Planning Commission
Government of India

PART A: News pertaining to Planning Commission

18.09.2014

Compiled by:

S. Wadhawan, ALIO **and** **Communication, IT & Information Division**
Mrs. Varsha Satija, SLIA
Planning Commission Library

[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. View from the right

The Indian Express: 18.09.2014

Mind Your Scotland

Taking exception to the British parliament’s debate on **Jammu** and Kashmir, the Organiser says that the move showed some people in the UK still have a colonial mindset. “It also underlines that British democracy too is also grappling with vote-bank **politics** like **India**, where headcounts are **more** important than democratic values.” The timing of the debate is intersting, because J&K is facing unprecedented floods and the UK is “engulfed in panic with Scotland voting on [the] referendum.” The editorial argues the selection of issues in the petition shows the intent because it “conveniently twists the issue to support the separatist voices from Pakistan.” It questions why the petition is not talking about the people of Jammu and Ladakh, whose basic human rights have been denied for long. “Contrary to the democratic rights and developmental avenues provided in Jammu and Kashmir, the people of Pakistan occupied Kashmir (PoK) are in a miserable state… Not bringing these issues in… means supporting human rights violations…”

The **editorial** emphasises that Article 370 is marked in the Constitution as a “temporary and transitional” provision, which India’s Parliament can do away with through due constitutional procedure. It says David Ward, the British MP who proposed the petition, is known for his “notorious comments” supporting Hamas, for which his Liberal Democratic party had served him a notice. Pointing out that Ward was just catering to his constituency, in which there are three million members of the Indian and Pakistani communities, it says: “It is unfortunate that the British parliament is succumbing to his pressure and is meddling with the internal affairs of India.” It advises British parliamentarians: “While India is busy rehabilitating flood-hit J&K, [the] UK is dealing with the referendum in Scotland. Therefore, it is better that the UK manages its own affairs while allowing India to manage its own.”

Plan Think-tank

With **Prime Minister Narendra Modi** all set to disband the **Planning Commission**, an article in the Organiser proposes a think-tank whose members can be appointed by a collegium chaired by the leader of the opposition and including a minister, a Supreme Court judge and the heads of professional associations, such as the Indian Economic Association and the Institute of Chartered Accountants of India. The article says that the new body can have four members from the social sector, industry and academy, and the rest could be from the government. The PM may head the panel, with states having a major say. The five year plan could be replaced by a vision document.

Criticising the Planning Commission, the article written by Bharat Jhunjhunwala says the panel had mostly been staffed by “non-thinking” persons: “IAS officials mostly behave like robots and change their tune according to [the] whims of the reigning minister… They are trained mostly to follow instructions; not to think. Their thinking, if at all, is like the horse’s vision, limited by the flaps put in place by the ministers. Such thinking can scarcely help make a roadmap for the country, which essentially requires a critical assessment of past actions and the experiences of other countries." The writer says the think-tank should not be made accountable to the government but to a board of directors chaired by the PM.

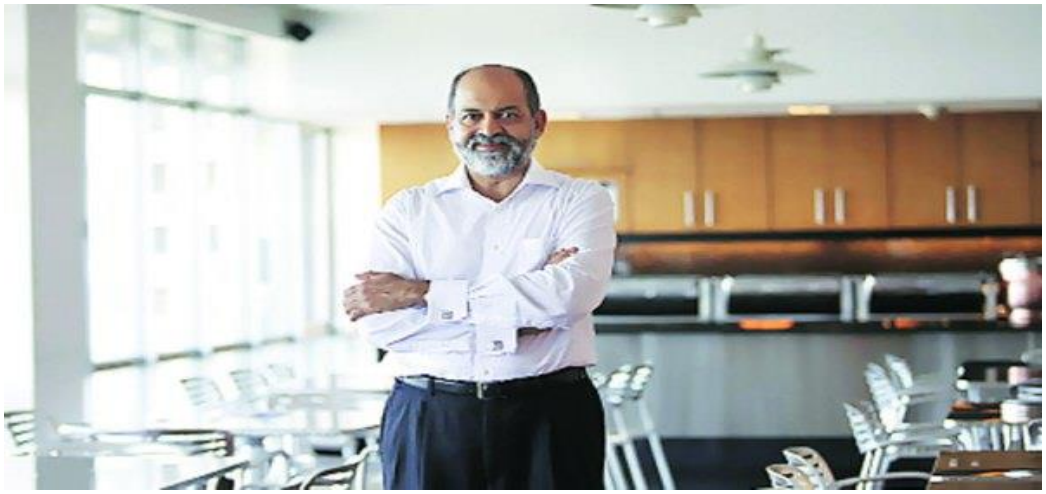
Missing Separatists

Chief Minister Omar Abdullah's government and the erstwhile UPA did not pay heed to flood warnings — that there could be widespread devastation due to heavy rain in Srinagar — says the Panchjanya editorial: "Wasn't it the responsibility of the twitter chief [Abdullah] and the fist-fighting lawmakers to take the warning seriously?" The editorial also asks whether those sympathising with the flood-hit had the same feelings towards the victims of the cloud burst in Leh and the collapse of the bridge over the Tawi river in Jammu.

When these tragedies struck, only the Indian armed forces and NDRF and RSS volunteers emerged as the saviours of the people of Jammu and Kashmir, it claims: "We wonder if the Hurriyat leaders and their families are safe. Where are those indulging in the 'Friday-game' against the Indian army…? Have they [separatists] stepped out of their homes even to console the victims? But they often visit the Pakistan high commission at the drop of a hat."

2. Former McKinsey India chief is Modi govt's first corporate recruit

The Indian Express: 18.09.2014


Narendra Modi has appointed former McKinsey India chairman Adil Zainulbhai as the chief of the Quality Council of India (QCI). (Source: PTI Photo)

Written by Surabhi | New Delhi | Posted: September 17, 2014 9:53 pm | Updated: September 18, 2014 4:13 am

In the first major lateral hire by the NDA government, Prime Minister Narendra Modi has appointed former McKinsey India chairman Adil Zainulbhai as the chief of the Quality Council of India (QCI). His appointment comes at a time when Modi has announced his vision of making India a global manufacturing hub with international standards in production and quality, an area where the QCI is expected to play a key role. Zainulbhai's appointment for a three-year term, which, according to sources was done by the Prime Minister, marks the first such hiring from the private sector by the NDA government. The UPA government had earlier roped in a number of experts from the private sector, including former TCS chief S Ramadorai and HDFC Chairman Deepak Parekh, in advisory roles to help in policy making.

