

**LIST OF NEWSPAPERS COVERED**

ASIAN AGE

BUSINESS LINE

BUSINESS STANDARD

ECONOMIC TIMES

HINDU

HINDUSTAN TIMES

FINANCIAL EXPRESS

STATESMAN

TIMES OF INDIA

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## AUDIT

ECONOMIC TIMES, APR 1, 2014

### **Government issues new rules for auditors**

NEW DELHI: The government on Monday issued the rules governing the audit and auditors, which also contain details of mandatory rotation of auditors.

These rules will be operational from April 1, 2014. The corporate affairs ministry has so far rolled out rules for 11 chapters of the new companies law. In the final rules the ministry has specified the threshold for identifying the class of companies that have to implement mandatory rotation.

"A significant change from the draft rules is that final rules define a more practical threshold for identifying the class of companies," said Yogesh Sharma, partner, Assurance at Grant Thornton India LLP.

The final rules say that unlisted public companies with a paid up share capital of Rs10 crore or more, private limited companies with a paid up share capital of Rs20 crore or more, and companies with public borrowings from financial institutions, banks or public deposits of Rs50 crore or more will have to comply with the auditor rotation requirement. However, some experts did not agree with the need for imposing auditor rotation on unlisted companies.

"Extending this requirement to unlisted companies is unusual. This may be troublesome for unlisted Indian subsidiaries of global multinational corporations since the rotation period and requirements in their home countries may be different from those prescribed in India resulting in challenges in audit of the consolidated financial statements," said Jamil Khatri, Global Head of Accounting Advisory Services, KPMG in India.

## BACKWARD CLASSES

HINDU, APR 2, 2014

[An Ambedkar for our times](#)

ANAND TELTUMBDE

In an interview published in *Outlook* (March 10, 2014), Arundhati Roy says, “We need Ambedkar — now, urgently” — it was in connection with the publication of a new annotated edition of Ambedkar’s text, *The Annihilation of Caste*, brought out by Navayana, a New Delhi-based publishing house. Ms. Roy wrote a 164-page essay titled “The Doctor and the Saint” as an introduction to the book, which has now become 415 pages thick, expanding the core text of just about 100 pages.

Behind the controversy

Her introduction has already created an unseemly controversy in Dalit circles, reminiscent of the debate in the 1970s in the wake of incipient Dalit literature, about who could produce Dalit literature. The protagonists of Dalits insisted that one had to be born a Dalit to do that. The controversy now reflects a similar identitarian obsession that one had to produce a caste certificate (Scheduled Caste) to introduce either Ambedkar or his text. It is intriguing however why such a controversy has cropped up only in the case of Ms. Roy especially when scores of non-Dalits have written on Ambedkar and his writings earlier. Is it because of her celebrity status or of her infamy as a Maoist sympathiser as perceived by middle class Dalits? The latter is more probable. For them, anything even remotely connected with communism is enough to evoke despicability and disapproval.

Whatever be the motivation behind this uproar, it is surely unwarranted. Ignoring the outpouring of nasty “one-liners” in social media, the main objections, at a reasonable level, to her writing this piece appear to be her undue projection of Gandhiji to introduce Ambedkar or to her being qualified to do the job in the first place or even her purported introduction not being an introduction to the text that followed. Even if one concedes the validity of these viewpoints, they need not have been expressed with such vehemence and negativity. As a matter of fact, the creative writer in Ms. Roy chose not the text per se but the stand-off between Ambedkar and Gandhiji in the context of Gandhiji’s reaction to the text in his magazine *Harijan*. She imagined that she could bring forth the problem of castes far more effectively if she used the contrast between Ambedkar and Gandhiji, who best represented moderate Hindu society, than dealing with the subject matter in a dry and mechanical manner. As for the qualification, while she took great pains to understand the issue she wrote on, her writings never reflected any aura of authority beyond a commonsensical objectivity necessitated by her style. Perhaps, and therefore, they appeal more to common people than to the so-called intellectuals.

Ambedkar, real and unreal

The most interesting argument however came not from Dalits but, paradoxically, an upper caste journalist (“B.R. Ambedkar, Arundhati Roy, and the politics of

appropriation” by G. Sampath, *Livemint*, March 18, 2014). Challenging Ms. Roy, it said that if she wanted the bauxite under the Niyamgiri hills to be left to the Adivasis, why did she not leave Ambedkar who has been the only possession of Dalits to Dalits themselves? Interestingly though, the implication of the argument can be dangerous insofar as any engagement of the “other” defined as such on the basis of caste can be dismissed as illegitimate. May be, Ambedkar symbolises the cultural good of Dalits, but still, to ghettoise him to Dalits alone will mean downright disrespect to him and incalculable harm to the cause of Dalits. Niyamgiri left to the Adivasis implies a progressive interrogation of the prevailing developmental paradigm, while leaving Ambedkar to Dalits will mean retrogressive destruction of the annihilation-agenda of Babasaheb Ambedkar.

The controversy has surprisingly gone past the main point — that it is the bland business logic of the publisher that has fundamentally drawn Ms. Roy into writing the introduction. With her stature as a Booker Prize awardee, later amplified by her fearless pro-people stands on various issues on various occasions, the book was sure to go global. Moreover, it can well be imagined that her writing would certainly create a controversy, as has happened before. All this would mean a bonanza for any publisher in boosting sales of the book. Whether Navayana had consciously thought it out this way or not, these established product strategies of a publisher cannot be grudged by anyone as, after all, s/he has to follow the grammar of business. Notwithstanding the “anti-caste” tag Navayana tends to wear of late, publishing adulatory and cultish literature on Ambedkar is not the same thing as supporting the annihilation of castes. Once this controversy raked up by a few dies down, the vast majority of Dalits would rather take pride in the point that even Arundhati Roy joined them in worshipping their god. Every such form of Ambedkar adulation has indeed been reinforcing the caste identity and directly distances the annihilation project.

The acceptance of Ambedkar does not necessarily equate itself with the spread of an anti-caste ethos. Today, Ambedkar certainly outshines every other leader in terms of public acceptance. No other leader can rival him in the number of statues, pictures, congregations, books, research, organisations, songs, or any other marker of popularity of/on him. Curiously, his picture has become a fixture even in movies and television episodes. However, the incidences of casteism as indicated by cases of caste discrimination, caste atrocities, caste associations and caste discourses, etc. also show parallel growth. This paradoxical phenomenon can be explained only by separating the real Ambedkar from the unreal one, cast into the icons constructed by vested interests to thwart the consciousness of radical change ever germinating in Dalit masses. These icons package the enigmatic real Ambedkar into a simplistic symbol: an architect of the Constitution, a great nationalist, the father of reservations, a staunch anti-communist, a liberal democrat, a great parliamentarian, a saviour of Dalits, a bodhisattva, etc. These icons of the harmless, status quo-ist Ambedkar have been proliferated all over and overshadow a possible, radical view of the real Ambedkar.

Which Ambedkar?

