapat in Haryana to Palwal in Uttar Pradesh, bypassing Delhi. "Offer for qualification for the three packages has been made. The three packages would be further broken into three," said an official. Beside splitting the Eastern Peripheral Expressway worth ₹3,500-4,000 crore into six, the Delhi-Meerut Expre-

HITTING THE ROAD

- NHAI to restructure Expressway projects to promote competition & fast-track execution of projects
- Delhi-Meerut Expressway, for around 70 km, likely to be bid out in three phases as elevated stretch
- Eastern Peripheral

ssway worth ₹6,500 crore might be split into three, the official added. Due to land acquisition issues, NHAI was also considering making the Delhi-Meerut Expressway (about 70 km) an elevated stretch.

In order to deal with declining interest from private players to participate in the build, operate and transfer (BOT) mode, the government is increasingly

Expressway, around 135 km, to be bid out in six smaller stretches, bids already out as three parts

- Vadodara-Mumbai Expressway, around 540 km, also to be bid out in three stretches, feasibility study going on currently

shifting towards an EPC (engineering, procurement and construction) mode, wherein the government funds the project. BOT requires a private-sector developer to raise and invest money for the construction of roads at its own risk, while NHAI acquires land for the project.

This will be the second time the Delhi-Meerut Expressway and Eastern Peripheral would

be coming up for bidding. This is time, it's on the EPC mode.

Besides, a feasibility study on Vadodara-Mumbai Expressway for 540 km has also started.

"Efforts are on to put this project on bids in three phases. The first phase is expected to be bid out this financial year," said the official cited above.

The project is estimated to cost ₹8,000-10,000 crore. The process for restructuring as many as 25-30 projects, which have been stuck due to various reasons, has already started in NHAI. Many road projects are stalled by developers running short of cash and the government has recently allowed some developers to reschedule the payment of premiums.

Premiums are rescheduled when developers cannot service their debt, operating expenditure or pay NHAI.

Floods a reminder of climate change impact

VIBHA SHARMA
TRIBUNE NEWS SERVICE

NEW DELHI, SEPTEMBER 10

Environmentalists have termed the Jammu and Kashmir disaster as a "grim reminder of increasing impact of climate change in India" and warned of more such extreme rainfall events in the years to come.

Pointing towards the recent extreme events to impact the country — Uttarakhand flash floods (2013), Leh cloudburst (2010) and Mumbai floods (2005) — to substantiate their argument, they are now asking the government to "accept" the reality portrayed by climate change models and start planning accordingly.

And as was the case with

Monsoon not changing pattern: Expert

- D Sivananda Pai, head of the Pune-based Long Range Forecasting Division of the IMD, disagrees with the observation that the Indian monsoon system might be changing pattern due to reasons such as climate change
- He says the monsoon pattern has not changed, but humans have started monitoring it more closely

some of the previous extreme rainfall events, the scale of disaster in Jammu and Kashmir has also been exacerbated by unplanned development, especially on the riverbanks, they add.

Director general of Centre for Science and Environment (CSE) Sunita Narain today urged the government to "discard its ostrich-like policy and get out of the denial mode".

"We will have to see the link-

ages between climate change and the events such as those unfolding in J&K. We will have to accept that climate change is going to affect us more and more in the future. We will, therefore, have to start preparing to adapt to the changing climate," she said.

Narain said India should start internalising climate change adaptation in all developmental policies and programme. "From building

of cities infrastructure to agriculture and from water supply to energy infrastructure, we will have to make changes to incorporate climate change impacts," she added.

According to environmental group, most climate models predict that India will be hit more and more by extreme rainfall events as the world continues to warm in the coming decade and the J&K event could very well be "another manifestation of an extreme weather event induced by a changing climate".

A study by B N Goswami of Pune-based Indian Institute of Tropical Meteorology talks of increase in heavy and very heavy rainfall events in India over the past 50-60 years.

THE STATESMAN

EDITORIAL

Filth in free flow

It must be noted that the Narendra Modi-spearheaded election campaign had promised development and good governance ~ not pristine politics. The jury is out on whether credible action has been initiated to attain the former, but none remain in doubt that any effort to promote the latter will have to come from the judiciary, Election Commission etc. Ideally good governance is rooted in clean politics, yet the NDA's political focus appears to be limited to extending electoral gains.

None of the "noble" pleas of the Prime Minister trickle down to his electoral machinery. Hopes that communal politics in UP will be stamped out now rest with the Election Commission, and that the mess over restoring popular rule in Delhi will be sorted out by the President ~ provided he makes bold to act independently ~ and the apex court.

After establishing itself as the ruling party the BJP was required to set the standard, it still regales in the brand of politicking that its critics say brought it to power. There may be vast differences in the games being played to install a BJP government in Delhi and Yogi Adityanath's "operations" ahead of by-polls in UP but there is a common objective ~ and that actually constitutes an obstacle to Mr Modi's attempt (if that is indeed the case) at a makeover from politician to statesman.

By taking the line that a presidential decision was awaited the Centre frustrated the Supreme Court's bid to end the political mess in the Capital which, in the ultimate analysis, only a fresh election can resolve. Without in any way endorsing the line taken by the AAP (Accusing-All Party), it is clear that unless underhand means are employed to rework the "numbers" no government can be formed. So the Lieutenant Governor's bid to install a government raises valid suspicions of a North Block game-plan: with the BJP playing ball.

Having taken a principled position in December, can the BJP now act differently? Is it already scared that the anti-incumbency factor would kick-in since Delhi's voters "think national"? Quite deflating for the Modi image. It could be damaged further during the "grace period" the Court has granted. More so if just across the inter-state line Yogi Adityanath's spewing poison is not thwarted by the Election Commission. How hollow has been rendered the plea from the Red Fort for a moratorium on communalism.

These may be two prominent instances, there are others, of political filth flowing freely even though the national mandate was authoritative. And that re-raises the basic question as to why the "authoritarian" Mr Modi does not step in on the side of propriety? Surely, unlike his predecessor, he is not subjected to remote-control.