"The QCI has done a very good job of establishing quality benchmarks in India. But in order to fulfil the nation's plan and create more manufacturing in India, or as the PM said 'Make in India', we will have to do more to imbibe the quality culture in Indian manufacturing," Zainulbhai told The Indian Express.

Zainulbhai, who is currently serving as a senior adviser with McKinsey India, is also on the boards of Reliance Industries, the American India Foundation, Saifee Hospital, Saifee Burhani Upliftment Trust, Network 18 as well as on the advisory board of Indian Institute of Technology, Bombay.

According to sources, in keeping with the Prime Minister's vision of turning India into a global manufacturing hub, the QCI is expected to focus on creating further quality benchmarks in the sector and will also expand its focus to look at more service sectors.

Zainulbhai succeeds former Planning Commission member Arun Maira as the full-time chief of QCI. Maira's term ended in late 2013, after which the DIPP Secretary served as the officiating chairman.

Established in 1997, the QCI is a non-profit autonomous body jointly set up by the Department of Industrial Policy and Promotion and the three industry chambers — Associated Chambers of Commerce and Industry of India (Assocham), Confederation of Indian Industry (CII) and Federation of Indian Chambers of Commerce and Industry (FICCI) — to establish and implement the national accreditation structure and promote quality through National Quality Campaign.

Since inception, the council has been led by India Inc heads, including former Tata Group chairman Ratan Tata and TVS Motors CMD Venu Srinivasan.

The government is also understood to have appointed R P Singh, IGNOU regional director, as Secretary-General of the QCI. According to sources, the governing council of the QCI, which has 38 members including industry representatives as well as government ministries, is expected to meet soon to discuss its new role and responsibilities. Apart from manufacturing, the QCI also works in areas of healthcare, skill development and education.

3. PlanComm seeks annual plan proposals from states, UTs

Business Standard:18.09.2014

Planning Commission has sought proposal from states and union territories regarding their annual Plan for the current fiscal to enable the Centre to release funds for implementation.

The Commission has also asked the governments of states and union territories to closely monitor the implementation of the Plan programmes to achieve physical targets and ensure effective delivery of the schemes.

"...Requesting for proposals for an Annual Plan for 2014-15 for your state," said a letter written by Planning Secretary to Chief Secretaries of states.

The Commission, according to sources, has sought early response on the proposals as it would be become difficult for states to spend the allocated amount as per the expenditure guidelines of the Centre.

The guidelines provide that states cannot spend more than 33 per cent of the total allocated amount in the last quarter and 15 per cent in the last month of a financial year.

As per earlier practice, the annual Plans of states and UTs were decided after meeting concerned Chief Ministers with the Deputy Chairman of the Commission.

However, as the Commission has not been constituted, the exercise of the finalisation of annual Plans is being completed by officials of the Plan panel.

The Union Budget 2014-15 after the elections has pegged the Plan expenditure at Rs 5.75 lakh crore for the current fiscal. The Plan expenditure includes total central assistance for state and union territory Plans of Rs 3.38 lakh crore.

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In case of the special category states, the letter said that special Plan assistance would be examined by the officer concerned in the Commission after the information is uploaded on the CAS-MIS portal.

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The application has been developed with the objective to make web enabled automation of various processes and workflow involved in disbursement of Central Assistance which includes Additional Central Assistance and Special Plan Assistance from Ministry of Finance to various state.

The system has a three tier structure, involving processes at state level, Planning Commission and Ministry of Finance.

4. ‘Modi’fied Plan Panel

PP Sangal , Business Line: 18.09.2014

That’s fine, but what’s the alternative?

Prime Minister Narendra Modi has rightly decided to infuse innovative thinking into the development process and replace the Planning Commission with a suitably reformed body.

This thinking is based mainly on three considerations. First, many think the Commission is a hurdle in quick decision making. Second, it encroaches upon the autonomy of States in spending funds allotted to them, which is against the federal system. Third, and the most important, reason is that the Plan Panel should mostly work as a “Think Tank” — an advisory body.

Few would disagree on these. However, the Government must be very clear on what it exactly wants to do.

The Chinese model

It appears that the new panel is being modelled on the National Development and Reforms Commission (NRDC) of China. The NDRC is also responsible for processing and providing economic information/statistics to its provincial governments and central departments.

In India, a similar role is already being performed by the Ministry of Statistics and Programme Implementation (MSPI). The Central Statistical Organisation (CSO) under MSPI collects, collates and analyses information and provides it to all ministries, States, foreign missions and several other organisations.

This is in addition to the CSO’s two important functions of preparing National Accounts and Industrial Statistics reports. The MSPI also performs the function of project implementation and monitoring.

The question is whether the new panel will also perform the functions of MSPI. If it will, the MSPI will have a restricted role. There is need for clarity on this before the new panel’s scope is decided.

In the proposed set-up, the allocation of funds to States and Central ministries is sought to be made by the Ministry of Finance (MoF), instead of the Planning Commission.

It raises a question, does the finance ministry have the necessary expertise to scrutinise the schemes of States and Central ministries like the Plan Panel?

Certainly not. It means that the Ministry of Finance needs to be strengthened with subject matter experts. Does it really not mean that, we are adding to the existing strength of the finance ministry?

And, if the current crop of experts with the Planning Commission were to join the MoF for this role, that would run the risk of old thinking persisting, defeating the very purpose of reforming the Plan Panel.

Expert issues

Earlier, plans were being prepared by the Commission in consultation with the States and Central ministries. Under the new dispensation, it is not yet clear who would perform this function.

Also, who would carry out mid-term appraisal of plan implementation — MoF? Does it have the competent staff?

We also have to take a call on the future of the Programme Evaluation Organisation and some divisions of the Planning Commission. Would they be pruned or, in part, shifted to MoF?

The National Development Council (headed by the Prime Minister, chief ministers, Central cabinet ministers and advisors to the Plan Panel as its members) is responsible for approving our national development agenda.

It would thus be appropriate to organise a meeting of the NDC, before taking any decision on replacing the Commission with a new body.

If these precautions are not taken, the new body will be just old wine in a new bottle.