Notwithstanding the intrigues behind the promotion of such icons by vested interests with active support from the state, the evolution of Ambedkar, the pragmatist sans any ideological fixation, all through his life, makes him intrinsically difficult to understand. A young Ambedkar who theorised castes as the enclosed classes, the enclosure being provided by the system of endogamy and exogamy, expecting the larger Hindu society to wake up and undertake social reforms like intermarriage in order to open up castes into classes is in contrast to the post-Mahad Ambedkar, disillusioned by the rabid reactions from caste Hindus, turning his sights to politics to accomplish his objective. Were his threats of conversion to Islam for a separate political identity for Dalits, or to force caste Hindus to consider social reforms? Then there is the Ambedkar of the 1930s, anxious to expand his constituency to the working classes sans castes, who founded the Independent Labour Party (ILP), arguably the first Left party in India, and walked with the communists but at the same time one who declared his resolve to convert to some other religion to escape castes. What about the Ambedkar of the 1940s, who returns to the caste, dissolves the ILP and forms the Scheduled Castes Federation, shuns agitational politics and joins the colonial government as labour minister or the one who wrote *States and Minorities*, propounding state socialism be hardcoded into the proposed Constitution of free India? Or Ambedkar, the staunchest opponent of the Congress or the one who cooperated with the Congress in joining the all-party government and accepted its support to get into the Constituent Assembly? Or even the Ambedkar who developed the representation logic culminating in reservations, expecting that a few advanced elements from among Dalits would help the community progress or the one who publicly lamented that educated Dalits had let him down? Or the Ambedkar who was the architect of the Constitution and advised Dalits to adopt only constitutional methods for a resolution of their problems or the one who disowned it in the harshest possible terms and spoke of being the first person to burn it down? And finally, the Ambedkar who kept referring to Marx as a quasi benchmark to assess his decisions? Or the one who embraced Buddhism and created the ultimate bulwark against communism in India to use the words of one of his scholars, Eleanor Zelliot, or even the one who would favourably compare Buddha and Marx just a few days before bidding adieu to the world, saying their goal was the same but that they differed in the ways of achieving them — Buddha's being better than Marx's? These are just a few broad vignettes of him, problematic in typifying him in a simplistic manner. If one goes deeper, one is bound to face far more serious problems.

Ambedkar is surely needed as long as the virus of caste lingers in this land but not as a reincarnation of the old one as most Dalits emotionally reflect on. Not even in the way Ms. Roy would want him to come now and urgently. He will have to be necessarily constructed to confront the far messier problem of contemporary castes than that obtained in his times.

(Anand Teltumbde is a civil rights activist with CPDR, Mumbai.)

Today, Ambedkar certainly outshines every other leader in terms of public acceptance. However, the incidences of casteism also show parallel growth. This paradoxical phenomenon can be explained only by separating the real Ambedkar from the unreal one

## CIVIL AVIATION

BUSINESS STANDARD, APR 1, 2014

### **DGCA frames rules for duty timings of flight attendants**

The Directorate General of Civil Aviation (DGCA) has come out with separate rules governing flight duty time limitations for air hostesses and stewards of all airlines and non-scheduled operators. The rules, binding on all air operators and cabin crew, specify the flight timings, the flight duty and rest periods for the cabin crew of both domestic and international flights, official sources said. The new rules are based on the [International Civil Aviation Organisation](#) requirements, under which signatory nations have to frame regulations specifying these. The rules would be applicable to all airlines, private charters, business aviators and other non-scheduled operators. The working patterns of the cabin crew are different from those of cockpit crew. Cabin crew work longer hours and are trained for and required to assist in cases of an aircraft emergency, sources said. The new CAR makes it mandatory for the operator to ensure a cabin crew member would not operate an aeroplane "if it is known or suspected" that he or she was fatigued.

The airline or non-scheduled operator would also not schedule any cabin crew member for an assignment exceeding the prescribed flight duty time limitations and ensure that they are trained and educated regarding dangers of fatigue and sleepiness. While the minimum duty timings would be 12 consecutive hours on six domestic sectors (or six pairs of take-offs and landings), the same for an international flight would be 11 hours and not more than four sectors, as per the latest CAR. Similarly, the rules also detail the rest period after an 11 or 12-hour duty in domestic or international sectors, including those to the neighbouring countries.

## CIVIL SERVICE

BUSINESS STANDARD, APR 1, 2014

### **Outsourced staff in govt depts to get ESI facility**

As per the guidelines for manpower hiring agencies, the amount of ESI and PF must be deducted at the time of monthly payment

The state government has written to all department heads for extending the benefits of Employees State Insurance ([ESI](#)) and [provident fund](#) (PF) facilities to the employees of outsourced agencies by public sector undertakings, autonomous bodies and government departments.

As per the guidelines for manpower hiring agencies, the amount of ESI and PF must be deducted at the time of monthly payment. However, many government departments do not ensure the deduction of the benefits at the time of payments to the outsourced firms, it said.

“It is noticed that often the actual enrolment and flow of benefits to the outsourced employees by such agencies is not being properly monitored by the principal employers. In many cases, identity cards under ESI scheme have not been provided to these employees and, thus, they cannot avail any ESI coverage,” the labour and ESI department of the state government observed.

It has been decided that henceforth, at the time of releasing the payment, the government departments and PSUs must ensure that the outsourced agency provides ESI numbers of all its employees. “In case of non-supply of such information by the outsourced agency, further payment may be withheld and Regional Director, ESIC/ Regional Provident Fund Commissioner may be informed of the details of defaulting cases for verification,” said the department in its letter.

The government departments have been asked to follow the new payment guidelines for outsourced firms starting April this year. The order for payment withheld in case of non-supply of employee information was made earlier this month, just couple of days ahead of the date when model code of conduct for polls came into effect.

Many government departments are recruiting manpower through outsourced firms, especially after the computerisation of all government offices. However, as an austerity measure, the state finance department in 2011 had issued guidelines that said outsourcing may be resorted in special cases to improve efficiency and curb financial burden. It had

fixed the maximum limit for payment to outsourced firms by a head of department at Rs 10 lakh. For crossing the budget limits, the department heads have to consult the finance department before engaging the firm.

As per a cabinet decision in 2013, the state government allowed all contractual employees coming under the category of group C and D to become permanent employees after appearing an exam. However, outsourcing of activities like gardening, cleaning and security still continues.

ASIAN AGE, APR 2, 2014

### **Disabled babus get boost for postings**

There is finally some good news for the 15,000 differently-abled Central government employees as the Department of Personnel and Training (DoPT) has issued an order saying such employees should get preference in transfers, postings and accommodation to suit their needs.

These employees have been for long demanding that their special requirements should be taken care of while deciding their transfers and place of stay. According to the DoPT data, there are 15,747 persons with disabilities — visually-handicapped, hearing handicapped and orthopedically handicapped — in various Central government ministries or departments.

“The facilities such as identification of jobs, post recruitment and pre-promotion training, assistive devices, free accessibility, preference in transfer or posting, special casual leave, etc have been identified as areas which require special attention,” said an order issued by the DoPT on Monday.

The Directorate of Estates may give preference to persons with disabilities for providing them accessible accommodation near their place of posting and they may be preferred for allotment of ground-floor accommodation, the DoPT note further adds. “Possibility of existing housing accommodations being renovated to make them conveniently accessible to persons with disabilities, be explored by the Directorate of Estates,” the order states.

According to the DoPT, if possible, persons with disabilities may be exempted from the rotational transfer policy or transfer and be allowed to continue in the same job where they would have achieved the desired performance. Preference in place of posting at the time of transfer or promotion may be given to the persons with disability subject to administrative constraints, the personnel ministry said.

## **DEFENCE, NATIONAL**

STATESMAN, APR 1, 2014

### **India, Russia sign ammunition deal Worth over 2,600 crore to procure anti-tank shells**

India has signed a deal worth over Rs 2,600 crore with Russia to procure 66,000 anti-tank shells to meet the shortfall of critical ammunition faced by its armoured fleet including the latest T-90 tanks.

The two sides signed the deal on 27 March for the supply of anti-tank shells to the Army and agreement in this regard was inked by Defence Ministry officials from India and Rosoboronexport officials from the Russia side, Defence Ministry told PTI here.

The Cabinet Committee on Security headed by the Prime Minister had recently cleared the proposal to acquire Mango 66,000 tank shells from Russia, they said.