The writer is a former director of the CSO

5. Nitin Desai: Planning Commission Mark II

Business Standard; 18.09.2014

If in 2017 yet another five-year Plan has to be formulated, then the new institution will not be very different from the present Planning Commission

The government's decision to wind up the Planning Commission and replace it with another institution has led to a spate of suggestions in this paper and elsewhere. So many and so diverse are these suggestions that the Prime Minister's Office (PMO) will probably end up ignoring most of them and doing what the prime minister has had in mind for years. Despite this apprehension of futility, let me, as a veteran of the old Planning Commission, add my bucketful to this flood.

A change in the structure of the Planning Commission is not possible without a change in the process and content of the Plan. If in 2017 yet another five-year Plan has to be formulated on the same lines as earlier Plans, then the new institution will not be very different from the present Planning Commission, with perhaps some operational entities like the Aadhaar authority being shifted out. Hence, a radical restructuring of the Planning Commission will require an equally radical restructuring of what it does.

The case for change in planning rests on the changed environment for development. The Commission and the planning methodology it follows was set up at a time when, for ideological and practical reasons, development policy involved large-scale investment in public-sector projects for infrastructure and industry. Even agriculture and the social services required investments and institution building by the public sector. The Commission was akin to a corporate strategy department that sought to plan and coordinate these investments in the context of a long-term perspective of the economy. Again, for ideological and practical reasons this perspective focused on self-reliance as a key goal that translated into an import-substitution strategy, with poverty eradication being added explicitly later.

Today, the Indian economy is very different. Both the ideological and practical constraints on development are a world away from the ethos of the Nehru era. The economy is more open with a rising trade ratio, and large inward and outward flows of investment. The private sector has expanded far beyond the limited confines within which it operated in the 1950s and 1960s, and even the public-sector companies are getting integrated into the capital market and the market economy. The instrumentalities of policy are different with the big bang liberalisation of the 1990s and the dependence on public-private partnerships (PPPs) for infrastructure growth. Public spending has shifted sharply towards subsidy-oriented anti-poverty programmes and social services, where the locus of action is in the states.

In an open and liberalised economy, planning can be useful both for public policy and for private-investment planning. But it has to be different from the target-setting frameworks that have been the staple diet so far. It should involve:

• Medium- and long-term assessment of strengths, weaknesses, opportunities and threats to development, and innovative suggestions for addressing these;

• Integrative strategies for issues that cut across ministerial responsibilities;

• Consistent frameworks for PPP agreements across infrastructure sectors;

• Evaluation of actual outcomes against accepted goals of poverty eradication, regional balance, self-reliance, global competitiveness, etc, and needed course corrections.

The focus should be on specific issues rather than general-purpose economy-wide perspective planning, for example: • Implications of the rise of China as a key player in global trade, investment and technology transfer;

• The impact of declining United States interest in West Asian oil on prices, availability and security of supply;

• Integrative energy and transport policies that look beyond investment planning to coherent price regimes for a competitive market;

• Investment and municipal reform to cope with rising pace of urbanisation and industrialisation;

• Implications of development trends for environment and resource conservation;

• Region-specific implications for employment, education, health, skill development of varying demographic trends - a younger population in some parts and an ageing population in others.

Studies of the type listed above can be done by the many think tanks that exist today. The value of a governmental body doing this can only come from its proximity to decision making, more particularly to the PMO. Hence, the new secretariat should be structured around the cross-sectoral divisions in the present Commission (but with fresh expertise added) and be headed by a national development advisor located, like the national security advisor, in the PMO. It should serve as the secretariat for a revitalised National Development Council, which already exists and is chaired by the prime minister and includes Union Cabinet ministers and chief ministers.

The national development advisor should be assisted in his or her task of advising the government and managing the new secretariat by a national development advisory board (NDAB), with non-official members including economists, social scientists, development activists - some full-time, but mostly part-time - to advise on medium- and long-term development.

The NDAB should be the vehicle through which the government structures it's dialogue with business associations, trade unions, academics and civil-society groups on development issues. Its studies should be widely available, as they are meant to influence private decisions as much as public policy.

Should these studies include a macroeconomic frame of projected growth rates, investment rates and so on? Perhaps yes, because if we don't do it, the projections of the World Bank and others will grow in influence. But this macroframe should not be treated as setting targets but as an intelligence estimate to guide public and private decisions.

A structure on these lines cannot take on any role in resource allocation either at the Centre or between the Centre and the states. Yet someone, somewhere has to take on this task. Centre-state financial transfers should take place largely within the parameters set by the Finance Commission, whose remit can be broadened to include predictable development requirements. Conditional transfers through centrally sponsored schemes should be greatly reduced and transfers beyond those recommended by the Finance Commission should take the form of block grants based on the Gadgil-Mukherjee formula. The finance ministry can do the needful for allocations to central ministries as the distinction between Plan and non-Plan is quite tenuous with public-sector investment shifting out of the Budget.

Planning simply means thinking ahead, and that is useful however liberalised and market-oriented an economy may be. A national development secretariat designed as a think tank with privileged access to centres of power can serve this purpose not just for the public but also the private sector.

6. **The Asian Age**

18/09/2014

Plan panel seeks state, UT annual plan drafts

AGE CORRESPONDENT
NEW DELHI, SEPT. 17

As the Centre has to release funds for implementation of schemes, the existing Planning Commission has sought details of annual plan for the current financial year (2014-15) from states and Union Territories (UTs). It has also suggested states and UTs to closely monitor the implementation of schemes under plan budget to achieve physical targets and ensure their effective delivery.

"...Requesting for proposals for an Annual Plan for 2014-15 for your state," said a letter written by the secretary, planning to chief secretaries of the states.

The commission, according to sources, has sought early response on the proposals, as it would become difficult for states to spend the allocated amount as per the expenditure guidelines of the Centre. The guidelines provide that states cannot spend more than 33 per cent of the total allocated amount in the last quarter and 15 per cent in the last month of a financial year. As per earlier practice, the annual plans of states and UTs were decided after meeting concerned chief ministers with the deputy chairman of the plan panel. However, as the commission has not been re-constituted, the exercise of finalising annual plans is being completed by officials of the panel.

PART B

NEWS AND VIEWS

Thursday, 18th September 2014

Polity	: BJP top brass to decide Maha poll Strategy
Economy	: At 9.81%, non-food credit growth slowest in a decade
Planning	: PlanComm seeks annual plan Proposals from stats, UT
Editorial	: Lessons from a disaster

Communication, IT & Information Division
Phone # 2525

The Times Of India

Dated: 18.9.2014
Page No. 14

BJP top brass to decide Maha poll strategy

New Delhi/Mumbai: Amid hardening of stands by BJP and Shiv Sena over seat-sharing in Maharashtra, putting the alliance between the two parties on the rocks, the BJP top brass will hold crucial talks to evolve its strategy for the October 15 Assembly elections.

BJP president Amit Shah will be in Mumbai late on Wednesday night and the party leadership in the state will decide on whether to go it alone or climb down on its demand for seats as the Shiv Sena has refused to budge.

Top BJP leaders including Union transport minister Nitin Gadkari, party's general secretary in-charge of Maharashtra Rajiv Pratap Rudy and its election in-charge in the state Om Mathur, besides state party chief Devendra Fadnavis and leader of opposition in the state legislative council Vinod Tawde will meet Shah to brainstorm on the party's future strategy in the state.

There has been a deadlock over seat-sharing between the two parties for the 288-member state assembly elections slated next month, the notification for which will be issued on September 20 starting the election process in the state.

BJP has told Shiv Sena its intention to contest 135 seats and wants its ally also to contest an equal number of seats, leaving the remaining 18 seats for the three allies of the 'Mahayuti' (grand alliance) — RPI (A), Swabhimani Shetkari Sanghatna and Rashtriya Samaj Paksha. This demand has been rejected by Sena chief Uddhav Thackeray.

Sources say the question on "who will blink first" is being speculated. However, talks between BJP leaders and Shiv Sena continue and optimists in both parties are hopeful of "ironing out" the differences. PTI

PTI

WHO WILL BLINK FIRST?

The Financial Express

Date: 18/09/2014
Page No. 08

At 9.81%, non-food credit growth slowest in a decade

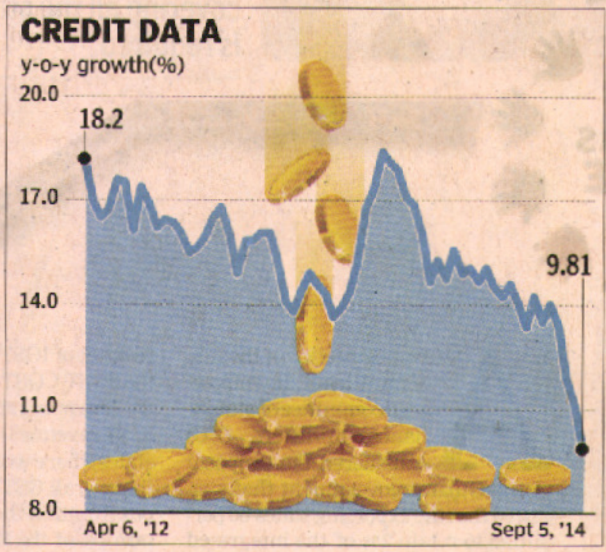
fe Bureau
Mumbai, Sept 17

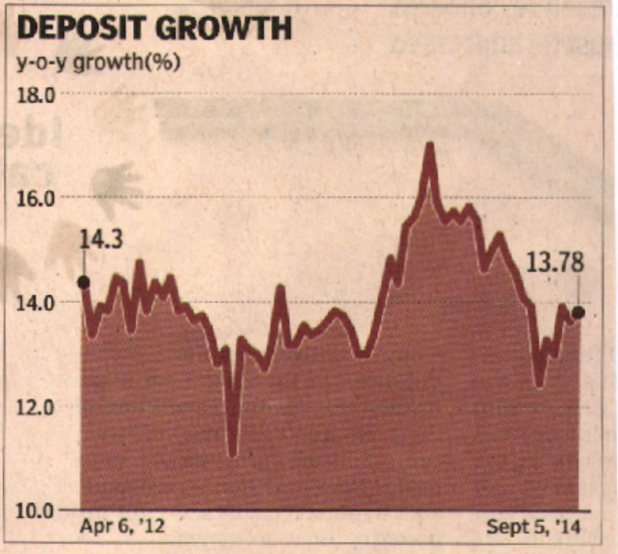
Non-food credit growth slumped to its lowest level in a decade, rising just 9.81% y-o-y to ₹60,36,568 crore for the fortnight ended September 5.

In the fortnight ended February 6, 2004, non-food credit had grown at 9.5%. Meanwhile, deposits grew 13.77% y-o-y to ₹81,32,714 crore. On Tuesday, State Bank of India dropped deposit rates for longer-term deposits by 25 bps. SBI chairman Arundhati Bhattacharya said demand for loans was muted while liquidity was ample. IDBI Bank CMD MS Raghavan said: "As we have been saying, growth is yet to pick up as projects that were cleared around two years back are now coming into action. However, we could see some positive signs at the fag end of the fiscal."

"Single-digit credit doesn't bode well for growth. The weak IIP data, coupled with a lower rise in wholesale inflation and credit growth number, suggest growth is increasingly becoming a bigger concern than inflation," said Sujan Hazra, chief economist, Anand Rathi.

Even growth in total credit was anaemic, growing just 9.7% to ₹61,40,925 crore in the fortnight under review. "Total credit growth of 9.7% y-o-y is the lowest since November 2009," Hazra added.





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Credit growth had earlier hit a high of 18.2% y-o-y in the fortnight ended September 18. Credit demand in 2013 had increased in August and September, as the RBI had taken extraordinary liquidity tightening measures in July to stem the slide of rupee, which had hit a lifetime low of ₹68.825 in August.

The tightening measures had pushed up interest rates on commercial papers (CP), making them costlier and, hence, companies looked at banks for their funding requirements.

Bankers, who were earlier expecting credit demand to pick up in the third quarter of FY15, now believe that growth would not be back before the last quarter of the current fiscal or the March quarter.

Deposits, meanwhile, grew 13.77% y-o-y to ₹81,32,714 crore. Time deposits grew 13.69% y-o-y to ₹73,86,712 crore, while demand deposits rose 14.64% to ₹7,46,002 crore.

The Pioneer

Date: 18/09/2014
Page No. 10

PlanComm seeks annual plan proposals from states, UT

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Business Standard

Date 18/09/2014
Page No. 04

Social schemes to be revamped

VRISHTI BENIWAL
New Delhi, 17 September

The government is planning a revamp of some social sector schemes. It has been proposed state-sponsored insurance and pension schemes be merged, the scope of skill development widened and gaps in the Mid-Day Meal Scheme plugged.