Under the deal, Russia will also undertake transfer of technology on the production techniques of the specialised tank ammunition to the Ordnance Factory Board, which will produce it indigenously, they said.

Faced with shortage of weapon systems, the Defence Ministry has decided to form JVs with the Russian manufacturers to produce them in India like the rockets for the Smerch multi-barrel rocket launcher systems.

The severe shortage of tank ammunition was first highlighted by former Army Chief Gen V K Singh in a top secret letter to Prime Minister Manmohan Singh in March this year which later found its way to the media.

Gen. Singh had noted in his letter that only three to four days of this particular ammunition was left in the inventory of the armoured regiments. Later on, the Army had also informed the Standing Committee on Defence about the shortage and how the situation had worsened by the recent blacklisting of its supplier Israeli Military Industry (IMI).

## ECONOMIC AND SOCIAL DEVELOPMENT

BUSINESS LINE, APRIL 2, 2014

### **India's new political economy**

ASHOAK UPADHYAY

The driving impulse is to secure rent and capital gains out of land, rather than engage in productive activity

India has a wonderful way of turning traditional theories of economic growth on their head. Take the theory of diversification among sectors (agriculture, industry and services) as the driving force of development. Based on the historical evidence of western societies in the 19th and early 20th centuries, the 'stagist' view of development was considered the best way forward.

Once the share of agriculture in a nation's GDP had dipped in comparison to industry or services, then surely a desirable structural change was afoot.

The trajectory of development meant an inevitable pre-eminence of Services over industry and agriculture.

By that token, the last two decades, we are told, have been testimony to a trajectory of growth appropriate to western societies; judging by GDP numbers at least, India has done exceedingly well.

In the Economic Survey of 2010-11, the Finance Ministry gave us a retrospective view on the change in the relative importance of the three sectors.

In 1950-51, the share of services in GDP was around 30.5 per cent; this jumped to 55.2 per cent in 2009-10. If construction is added, the share climbed to 63.4 per cent.

The "ratcheting up of the overall growth rate (compound annual growth rate or CAGR) of the Indian economy — from 5.7 per cent in the 1990s to 8.4 per cent in the period between 2004-05 to 2009-10 — was in large measure due to an acceleration in the CAGR in services from 7.5 per cent in the 1990s to 10.3 per cent in 2004-05 to 2009-10."

For policymakers such numbers presaged India's elevation to emerging-market status; the structural transformation had worked its wonder in India. But had it? The devil lurked in the details and together they painted quite another reality to the one drawn by the CAGR data.

Reality as illusion

The Economic Survey of 2012-13, for instance, sourly observed that employment had climbed faster and higher in services sector in India than had incomes — unlike in China, the US and other services- oriented economies.

Other sources also point to the rise of employment in services but of the informal kind. Informal employment is rampant in such high profit zones as construction and real estate and is steadily growing in other sectors and sub-sectors as well.

Casualisation of labour has been found to be the best bet against the so-called “rigid” labour laws that encourage unionisation and all the unpleasantness of strikes and “unrest.”

And equally, informal employment keeps costs down, an important factor, perhaps even more important than incremental productivity, in staying competitive.

So, behind the numbers is a reality in which the only structural shift the economy has witnessed is the emergence of services sector as an alternative site to farming for informal employment.

The other reality behind the numbers is, of course, that agriculture has not just slipped to third place in its share to GDP out of some inexorable telos of growth, but on account of neglect and the worship of the accomplished fact by policymakers.

Resonance of neglect

Reforms in agriculture require huge political will, but once the GDP rate had begun to pick up steam the roads to success seemed fairly obvious and easier to follow than attempting a second agricultural reform drive.

Since 1991, the modern economy’s discourse on growth has resonated with the brassy sounds of an idea of India as urbanised and urbane. This idea has found favour with the middle class Indian who is its singular beneficiary.

The village in this discourse of urban-centric growth is a metaphor for backwardness, the farm sector for laziness, both remnants of a past best forgotten or converted into a vast township or gated community. And the farmer hears all the resonances.

The Centre for Studies in Developing Societies (CSDS) survey that found a majority of respondents would give up agriculture for some other work, shows how well farmers are picking up the echoes of the new exclusionary discourse. Depending on your take on modernity, you could say that this lapse of faith is a great psychological moment, a prelude to a discursive leap into a brighter future by farmers who for centuries have been unable to see beyond the horizons of their fields.

But on the other hand, one could also see it as part of an unfolding crisis for a nation that had with such enterprise and determination become self sufficient in food. The CSDS survey shows us the face of impending pauperisation, of a cultivator faced with that prospect and intuitively certain that there are few exits — unless he or she wants to become an informal or casual labourer at a construction site.

Past tense, future uncertain

The realisation of both the futility of farming and the lack of choices for alternative livelihoods drives farmers to suicide, but it also drives them to a form of enterprise that at first glance appears liberating.

On the outskirts of Pune's eastern suburb of Hadapsar, the Magars, a rich farming community, decided to give up farming, formed a real estate corporation to which they handed over their lands for a township that has become a model for other farmers.

Pune city and its fringes provide proof of how the new discourse defining our ideas of prosperity is determining the future of villages and farms surrounding them. Land acquires new meanings not for agriculture but as a piece of real estate generating rentier profits.

As urban conglomerates spread and as the demand for new urban entities (such as the proposed townships between Delhi and Mumbai and Kolkata, respectively) increase, land will become the site for violent contesting claims -- as is already evident in the outlying areas of Mumbai, Pune and other towns likely to become epicentres of "growth."

Land has become India's geographical dividend as it were, multiplying in value as farm lands are turned into urban-scapes or as cities advance on them.

The temptations to sell out will grow exponentially and a new political economy of land acquisition is already emerging--- not with land mafias as in America but with land monopolies blessed by politicians and businessmen.

The structural transformation of GDP that policy makers wax eloquent about seems to have two stages. In the first, agriculture lost out to Services.

In the second that is upon us, we will see capital from diverse sources — manufacturing and other forms of productive activity such as farming return to the land for its conversion into real estate.

That is what India may become — a piece of real estate.

(This article was published in the Business Line print edition dated April 2, 2014)

STATESMAN APR 5, 2014

### **ICAI to prepare road map for economic reforms, taxation**

Apex body of chartered accountants ICAI will soon prepare a road map for economic reforms, including simplification of tax structure, for the new government that is expected to be in place next month.

“As a first-ever step by chartered accountants, we want to put a economic road map for the new government,” central council member of Institute of Chartered Accountants of India Anuj Goyal told reporters here.

Suggesting simpler tax laws, Mr Goyal said the present regime is complicated and includes huge compliance costs for the people.

“Presently, compliance costs for paying taxes is a lot and we want only limited number of taxes in the country and that people who can bear the burden of the taxes should only be taxed,” he said. “We want more revenue to come in but with less taxes on the end user. Simplifying the taxation regime will reduce the leakages, compliance costs as well as collection costs,” he added.

Looking to play a greater role in the nation building process, chartered accountants will suggest a road map that will help the new government ~ to be elected in May following the general elections ~ frame policies for economic growth.

“We want to approach the policies concerning the economy through a clean slate method. We want to look at things afresh and not just bring in amendments to the existing laws as that do not serve the purpose,” Mr Goyal said.

The committee for capacity building of CA firms and medium practitioners as well as committee on management accounting of ICAI will prepare a draft concept paper for discussion, he said. The draft paper will be deliberated upon by the ICAI council, which will then come out with a roadmap.

“As soon as the new government comes to power the document will be presented to them giving them insight on what the new economic policies should be,” Mr Goyal said.

He also said that government schemes such as the employment guarantee programme NREGA should be audited “to account for every penny that flows into such schemes”.

## EDUCATION

STATESMAN, APR 1, 2014

### **Bizarre dress code, this Sunglass, caps banned inside motijheel college**

Girl students of Dum Dum Motijheel College have been told that their dress should not stretch beyond their knees.

The 'diktat' issued by the Trinamul Congress Chhatra Parishad of the college brings back memories of a Left academic who was furious at a girl student who he felt was inappropriately dressed at a college of which he was the then principal.

Students claimed that members of the TMCCP went from one classroom to another and told the girls not to wear any dress above the knee. The diktat even specified that students could not wear sunglasses, and caps inside the college. This came with a terse warning that those who defied the dress code would be punished. The decision has created a flutter among girl students as well as educationists who feel that the diktat should be immediately withdrawn.

A student of Dum Dum Dum Motijheel College said the dress code was bizarre and a union could not issue such a diktat. "We are not studying in school, that we have to wear a uniform in the college" he added.

However, the state unit of the Trinamul Congress Chhatra Parishad seemed oblivious of such a diktat at Dum Dum Motijheel College. Mr Sanku Deb Panda, TMCCP state president, said that they were not aware that such a diktat had been issued by the TMCCP unit of Dum Dum Motijheel College. But he stressed that students needed to be appropriately dressed.

Mr Bratya Basu, state education minister, however, added that he was not aware of such a dress code and would look into it. Principals of state-run colleges have issued such diktats for girl students from time to time.

In 1993, the principal of Asutosh College Mr Subhankar Chakraborty had pulled up a girl student for being inappropriately attired~ The student was later forced to leave the college.

BUSINESS STANDARD, APR 1, 2014

### **Failed, DSE students seek Vice-President's help to remove teacher Manu Balachandran**

Students of the prestigious [Delhi School of Economics \(DSE\)](#) have written to [Vice-President Hamid Ansari](#), seeking his intervention after a number of them failed a course

conducted allegedly by a teacher who is only two years their senior.

The students are pursuing a Master's degree in human resource and organisational development under the department of commerce. Ansari is the chancellor of the Delhi University. The DSE has four departments: economics, sociology, geography and commerce.

According to the letter, the teacher in question, who completed MCom in 2012, does not have adequate qualification to teach. The students alleged the teacher failed them after they questioned her appointment. The students, many of whom are already placed, say their future plans have gone for a toss, after they failed in the organisational psychology exam.

“Of course, it is a matter of concern and I had called a meeting of the students, teacher and the course coordinator to take a decision on helping the students,” J P Sharma, dean of the department of commerce told Business Standard. The teacher was selected through a rigorous process and she was a good faculty member, he added.

“But as far as evaluation of the papers go, there is nothing much we can do. The Supreme Court does not allow reevaluation of marks. They can re-take the exam in May and the paper is likely to be evaluated by a distant faculty,” the dean pointed out.

The letter said 27 of 64 students (42 per cent) had failed the exams. The question paper was not so difficult that 27 students should fail, it stressed.

“The teacher admitted she has never studied the subject and was reluctant to take up this responsibility”, the letter said.

According to the dean, the teacher was a former topper from the college and part of the ad hoc faculty. Also, that students have every right to approach higher authorities.

“They have every right to be concerned about, but we do not believe that she has ever threatened the students with repercussions.”

HINDU, APR 7, 2014

**UGC says no to new engineering and management colleges**

R. RAVIKANTH REDDY

*‘No takers for 20 to 30 p.c. of the total engineering seats in the country’*

Engineering colleges planning to increase their intake or start new branches will have to wait for a year with the University Grants Commission (UGC) deciding to put a moratorium on establishing new colleges, branches or adding seats for a year.

The UGC decision will also be applicable to the management colleges. It means no new college will come up in the 2014-15 academic year in the country. The decision apparently is to balance the intake in the colleges rather than a few colleges benefiting, and was approved by the UGC at its recent meeting.

The large number of leftover seats in both engineering and management streams also prompted the UGC to take this action. Figures available with the Commission revealed that there are no takers for 20 to 30 per cent of the total engineering intake in the country while the vacancy is 30 per cent for the management colleges.

When enquired, UGC officials confirmed that all pending applications for new colleges and additional intake have been put on hold. "Only north-east States have filled up majority of seats in both the streams while the situation is different in other parts of the country. More so, in South India where vacant seats are massive," revealed Prof. D.N. Reddy, Member, UGC Commission.

Prof. Reddy said Supreme Court has also directed that permission process be completed before April 30 every year. Since there is hardly any time left for calling for fresh applications and approval, we decided to freeze admissions and new intake for the year, he said.

The Supreme Court ruling on April 30, 2013 that AICTE doesn't have any authority over the universities or colleges with regard to courses also contributed to the decision.

After the UGC was entrusted with the functioning of AICTE by the HRD Ministry, a three member committee was constituted with Prof. DN. Reddy, Prof. Dhande and Prof. Ansari to frame the guidelines.

The committee has submitted its report and the MHRD has approved the panel's report adopting the new guidelines.

TIMES OF INDIA, APR 1, 2014

### **Delhi University mulls merit lists for admissions**

[Manash Pratim Gohain](#)

The move is among a slew of 'admission reforms' DU is considering for the forthcoming 2014-15 session.

NEW DELHI: Just meeting the cutoff may not ensure admission in a Delhi University college this year onwards. In a bid to check over-admissions, the university may ask colleges to prepare merit lists of successful candidates in each subject after the cutoffs are announced.

The move is among a slew of 'admission reforms' DU is considering for the forthcoming 2014-15 session. The proposed merit list, along with a waiting list, would be based on the number of seats available and would ensure that the college does not over-admit students. But it would also mean that a student who has scored above the cutoff may not find her name in the list.

The current admission policy makes it mandatory for colleges to accommodate all candidates whose aggregates (marks of best of four subjects including one language) are above the cutoff.

Last year, when the four-year undergraduate programme was introduced, the university removed the option of choosing colleges, thereby making candidates eligible for admission in all the colleges where they met the cutoffs.

"The proposed reforms, which college principals also discussed in a recent meeting, are aimed at avoiding enrollment in excess of sanctioned capacity. It was observed that admission in excess of capacity cannot be controlled purely on the basis of cutoffs and therefore it has been proposed that colleges bring out a merit list based on the class XII scores of the applicants," said a principal present in the meeting.

As per the proposal, candidates will first apply through centralized registration forms, either online and offline. So far candidates are allowed to opt for as many colleges and courses they desired. The proposed policy would allow a candidate to apply to a maximum 10 colleges and six courses.

"Based on the data of number of aspirants expressing interest in a particular college and course, the college will declare the cutoff. Once the cutoff is declared — say, 95% for physics — eligible students who had applied for the course in the college would be called for registration.

"Once registration is done, the college will bring out a merit list in descending order. So, if there are 50 seats, the first 50 students will be offered admission while the rest will be placed in a waiting list," said a member of the empowered committee set up last year to streamline the admission process.

Some principals and teachers have expressed concern over the proposal to allow change of college just once during the admission and the cap on number of colleges and courses a candidate can apply — proposals first reported by TOI. The move to do away preference to girls has also been criticized. However, no one is ready to speak on record as these are as yet proposals being considered.

### **Times View**

The university's experiments with its system of admission in recent years seem to have achieved little beyond harassing students. The real problem, of course, is that while demand for DU college seats has grown, infrastructure hasn't grown at the same pace. Rather than tinkering with the admission process, this is what should really be addressed. It will take more than some cosmetic changes to achieve that, but it would be well worth the effort.