According to a draft Cabinet note circulated, the Rashtriya Swasthya Bima Yojana (RSBY), the Aam Aadmi Bima Yojana (AABY) and the Indira Gandhi National Old Age Pension Scheme (IGNOAPS) were sought to be merged. "This will reduce administrative costs. The revamped scheme will provide improved social security benefits in terms of life cover and health insurance," said a government official, requesting anonymity. "Some schemes with allocations of less than ₹100 crore might also be merged for effective delivery."

The AABY was launched in 2007 for rural households, in case of death or disability of the head of the family or its earning member. In the same year, the government launched IGNOAPS for all citizens aged more than 65 and living below the poverty line. In 2008, it introduced RSBY to provide health insurance to below-poverty-line families and various workers and labourers.

The govt is also planning to name schemes after eminent freedom fighters, social reformers and political leaders

The AABY, the IGNOAPS and the RSBY are administered by the finance ministry, the rural development ministry and labour ministry, respectively, which increases costs.

For 2014-15, the government has estimated an expenditure of ₹150 crore on the AABY, though no Budget provisions were made for the two other schemes.

Experts say the plan to merge different schemes is easier said than done. "The pension and insurance schemes cannot be merged because pension is given to everyone," said N C Saxena, former member of the Planning Commission. Changes are also being considered in the Mid-Day Meal Scheme, in terms of storage and serving conditions and supervision by teachers. The scheme provides free lunch to all school children.

"It should not be job of teachers to supervise the scheme," said the official quoted earlier.

The government is also planning to bring about a change to the scheme for skill development of minorities, adding a new component on artisans and traditional craftsman. The scheme is aimed at providing training and employment to youth from minority communities.

It has also been proposed the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) be revamped by including agricultural workers.

The government is considering using labourers employed under the job guarantee scheme to construct durable agriculture assets such as bunds, embankments and small irrigation projects in farmlands, during the non-sowing period.

In his Budget 2014-15 speech, Finance Minister Arun Jaitley had said under the MGNREGS, the government would provide self-employment opportunities in rural areas through works that were productive, asset-creating and linked to agriculture and allied activities.

Besides revamping social sector schemes, the government is also planning to name schemes after eminent freedom fighters, social reformers and political leaders. Currently, of the 49 schemes and institutes named after eminent personalities, 16 are named after Rajiv Gandhi, five after Indira Gandhi, and two after Jawaharlal Nehru.

IN THE NEW SCHEME OF THINGS

- Govt-sponsored health, life and pension schemes proposed to be merged to cut administrative costs
- Some schemes with allocation of less than ₹100 crore may also be merged for effective delivery
- Artisans and traditional craftsman could be added to the scheme for skill development of minorities
- Changes considered in the Mid-Day Meal Scheme with regard to storage & supervision by teachers

The Pioneer

Date: 18/09/2014
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Communication panel to regulate market dominance & influence

NEW DELHI: Communication Commission, the super regulator being planned by Government for the telecom and broadcasting sectors, will closely follow and regulate the market dynamics in terms of dominance and power to influence the market.

Under the proposed Communications Convergence Bill, originally drafted under the BJP-led NDA Government in 2000, a super regulator with defined powers, procedures and functions for regulatory and licensing functions has been recommended, sources said.

Besides, regulating the market to check dominance by a single player or a group, the Commission will also regulate anti-competitive behaviour, they added.

The Department of Telecom (DoT) is likely to finalise the draft Bill before the Winter Session of Parliament.

However, the Government through the Communications Convergence Bill also aims provide avenues to stimulate competition in services, applications and devices, where it feels that the scope for market competition is high and seeks to provide an "easy entry and easy exit" policy, sources said.

It also wants to promote transparency as well as only regulate networks where the scope of competition is limited, which would focus on price and quality of service, they added.

Sources said: "The regulations being planned are proportionate in nature against those with significant market power.

That apart, the Government wants to regulate market dominance and concentration of power to influence markets -- networks, services, applications and devices -- as well as anti-competitive behaviour."

In the past also the government has tried to check market dominance through various policy initiatives.

Through its Mergers and Acquisition guidelines, issued in February this year, the government has also tried to check market dominance by telecom players in case of a merger.

The M&A guidelines state that the merged entity will be allowed to hold a maximum of 25 per cent spectrum allocated in a service area and 50 per cent in a particular band for telecom services under the rule.

In case of CDMA spectrum (800 Mhz band), government has fixed the upper limit of the total spectrum holding at 10 Mhz.

Also a merged entity will be allowed to hold a maximum of 2 blocks of 3G spectrum in a service area. This rule will check amalgamation of more than two 3G spectrum holding companies. **PTI**

The Financial Express

Date: 18/09/2014
Page No. 02

Schemes by previous govts breed dependents: Modi

fe Bureau

Ahmedabad, Sept 17: Prime Minister Narendra Modi, who is on his maiden visit to his home state after taking charge at the Centre, said that schemes designed by the previous governments for uplift of poor will only make them more dependent. He stressed on the need to frame policies which would ensure dignity with self-sufficiency to the needy. "A person breaks down completely when he becomes dependent on others. In such a situation, he would think of dying instead of living such a life. There is no better thing than bringing such persons out from that miserable situation," Modi said during a function at Mahatma Mandir in Ahmedabad.

The PM rued the current schemes and ongoing programmes in the country and said these would only make the poor under-confident and dependent on the government. "Due to our bad luck, the schemes and programmes that run in our country are such that they make poor people dependent on the government instead of making them self-dependent and self-confident. If government programmes stop, the poor will die of hunger," Modi said. "God has given us hands, intelligence, education and in the same way he has given all those things to people of backward strata of the society. What they do not have is opportunity. They need to be given the opportunity and the chance to be self-reliant, along with self respect. Self respect of this country depends on self-respect of each of the 125 crore people of India," he said.

The PM stressed on the need for policies that create opportunities and ensure self-sufficiency

The PM on Wednesday also announced 11 new welfare schemes of the Gujarat government for the upliftment of youth, women and people under the below poverty line (BPL) category, along with various schemes of medical services for poor in Gandhinagar.

The new schemes announced were promised in this year's state government's budget. Maintaining that women have been the driving force behind the success of the dairy industry in Gujarat, Modi said, "Gujarat has a leading place in the dairy sector. It is the hard work of women which made it possible. These women are the real entrepreneurs, who own 10, 20 to 25 cows.

Reminiscing his days as the CM of Gujarat, Modi stressed on the need to motivate women involved in providing milk to dairies through co-operative societies. "We need to motivate such women. When I was the chief minister, I asked these dairies to deposit the money directly into the account of that woman only, not into the account of a male member. Because, men used to drink something else with that money. Since it stopped, I received blessings of lakhs of women," he said.

Modi also expressed his concern over grain conservation and stressed the need for godowns. "Godowns are not enough against the quantity of grain produced in our country. Our farmers produce grain in large quantity, but because of lack of storage they get spoilt. We should encourage farmers to come together and build godowns in the villages itself as it will help the farmers to get a good price for their products," he added.

Modi turned 64 on Wednesday and kept with the tradition of meeting his mother to seek her blessings. Modi, who is celebrating his first birthday after becoming the PM, went to Gandhinagar, 23 km from Ahmedabad, alone without any security to meet his mother Hiraben. On the occasion, she donated ₹5,000 for the Prime Minister's Relief Fund for flood-hit Jammu and Kashmir.

The Financial Express

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When China and India meet, the world watches

Creating twin city projects, sister provinces and getting aid for India's first bullet train

EXPRESS NEWS SERVICE
NEW DELHI, SEPTEMBER 16

THE Chinese President Xi Jinping's visit to India is aimed at giving a fresh momentum to the relationship, as the new Indian government under Prime Minister Narendra Modi will be meeting him second time since taking charge.

On May 29, 2014, Prime Minister Li Keqinag congratulated the newly-appointed Prime Minster when the two leaders had a telephone conversation.

Modi and President Xi Jinping met for the first time on 15th June 2014, on the sidelines of the sixth BRICS Summit in Fortaleza, Brazil. Other high level visits Chinese Foreign Minister Wang Yi travelled to India as the Special Envoy of the Chinese President on 8-9 June 2014.

During the visit, he met with the President, Prime Minister, NSA and EAM. The External Affairs Minister, Smt. Sushma Swaraj met Foreign Minister Wang Yi on 9th August 2014, on the sidelines of the ASEAN Regional Forum in Myanmar.

When Xi comes to Gujarat and New Delhi on September 17-18, on the last leg of his four-nation tour, which includes Sri Lanka, the Maldives and Tajikistan, it is expected that the two governments will be ready to ink some important trade- and commerce-related agreements.

Xi, who is also general secretary of the ruling Communist Party of China, will arrive in Ahmedabad on September 17 and, after spending a few hours there, will leave for Delhi in the evening.

On top of the agenda is an agreement with India to facilitate participation of Chinese companies, particularly China Railway, in the Modi's government ambitious bullet train plan. The Chinese government, it is learnt, is planning to offer finance for the project if Chinese companies are allowed to execute the same.

They are also expected to offer services of its companies in setting up two industrial parks — one each in Ahmedabad and Maharashtra, twin city projects, as well as redouble its efforts to work closely with India on climate change issue, energy, tourism and film industry.

They are also likely to ink a deal at creating some "sister provinces", an arrangement where a state/city from one country will have close ties with a state from the other side. These sister-provinces could include Shanghai and Mumbai and Gujarat and Guandong province in South China. Talking to visiting Indian journalists earlier this month, Assistant Foreign Minister of China Liu Jianchao said apart from building and helping run bullet or high speed trains, Chinese companies are also keen to assist India in upgrading the existing railway tracks and stations as well as cooperate on personnel training.

Business Standard

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Modi launches pro-poor schemes on birthday

BS REPORTER
Ahmedabad, 17 September

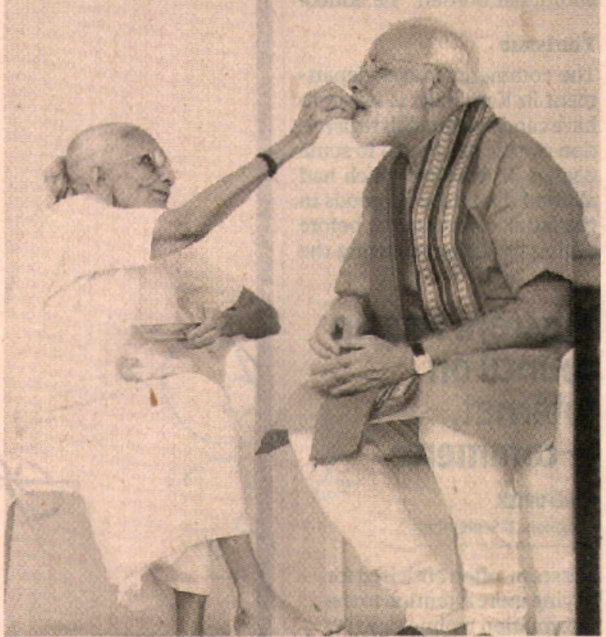
A youth's gesture of a handshake to wish him on his birthday impressed Prime Minister Narendra Modi on Wednesday. Modi said he saw it as a sign of confidence and self-reliance, core for a dignified life.

For India to be "*swabhimani*"(self-respecting), its people need to first be so, he said while launching the Swavalamban Abhiyan, a set of 11 new pro-poor initiatives of the Gujarat government, at Mahatma Mandir in Gandhinagar. These schemes were announced by the state chief minister during the legislative Assembly's budget session in July.

While distributing computer tablets to students of Industrial Training Institutes (ITIs), one of the beneficiaries stretched out his hand for a handshake as Modi was about to take his seat after giving the tablet. Caught off-guard, Modi then got up and shook the boy's hand, who wished him on his 64th birthday and left the stage.

"For me," said the prime minister later during his address after the launch of the 11 schemes, "this is a moment of pride, that a boy from a poor family who cannot may be study beyond ITI made the PM stand up from his chair to wish him on his birthday. Look how self-reliance (after studying at the ITI) has boosted his self-esteem."

The schemes launched on Wednesday included support to tribal women engaged in cattle rearing for milch animals and dairy equipment, financial assistance to women-run milk cooperatives for purchase of milking machine and shaft cutter, health care support for family with income less than ₹1.2 lakh, financial support to build food grain storage facility in fields of farmers, tablet computers for ITI students enrolled for computer course, initial support for ITI pass-out for starting their own businesses, health care and housing support for construction workers and his family and setting up of employment related services through employment exchange bureau.