## ELECTIONS

STATESMAN, APR, 4, 2014

### **Beautiful poll booths for pleasant voting experience**

Kolkata, 4 April: Artistic poll booths adorned with the portraits of inspiring personalities like Rabindranth Tagore and Swami Vivekananda promise to make voting a pleasant experience in West Bengal.

A directive has been sent to school management as well as the State Education Department on behalf of the EC that all booths housed in schools will have to be decorated with paintings and thoughts of famous personalities. The OSD( Officer on Special Duty) of the chief electoral commissioner, Amit Roy Chowdhury, said that portraits of Rabindranath Tagore and thoughts of such personalities as Swami Vivekananda, Rishi Aurobindo and Kazi Nazrul Islam would be installed in the booths.

The directive states that the paintings and portraits will be done by students of the schools where the polling stations are based under the supervision of their teachers.

Mr Chowdhury said that the purpose of the exercise is not only to make voting a pleasant experience, but also to raise awareness about the importance of participating in the election process.

“We sent directives to the management of schools and education department where polling stations will be based under the “Make your polling station Beautiful” programme to make them more colourful and beautiful.”

Many schools have already started the process as the first phase of polling is scheduled for 17 April.

The lines of Tagore's famous poetry “where the mind is without fear and the head is held high” and lines from the “Gitanjali” will be used to decorate the class rooms. Swami Vivekananda's stirring speech to awaken the youth of India during the British rule will also be featured.

Apart from paintings and thoughts, the polling booths will also have important messages of Election commission written in English and Bengali.

Renowned schools like Baghbazar Multipurpose, Jodhpur Park Boys, Bethune Collegiate school, Dum Dum Motijheel Boys which will host polling stations in final phase on 12 May will start the work of painting the walls once the exams are over by the end of this week.

The exercise of making polling station beautiful was carried out first during the Delhi assembly poll earlier this year and it received a positive feedback from the voters too, EC officials said.

An official of the education department, however, referred to lack of funds for arranging raw materials for doing up the school rooms.

“We will try our best to do what has been directed by the EC, but lack of funds is also a matter of concern as painting the walls need raw materials,” he said.

## FEDERAL STATE RELATIONS

STATESMAN, APR 1, 2014

### **Bengal demand not feasible: FM**

The Union finance minister Mr P Chidambaram today sought to brush aside the West Bengal chief minister Mamata Banerjee and her Trinamul party's campaign against the Congress-led UPA government for having denied Bengal a moratorium on the interest of its debts.

Mr Chidambaram maintained that the Centre simply could not afford to grant such an assistance to any state for various reasons.

“There is no provision in the Budget or any scheme for the Centre to bear this kind of burden ~ the moratorium on the interest of the state's debts. And what about the two other debt-stressed states like Punjab and Kerala, what will happen to their debts’ interest. And then other states might question why they should be discriminated against for doing a good job of their public finances,” the FM told a news conference at the Congress party's headquarters here.

## FINANCIAL INSTITUTIONS

BUSINESS LINE, APR 1, 2014

### **Cost-cutting: SBI requests staff not to use other ATMs**

G NAGA SRIDHAR

280,000 transactions a month in other bank ATMs cutting annual profit by Rs. 5 cr

“Is this justifiable? Is this not totally avoidable? Does it not hurt our pride?”

These words are part of an advisory communicated internally to staff in State Bank of India asking them not to use other banks' ATMs to reduce costs and improve profit.

After highlighting the bank's achievements, a senior official in the operations department adds: “There is a jarring note though. I learnt that despite such an extensive network, some of our family members go to other banks' ATMs to withdraw cash!”

According to SBI's data, its employees transact about 280,000 ATM card-swipes in other banks' cash machines per month.

This costs the bank about Rs. 42 lakh plus taxes. Every card swiped at other banks' ATM makes that branch richer by Rs. 15.

For SBI, this is reducing profits by a staggering Rs. 5 crore a year.

The advisory assumes importance as it comes in the wake of various other measures being taken by the bank to prune expenditure.

It recently announced it would go slow on recruitment for the next couple of years as staff expenses had gone up by over 35 per cent at Rs. 5,867 crore in the third quarter of the current fiscal compared to the year-ago period.

The total operating expenses also rose 31 per cent at Rs. 9,212 crore.

On the other hand, its huge workforce makes it a good business proposition for the bank to motivate them not to use other banks' ATMs.

As of December 2013, the total headcount of the bank stood at 2,23,675.

Currently, the first five transactions in a month are free in non-parent bank machines and the respective banks have to bear the cost.

This would mean that each bank would have to foot the bill for these transactions. There is no difference between the staffers and general customers in this regard.

State Bank of India has the largest network of ATMs in the country.

“We urge all the staff to make full use of our ATM network. This will strengthen the bonding with the employer while preserving avoidable outage in terms of interchange, that too, to our competitors in the market,” the advisory said.

ATM interchange fees also shot up to Rs. 273 crore, a 29 per cent increase, at the end of December last year.

There is some likelihood that other banks may follow suit. A top executive of a public sector bank said the top five banks, with their vast workforce, might stand to gain from similar initiatives.

(This article was published in the Business Line print edition dated April 1, 2014)

## INTERNET

HINDUSTAN TIMES, APR 3, 2014

### **India sixth most targeted nation by phishing attacks**

[Sanjib Kr Baruah](#)

With 4.08% of the world's phishing attacks targeting India in 2013, it was the sixth most targeted nation after United States (30.8%), Russia (11.2%), Germany (9.32%), Japan (6.24%) and United Kingdom (5.20%), a report by leading Internet security firm Kaspersky revealed.

A very common cyber crime, Phishing refers to creating fake copies of sites to obtain confidential user data. Common, also because criminals do not need specialised programming knowledge to commit the crime but just skills to create web pages.

A standout feature is the fact that phishing attackers are increasingly focusing on banking internet services.

At 35.4%, most of the attacks mimicked social networking sites while fake banking sites, payment systems, online stores accounted for 31.45% of attacks. Mail services stood third with 23.3% of attacks.

The report says that while 31.45% of all phishing attacks targeted financial institutions, 22.2% of the attacks involved fake bank websites—double than last year.

While 59.5% of banking phishing attacks exploited the names of just 25 international banks, 40.5% used the names of more than 1,000 other banks.

Overall, about 39.6 million users faced phishing attacks, an increase of 2.32% from 2012.

The study used de-personalized data obtained from Kaspersky Security Network, a globally distributed cloud-based infrastructure designed for the real-time processing of data about threats that Kaspersky Lab users encounter.

The findings acquire significance in the backdrop of the growing importance and usage of electronic money aided by the convenience of use and universal accessibility. In many countries, banks and other financial institutions are seriously considering complete discontinuation of cash in favour of cash-free payments.

A 2013 survey conducted by B2B International in cooperation with Kaspersky Lab showed that 98% of those polled say they regularly use online banking or payment systems, or shop online.

## JUDICIARY

HINDU, APR 1, 2014

### **When the courts legislate and execute**

SUCHITRA VIJAYAN

*Our fundamental rights are the conscience of the Constitution. Every legal right stems from our ability to retain the integrity and the structure of our Constitution*

**DOCTRINE OF BASIC STRUCTURE:**The Judiciary curtailed autocratic politics by striking down Article 329A during the Emergency. Picture shows Jayaprakash Narayan leading a protest against the Emergency.

In 1973, a Bench comprising 13 Supreme Court judges ruled by a majority that Article 368 of the Constitution “does not enable Parliament to alter the basic structure or framework of the Constitution.” The Court ruled what has come to be known as “the basic structure” doctrine — a judicial principle that the Indian Constitution has certain “basic features” that cannot be altered or destroyed through amendments by Parliament. Paramount among these are the fundamental rights guaranteed by the Constitution.

Only two years later, the Allahabad High Court found the then Prime Minister Indira Gandhi guilty of electoral malpractices. Justice Jagmohan Lal Sinha invalidated Mrs. Gandhi’s win and barred her from holding elected office for six years. The decision caused a political crisis in India that led to the imposition of the Emergency by Mrs. Gandhi’s government from 1975 to 1977.

The best of times

During the Emergency, Mrs. Gandhi altered the election law retroactively by the 39th amendment to the Constitution. Article 329A was inserted to void the Allahabad judgment. The retroactive, undemocratic, and politically motivated legislative enactment validated an election. The amendment secured her position and prevented her removal from Indian politics. Later the enactment was successfully challenged in the light of the 1973 ruling and Article 329A was struck down. The Judiciary curtailed autocratic politics — a stitch in time saved nine.

Our fundamental rights are the conscience of the Constitution. This right, and every other legal right, stems from our ability to retain the integrity and the structure of our Constitution.

There is a hard learnt, intellectual history to this legal inheritance. The principal of the basic structure of the Constitution is enshrined in Article 79 (3) of the Basic Law for the Federal Republic of Germany. The German constitution was drafted between 1948-49, in the immediate shadow of its Nazi past. During the drafting sessions, the Weimar constitution came under immense scrutiny by German jurists and scholars, who investigated the document at great length. The Constitution’s broad powers to suspend

civil liberties, coupled with an insufficient system of checks and balances, presented a structural opportunity for Adolf Hitler to seize power and preside upon an authoritarian democracy.

In the 19th century, there were many who mocked Montesquieu for his fear of political power and for his cautiously articulated theory of separation of powers. The doctrine of separation of powers took a particular view of men and power. It assumed that power corrupts. In the Constitutional Assembly Debates, while discussing the fundamental rights, Dr. Ambedkar expressed similar sentiments. “I myself cannot altogether omit the possibility of a Legislature packed by party men making laws which may abrogate or violate what we regard as certain fundamental principles affecting life and liberties of an individual. At the same time, I do not see how five or six gentlemen sitting in the Federal or Supreme Court could examine the laws made by the Legislature and by dint of their own individual conscience or their bias or their prejudices can be trusted to determine which law is good and which law is bad.” Separation of powers is indispensable because under the Constitution, power divides itself so that reason can rule.

And the worst of times

In January this year, in the matter of Judicial review of Pardon power, the Supreme court in *Shatrughan Chauhan & Anr. vs Union Of India & Ors.* overstepped its constitutional power and duty and exercised the sovereign power of clemency, which it never possessed. The three-judge Bench, in its unprecedented authority, commuted a sentence of death to life for 15 persons on the singular ground of delay. The decision egregiously disregarded previous judgments laid down by the five-judge Bench of the Supreme Court. The Supreme Court has the appellate power to reduce a death penalty in regular appeals. However, it has never possessed such powers to exercise the remission or commutation while exercising the judicial review of clemency power.

Protection of our fundamental rights remains paramount and the Judiciary can and must curb acts of excess, and ensure checks and balances. However, the protection of our fundamental rights itself never empowered the Supreme Court to either legislate or to execute. The decision in the Shatrughan Chauhan case has been widely and wrongly heralded as a decision in support of human rights, while squarely forgetting the Judiciary’s infringement of the cardinal principles of separation of powers. The Judiciary cannot revolt against the Constitution, but only on its behalf.

The errors in the Shatrughan Chauhan decision brought forward the case of three convicts — Murugan, Perarivalan and Santhan — in the Rajiv Gandhi assassination case before the consideration of the Supreme Court. These commutations were ordered on the same grounds as *Shatrughan Chauhan & Anr. vs Union Of India & Ors.* After commuting the death sentence to life imprisonment for these convicts, the court rendered an unsolicited legal opinion that was neither pleaded nor argued by the petitioners (para 31 of the judgment).

The judgment erroneously declared the power of the State government under the Criminal Procedure Code, to exercise remission of “life sentence” to “no sentence,” and enabled the release of the convicts. In *Krishna Goud & Bhoomaiah vs State of Andhra*, the Supreme Court Bench presided over by Justice V.R. Krishna Iyer stated with clarity: “As Judges, we cannot rewrite the law whatever our views of urgent reforms, as citizens, may be.” When the State government’s decision was challenged by the Union of India in the Rajiv Gandhi assassination case, P. Sathasivam, Chief Justice of India stated: “We are responsible for this problem. We will solve it.”

The Tamil Nadu government taking political advantage of the “Tamil sentiments” in view of the coming election, exercised the remission power purely for political consideration, and demanded that the Centre act within 72 hours. Electoral politicking that appeals directly to mass sentiments, ethnonational affinities and sympathies, without institutional and social checks and balances, erodes the very foundation of our rights. The Tamil Nadu government’s decision to release the prisoners might create short term electoral victory, but it will further entrench a culture that places politics and emotional appeasement above governance and the rule of law.

In a country governed by a written Constitution, the democratic right flows from the attribute of constitutional sovereignty. We cannot claim our fundamental right or any other legal rights, unless we retain the structure of our sovereignty. In the 1970s, when faced with gross violations of the country’s democratic structures, the Supreme Court stepped in, limiting the power of both the Legislature and Executive. Our Constitution is our act of revolution and the Judiciary its protector. Today when the same Judiciary oversteps its limits, it is indispensable that the decision is corrected, reviewed and reversed by a larger Bench.

(Suchitra Vijayan was trained as a Bar-at-Law.)

Protection of our fundamental rights remains paramount and the Judiciary must curb acts of excess, and ensure checks and balances

TIMES OF INDIA, APR 1, 2014

### **Supreme Court does away with disparity in pensions of high court judges**

NEW DELHI: The Supreme Court on Monday removed a 60-year-old disparity in computation of pension for two categories of high court judges - those appointed from judicial service from lower courts and others from among advocates.

Judges appointed from subordinate courts on retirement get pension for the entire period of service, including the time they worked as judicial officers, even if their tenure as a high court Judge was for three years.

Advocates appointed as HC judges, say a decade before reaching the retirement age of 62

years, had their pension computed taking into account their period of service as only 10 years.

A bench of Chief Justice P Sathasivam and Justices Ranjan Gogoi and N V Ramana erased this disparity between those who get elevated from trial courts and those from among advocates.

"The experience and knowledge gained by a successful lawyer at the Bar can never be considered to be less important from any point of view in comparison to the experience gained by a judicial officer. If the service of a judicial officer is counted for fixation of pension, there is no valid reason as to why the experience at the Bar cannot be treated as equivalent for the same purpose," said Justice Sathasivam, who authored the verdict.

He added, "The fixation of higher pension to the judges drawn from subordinate judiciary who have served for shorter period in contradistinction to judges drawn from the Bar who have served for longer period with less pension is highly discriminatory and breach of Article 14 (right to equality) of the Constitution."

Such disparity in pension affected the image of judiciary, the apex court admitted and cited this as a prime reason why many successful lawyers were shunning the offer of judgeship.

"When pensions are meager because of the shorter service, lawyers who attain distinction in the profession may not, because of this anomaly, accept the office of judgeship. When capable lawyers do not show inclination towards judgeship, the quality of justice declines," the bench said.

The court said "one rank one pension must be the norm in respect of a constitutional office". It said, "When a civil servant retires from service, the family pension is fixed at a higher rate whereas in the case of the high court, it is fixed at a lower rate. No discrimination can be made in the matter of payment of family pension."