BIRTHDAY BLESSINGS PM Narendra Modi (*right*) is offered sweets by his mother on his 64th birthday in Gandhinagar on Wednesday. She donated ₹5,000 to the Prime Minister's Relief Fund for victims in flood-hit Jammu and Kashmir PHOTO: PTI

6.4 million Twitter followers on 64th b'day

PM Narendra Modi got a unique gift on his 64th birthday on Wednesday as the number of his followers on micro-blogging site Twitter crossed 6.4 million. Modi has been actively using Twitter to connect with people. **BS REPORTER**

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

Business Standard

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Gas price panel report on minister's table

BS REPORTER
New Delhi, 17 September

A committee of secretaries (CoS) looking at the new gas pricing guidelines has submitted its report to the petroleum ministry. The exact recommendations of the panel on pricing have been kept under wraps.

However, official sources said it had suggested a price less than what the Rangarajan panel had recommended — $8.4 per unit. "The report has been signed and submitted. Recommendations on pricing have not been disclosed," said an official close to the development.

Petroleum minister Dharmendra Pradhan will look at the report before it is put before the Cabinet. The committee comprises secretaries of the power ministry, the fertiliser ministry and the expenditure department, apart from the petroleum ministry's additional secretary as member-secretary. The panel was constituted last month to review the gas pricing guidelines of January 2014.

According to the guidelines, based on the recommendations of an earlier panel, headed by former chairman of Prime Minister's Economic Advisory Council, C Rangarajan, the new gas prices were to come into effect beginning April. But the implementation was postponed owing to the general elections in May. The government later deferred the announcement of the new price till September-end. However, a final decision on pricing might be delayed further due to Assembly polls in Maharashtra and Haryana in mid-October, sources said.

Every dollar increase in gas price would raise urea production costs by ₹1,370 per tonne, electricity tariff by 45 paise per unit, compressed natural gas prices by ₹2.8 per kg and piped natural gas rates by ₹1.8 per standard cubic metre.

Business Line

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Coal Ministry nixes plan to hive off CIL's mine design arm

PRATIM RANJAN BOSE
Kolkata, September 17

The Coal Ministry on Wednesday turned down a proposal by an expert panel to hive off Central Mine Planning & Design Institute Ltd (CMPDI), a wholly owned subsidiary of Coal India Ltd (CIL), into a separate company.

The ministry, however, is in favour of creating a technical body on the lines of Directorate General of Hydrocarbons or Central Electricity Authority to guide it in issues of coal resource utilisation, according to sources.

The 'Advisory group for integrated development of power, coal and renewable energy' headed by former power minister Suresh Prabhu on Wednesday met various stakeholders in the industry, including CMPDI, in Delhi.

In its interim report the group observed that the consultancy arm of CIL be separated.

BusinessLine, on Wednesday, reported that the coal unions interpreted the move as a ploy to allow the private consulting arms to get a share of CIL's business and, decided to oppose it.

Sources said during the course of Wednesday's meeting, coal secretary SK Srivastava urged the advisory group to not disturb the existing set up of CIL as it might have a major impact on the national miner's production planning at this juncture.

Quoting his discussion with the coal and power minister Piyush Goyal (who was not present in today's meeting), Srivastava pointed out the administrative and technical hurdles in implementing the proposal

"It will not be proper at this juncture…as everything will be messed up," he reportedly said in the meeting.

New technical body

The coal secretary further pointed out that in the days to come the Government does not want to 'overburden' CMPDI with industry issues. Apart from serving the interests of CIL; the Ranchi-based organisation currently doubles as the technical wing of the ministry.

It was engaged for assessing the geological reserves of coal blocks and shale gas blocks distributed in the past. It was also asked to conduct the failed auction of coal blocks earlier this year.

In the days ahead, the ministry will have its own technical wing, Srivastava told the panel. He, however, did not make it clear if the new body will be a part of the proposed coal regulator.

The advisory group on its part have also discussed the possibility in the previous rounds of meeting.

Before demitting office, the Manmohan Singh government hastily issued an ordinance to appoint a toothless regulator, which is put on hold by the Narendra Modi government.

The Indian Express

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Central varsities: HRD Ministry pushes for common norms

RUHI TEWARI
NEW DELHI, SEPTEMBER 17

AS PART of its efforts to introduce one legislation for all central universities, the Human Resource Development Ministry has circulated the draft bill to all such varsities, asking them to revert with suggestions within three weeks.

According to minutes of the retreat of vice-chancellors chaired by HRD Minister Smriti Irani in Chandigarh last week, the "Single Act for Central Universities has been circulated to all Central Universities for inviting their suggestions."

The draft bill is based on recommendations of the A M Pathan committee and has been criticised for compromising the autonomy of these universities.

There are currently 40 central universities under the Ministry, of which 16 were created in 2009 under one Act, while the rest are governed by separate Acts of Parliament.

"No consensus has been evolved on the issue even though its clear the Ministry is keen on it. But yes, questions of autonomy and protecting the distinct character of each university cannot be ignored," a V-C, who attended the retreat, said.

Officials said the idea behind a single legislation is to bring in "greater uniformity" in terms of structure and governance, even while retaining the universities' academic autonomy. To "expedite the process" of appointments and ensure that the selection process is not upheld due to the unavailability of one nominee, the Ministry has decided to propose five names as Visitor's nominees for selection committees, as against the one it proposes now.

THE DRAFT bill has been criticised for compromising the autonomy of these universities

"There was a common consensus that MHRD will propose a panel of five names as Visitor's nominees for the Selection Committees of each university across the disciplines of academic as well as non-academic positions separately," the minutes state.

"The idea is that if one member is not available then the next one on the panel can step in and the process doesn't get held up," an official said.

The Ministry has also directed the V-Cs to form a committee to prepare a proposal to convert posts of professor and associate professor to assistant professor. The committee will have to prepare a report and submit it to UGC in a month's time.

Officials said the idea behind the proposal is to give greater flexibility in appointments by re-appropriating positions within the cadre. The availability of a large number of candidates for posts of assistant professor has also prompted this move. If the norm is implemented, a university would be free to appoint an assistant professor in place of a professor/associate professor if it is unable to get applicants for the latter.

Universities have also been asked to send all MoUs signed by them in the last 20-25 years to the Ministry within one month.