Allowing petitions seeking parity in pension for HC judges, the bench said, "We accept the petitioners' claim and declare that for pensionary benefits, 10 years practice as an advocate be added as a qualifying service for judges elevated from the Bar." The court added 10 years service to this category of judges because the Constitution provides that a lawyer becomes eligible to be appointed as an HC judge if he has 10 years experience.

## **POLICE**

HINDU, APR 7, 2014

### **Police tie up with Anna University for technology transfer**

S. VIJAY KUMAR

IIT-M to devise road map for modernising the force in the State

In a first of its kind initiative, the Tamil Nadu police have joined hands with the Indian Institute of Technology, Madras, and Anna University here to enhance technology applications in policing to world-class standards.

The police department signed a Memorandum of Understanding with Anna University for technology collaboration and knowledge transfer.

The Indian Institute of Technology, Madras, has also been roped in to evaluate the scale of modernisation in the force and devise a road map to modernise policing.

According to police sources, Director-General of Police K. Ramanujam and Anna University Vice-Chancellor M. Rajaram signed the MoU at the police headquarters recently. Besides training officers and staff of the police department in relevant areas of engineering and technology, the university will design and develop technological projects for the force.

The police will work with scientists in developing advanced tools for field policing. Deployment of Unmanned Aerial Vehicles (UAV), developed by the Madras Institute of Technology (MIT) for surveillance, will be among the first projects to be implemented.

“The partnership will be of mutual benefit. While the police will derive the best of technology from Anna University, which is among the premier institutions in the country, the university will also understand the application of scientific tools in modern policing,” a senior police officer said.

The Tamil Nadu government has sanctioned Rs. 25 lakh to conduct an in-depth study to evaluate the status of application of technology in the police force.

“The IIT-M has agreed, in principle, to assess and give a technology road map. This will also lead to a long-term partnership between the police and IIT-M,” he said.

### **Closed User Group**

The police were also launching the biggest Closed User Group (CUG) mobile phone communication that would cover 1.1 lakh personnel and their family members.

The facility would make all official voice communication free of cost, the sources added.

## POLITICAL PARTIES

HINDU, APR 1, 2014

### [AAP releases manifesto for North-East Delhi](#)

Setting up of an East Campus along the lines of North and South Campus of Delhi University, establishing schools and regularising unauthorised colonies are among the key proposals of the Aam Aadmi Party's manifesto for the North-East Delhi Lok Sabha constituency.

Releasing the party's first manifesto, its candidate Prof. Anand Kumar said, "I will ensure that all necessary steps are taken to establish the East Campus of Delhi University. Steps to open Central schools and Navodaya Vidyalaya in the area are also on the agenda. Consequently, I will work with the Delhi Government and the Municipal Corporation of Delhi to take steps to open new primary and middle schools in the area."

"A total of Rs.125 crore meant for development of this constituency remained unutilised during the tenure of past MPs and it was sent back to the Centre. This should come back," he said.

"This has resulted in making North-East Delhi one of the most vulnerable districts. People feel they are living in perpetual chaos, betrayed and neglected," he said. —PTI

STATESMAN, APR 4, 2014

The Aam Aadmi Party today released its national manifesto for the 2014 Lok Sabha election which proclaims that it is not just "another" party. The document lists some out-of-the-box measures for public welfare and reiterates pledges on development initiatives for health, education and social justice.

In keeping with its strident anti-corruption plank, the AAP manifesto highlights the Jan Lokpal. It says the UPA-II government has failed to bring a strong Jan Lokpal Bill that will bring all public officials (including the PM, Union ministers and MPs) within the purview of the investigation of the Lokpal.

The manifesto promises to bring down the minimum age to contest polls from 25 to 21. The manifesto promises to bring about police reforms and internal accountability for the police. It says there should be CCTVs in the interrogation rooms as well as inside police stations. "Not registering an FIR should be made a criminal offence," said AAP convenor Arvind Kejriwal.

While stating that the judicial system in India is a pillar of democracy, Mr Kejriwal said a credible judicial system is what AAP will strive for. A judicial appointments commission has been proposed in the manifesto. "We will try to ensure that the cases are sorted out in time," he said.

Mr Kejriwal said more IITs and AIIMS-type institutions as well as ITIs will be set up if the AAP comes to power. “The regular courses do not offer any scope for employment. Education should be connected with livelihood,” he said. He added the four-year undergraduate programme in Delhi University will be withdrawn as demanded by a section of students and teachers if AAP comes to power.

The party also talks about electoral reforms. The manifesto states that as part of this, transparency is required in party funding. “We will make it mandatory for the party to put out details of all donations,” said Mr Kejriwal. In addition, the right to reject and right to recall need to be introduced.

HINDUSTAN TIMES, APR 6, 2014

**Manifestos ignore green issues, activists complain**

**Darpan Singh**

Political parties have shown, in their respective manifestos, lack of intent to address Delhi’s critical environmental issues.

They have promised reduction of rising pollution levels, conservation of the depleting Ridge cover and revival of the almost-dead Yamuna. But, like in past manifestos, there is no roadmap. Environmentalists say the solutions are not practical and the manifestos mostly have vague and high sounding statements.

Ravi Agarwal, former member of Delhi’s ridge management board, said, “Devil is in the detail. Political parties want to keep their options open. They never promise they would not allow land diversion from the Ridge because they want to build projects”.

“Similarly, you cannot check air pollution unless you reduce the number of vehicles, like it was done in cities like London, and impose taxes for pollution and congestion. We need practical, hard measures,” he said.

Manoj Misra of NGO Yamuna Jiye Abhiyan said, “While we see merit in constituency-wise manifestos, these have to fall within a citywide framework, which seems to be missing. We need to restore the Yamuna, safeguard its tributaries (since converted into sewage drains)”.

BJP's city manifesto makes some bold statements like not at all permitting dirty water to fall in the river, and yet manages to dream about boating in the river. “But it does not suggest from where the flow in the river for boating would come,” said Misra.

Manu Bhatnagar of the Indian National Trust for Art and Culture Heritage said, “The parties had to fill the environment columns so they put something there. The successive governments did not do much about environment. The opposition also didn’t play its role. The river needs to be revived. We can forget about boating and tourism”.

Himanshu Thakkar of the civil society group South Asia Network on Dams, Rivers and People said, “BJP’s track record is very bad regarding rivers in [Gujarat](#), [Madhya Pradesh](#) and Chhattisgarh. Congress has failed to check water, air and noise pollution in Delhi. AAP talks about giving people rights and responsibility under Mohalla Sabhas. This is welcome. Unless the local community is involved and given ownership, nothing will happen.

Misra, however, said, “AAP is welcome in clubbing ecology and economy, and yet it fails miserably in matters of detail. We don’t know how the two would work in tandem and not at cross purpose”. AAP’s northeast Delhi manifesto doesn’t talk about the Yamuna, while the entire constituency is located on both sides of the river.

*Yamuna:* 22 Delhi drains empty themselves into the river. Rs. 4,500 crore spent by Delhi, UP and Haryana for Yamuna’s cleaning in 20 years, nothing changed

*Ridge:* It has shrunk heavily because of encroachment and construction activity. Ridge helps keep the Capital’s pollution under check and shields it from sandstorms

*Air pollution:* Level of particulate matter less than 10 micron in size has increased by 47% between 2000 and 2011, while the level of nitrogen dioxide has gone up by 57%.

*Noise pollution:* an average Delhiite is exposed to noise levels as much as 70 per cent higher than what is considered safe.

## **BUSINESS STANDARD, APR 2, 2014**

### **A K Bhattacharya: The importance of poll manifestos**

How relevant are election manifestos? Going by the casual manner in which some political parties have been treating their manifestos and the scant attention the media has so far paid to what they promise to the voters, such scepticism is understandable.