The Indian Express

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'No political angle': Pranab allays China concerns over oil deal with Vietnam

President Pranab Mukherjee in Ho Chi Minh City, Vietnam, on Wednesday. PTI

ABANTIKA GHOSH
ON BOARD PRESIDENT'S SPECIAL FLIGHT, SEPTEMBER 17

PRESIDENT Pranab Mukherjee Wednesday sought to allay Chinese concerns over the India-Vietnam agreement on oil exploration, possibly in the South China Sea, saying ONGC Videsh has been carrying out operations in the region since 1988 and that it involved only commercial activities with no "political angle".

The President was returning from a three-day state visit to Vietnam during which ONGC Videsh (OVL) and PetroVietnam signed a letter of intent (LoI) on oil exploration in the region. India's relations with China and Vietnam, Mukherjee said, were independent of each other as New Delhi does not believe in looking at one country through the "prism" of another. Chinese President Xi Jinping is currently visiting India, and had a dinner meeting with PM Narendra Modi in Ahmedabad on Wednesday.

PetroVietnam has offered seven new oil blocks to India, all of which are in territorial limits of Vietnam, clarified Petroleum Minister Dharmendra Pradhan, who was part of the delegation that accompanied the President.

China had Tuesday made it clear that it would "not support" the OVL-PetroVietnam pact to explore two more oil wells if they fall within the disputed waters of South China Sea.

Mukherjee said, "OVL has been exploring in South China Sea since 1988. It is just a commercial action. There should not be any political angularity in looking at it. We have not made any comments about the contentious issue; about the sovereignty of South China Sea because disputes there are between various maritime countries sharing territory in South China Sea. We have always held the idea that these issues are to be resolved peacefully as per international laws, norms and practices. All disputes are to be settled through dialogue in a peaceful mechanism that is without use of force or abuse of force."

The India-Vietnam joint statement had expressed concerns about impediments in freedom of navigation in the East Sea/South China Sea. India's support to Vietnam, Mukherjee said, was not a stray relationship, but rooted in India's history of supporting fights against colonialism in all parts of the world.

Secretary (east) in the MEA, Anil Wadhwa, said the locations of the seven oil blocks have not been disclosed as the sites are yet to be finalised, and not because they are "contentious".

On his positive comments about Modi government's economic initiatives, Mukherjee said he had been merely stating facts about the economic growth curve since 2007-08 to present.

The Statesman

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India to be 'Partner Country' in Hannover Messe Fair in 2015

STATESMAN NEWS SERVICE

New Delhi, 17 September

India has conveyed its consent to be the 'Partner Country' at the prestigious Hannover Fair in Germany to be held from April 12 – 17, 2015.

By accepting the invitation of German Chancellor Ms Angela Merkel for India to be the Partner Country, India has sent strong signals to the industry about strengthening global trade and inviting investment into India.

Prime Minister Narendra Modi is expected to be present at the world renowned engineering and technology fair, a commerce ministry statement said today.

The Department of Commerce has mandated Engineering Export Promotion Council India and India Brand Equity Foundation (IBEF) along with Confederation of Indian Industry (CII) as the lead agencies for Indian participation in the fair.

The Hannover Fair attracts nearly two lakh global leaders in business, technology, industrial scientists and policy makers. About 300 Indian companies including public sector giants would be participating in the five day fair, seeking technology collaborations, business tie-ups and showcasing India's capabilities in global trade. India had been the Partner Country at the Hannover Messe in 2006.

With$21 billion bilateral trade, Germany is India's sixth largest trading partner with engagement in the areas of mechanical engineering, automobiles, chemicals, services, nuclear reactors, construction etc.

Garments and textile products, chemical products, leather & leather goods, iron, steel and metal goods, electronic components, electrical components, pharmaceutical products, and auto components are major items of exports from India to Germany. The key German exports to India include electrical generation equipment, auto equipment, complete fabrication plants, bearings, gear equipment, measurement and control equipment, primary chemical products, synthetic material, machine tools, aircrafts and iron and steel sheets, etc.

India views the participation in the fair as an opportunity to increase its global presence in commodities & services, apart from utilising the event for attracting investments into India as part of the 'Make in India' campaign of the Prime Minister.

GLOBAL FAIR

1 The Hannover Fair attracts nearly two lakh global leaders

2 Germany is India's sixth largest trading partner

The Hindu
Editorial

THURSDAY, SEPTEMBER 18, 2014

Lessons from a disaster

As life slowly acquires a semblance of normalcy in Jammu and Kashmir, the extent of damage caused by the floods is unfolding. People who had abandoned their marooned houses or were evacuated are slowly getting back and assessing the damage as the water level recedes. A long haul is ahead. According to industry body Assocham, the loss in terms of damage to trade establishments, hotels and restaurants, horticulture, the handicrafts sector, transport infrastructure and communications facilities may add up to Rs.5,700 crore. While traffic on the arterial Jammu-Srinagar highway has been restored partially, most other road systems are still in limbo. The ambitious Jammu-Srinagar-Baramulla railway line project has suffered setbacks. The death toll cannot be reliably determined as yet, given the number of persons who have been listed as missing. A major source of worry pertains to the possibility of spread of diseases after the water recedes. Livelihoods, including in the tourism and farming sectors, need to be restored. The number of people rescued by the armed forces and the National Disaster Response Force is close to 2.5 lakh. The armed forces and the NDRF have played a stellar role here. The Army alone deployed around 30,000 troops. Some questions have been raised about the level of coordination among different agencies, but overall it has been a creditable effort so far.

While looking at the challenges of relief and reconstruction that lie ahead, this is also the time to consider the lessons for the State from the extreme event. While there is agreement over the fact that the level of rainfall was unprecedented, intense and rather sudden, leaving little room for timely warnings, the environmental factors that underlie the tragedy need to be given a hard look. Ecological degradation caused by unplanned development and urbanisation, and failure to preserve wetlands, has played a role. Wetlands act as a sponge, and their loss is bound to have serious repercussions. A report by the Bombay Natural History Society has mentioned that the Wular lake, once spread over 20,200 ha, has shrunk to 2,400 ha. The Dal lake in Srinagar has been reduced to almost half its earlier size, to 1,200 ha. According to the Centre for Science and Environment, over the last century more than 50 per cent of the lakes, ponds and wetlands of Srinagar have been encroached upon. The banks of the Jhelum have been overrun, reducing its drainage capacity. The story is the same with the Tawi in Jammu. Flash floods in this river washed away some 400 buildings and inundated scores of colonies, many of them in breach of the Jammu Master Plan. This, then, has been a costly environmental wake-up call for Jammu and Kashmir — as it was for Uttarakhand a year ago.