The major Left parties have released their manifestos focusing on the need to launch a more effective attack on poverty. Some regional parties too have unveiled their manifestos highlighting the need for decentralised governance. The [Congress](#) party has released a detailed [manifesto](#), which is claimed to be the longest ever and produced out of a series of meetings with people at grass-roots level to understand their concerns as well as aspirations.

Significantly, the Bharatiya Janata Party, or [BJP](#), which claims to be the strongest contender to form or lead the next government at the Centre, is yet to bring out its manifesto even though the first phase of the 2014 general [elections](#) is less than a week away. While the BJP’s apathy towards declaring what it stands for and what it wishes to promise to the voters is a disturbing sign for any democracy, the virtual absence of public

debate over even the few promises that different political parties have made in their manifestos is a cause for deeper concern.

One reason for the lack of seriousness about election manifestos is the nature of governments that have been formed at the Centre since 1996. Each of them has been a coalition government with support and participation of at least half a dozen political parties. In a coalition government, the role and importance of individual party manifestos get diluted, if not completely devalued. Indeed, in some coalition governments of the past, the pre-poll manifestos of individual parties gave way to a post-poll common minimum programme. And in some coalition governments, even a common minimum programme was given a go-by and governance followed neither the manifestos of the coalition partners nor any mutually agreed action plan. The next government after May 2014 is also likely to be led by a coalition of parties. That perhaps explains why both political parties and even the voters have turned indifferent – even agnostic – towards the promises made in manifestos.

The Congress manifesto, however, is a little different and needs to be judged by another yardstick. This is because an election manifesto from a ruling party is not just a statement of intent. More importantly, it becomes an opportunity for the party to make amends where it believes its past policies went wrong and to press ahead with those initiatives that yielded positive results.

Thus, on the question of reviving economic growth, which had decelerated in the last few years of the Congress-led government, the party's manifesto is categorical about a host of progressive measures such as those on a flexible labour policy (there is even talk of bringing all [labour laws](#) under one comprehensive umbrella legislation); expeditious introduction of the goods and services tax and the simplified direct taxes code, both of which should enhance the economy's efficiency; and giving a push to the manufacturing sector by allowing easier foreign direct investment flows and by committing an investment of over Rs 60 lakh crore in infrastructure in the next decade.

There is also a clear admission of how a few of its taxation laws created problems for industry and the investment climate. While the Congress manifesto has not ruled out retrospective amendment to tax laws, it has advocated caution that risks associated with such laws should be avoided. This is a clear sign that the Congress is trying to learn from its mistakes. Even on the question of reservation of jobs in the private sector, the Congress manifesto has adopted a tentative approach. It has talked about its commitment to creating national consensus on affirmative action for Scheduled Castes and Scheduled Tribes in the private sector. The choice of words here is significant. There is no talk of

job reservation. Instead, what you get is a promise of creating consensus for affirmative action. It is true that even the suggestion of such affirmative action has worried industry leaders. But note that the Congress has made a major compromise here. From the earlier stand of reserving jobs in the private sector or asking corporate leaders to put limits on their salaries, all that the party's manifesto now says is about affirmative action for jobs. All this is an outcome of the Congress' recognition of its past mistakes of how its actions and inaction have contributed to an adverse business environment.

In sharp contrast, the Congress manifesto has extended the logic of its policies that seemed to have worked for the party to new areas. The rights-based entitlement programmes – for food, work and education – are now proposed to be extended to housing and health care for all. The extension of such entitlement programmes may dent the government's finances further, but the Congress clearly knows what works for the poor people of this country and what can earn them electoral dividends.

Election manifestos may have lost their earlier importance. But a closer look at them does reveal a lot about a political party's own assessment of where it went wrong and what its future policy directions will look like. The Congress manifesto shows that quite explicitly. That is why we should eagerly wait for the BJP's manifesto.

BUSINESS STANDARD, APR 2, 2014

### **TDP promises job for every household**

#### **It has promised to waive loans to the farm sector and self-help groups**

The [Telugu Desam](#) Party (TDP) on Monday released two election manifestos promising [jobs](#) and all-round economic growth in both the would-be states of [Telangana](#) and residuary [Andhra](#) Pradesh.

Out of power for two consecutive terms in undivided Andhra Pradesh, the party has also included certain schemes that had helped the Congress win the previous two [elections](#).

TDP has promised to waive loans to the farm sector and self-help groups (SHGs), provide free power to farmers and cashless treatment facility to poor families and continue the fee reimbursement scheme for students in professional courses among others.

It has also announced new schemes such as at least one job for each household, a monthly pension of Rs 1,000 for the aged and widows, cash assistance of Rs 1,000-2,000 to the unemployed youth, besides houses and toilets for the poor.

The party has promised to make residuary Andhra Pradesh a global manufacturing hub, by setting up growth corridors and enhancing port-based infrastructure and a highway network along the coastline, besides taking steps to grow the economy at 10-15 per cent every year. The party promised to develop an IT corridor in the Kurnool-Anantapur region by linking it to Bangalore on the one side and Hyderabad on the other.

It has also promised to secure tax incentives from the Centre for new industries to the extent of complete tax holiday for the first 10 years, 50 per cent tax exemption for the next 10 years and a 20 per cent tax rebate for the third 10-year term in Andhra Pradesh..

The 52-page document contained elaborate sections on sectors like agriculture and irrigation apart from specific set of promises to certain castes like Kapus and Brahmins besides offering reservations to Muslim youth in education and jobs. The TDP offered to make 5-day week for government employees in addition to increasing the retirement age to 60 years.

The separate election manifesto released for Telangana contained all the populist programmes mentioned in the first document . It promised to develop industries linked to natural resources available in each district.

[HINDU, APR 7, 2014](#)

**[We need to talk about this Manifesto](#)**

N. RAM

No official statement has come from the Bharatiya Janata Party to explain its strange decision to release, in the face of the Election Commission of India's displeasure, its Manifesto on April 7 – the first of the nine 'Poll Days' constituting the 16th general election.

Election manifestoes are no big deal. That's the message seemingly conveyed by the party that, according to most opinion polls, will form the next coalition government in New Delhi, assuming of course that it can solve its 'last mile' problem by finding enough allies to connect to the magic number of 272 Lok Sabha seats.

The big deal is the 'Vikas Purush' avatar of a former outlier, Chief Minister Narendra Modi, whose campaign machine has done everything in its power to obfuscate or draw attention away from the past, 2002 and all that. Who needs a Manifesto when there is MODIMANTRA, which actually heads the list of 'Core Issues' at the BJP's official website, [www.bjp.org](http://www.bjp.org)? Who needs a Manifesto when there is the 'Gujarat Model' of governance, development, and social engineering that the rest of India needs to aspire to? (This message seems to fly notwithstanding the availability of a growing literature that

reveals that when you look at various development and social indicators, Gujarat is no model State.)

### Message and reality

What is clear by now is that the message is quite different from the reality: the BJP's failure to unveil its Manifesto weeks after most other parties, national and regional, have come out with their mostly elaborate exercises is no small deal. So what's the real reason for this negation of the very idea of an election Manifesto, which is meant to appeal to the heart and mind of voters?

Fortunately, pro-BJP voices in the news media are more forthcoming than the party's present high command. One of them, R. Jagannathan, editor-in-chief of Network 18 group publications, tackles the question in a provocative opinion piece titled "Modi is the manifesto: Why BJP doesn't need a hefty document." At the end of the article, Mr. Jagannathan comes to the real point: "Manifestoes can be constricting"; they can act as "a tripwire for a party that hopes to win and form a government."

In other words, an election Manifesto, if taken too seriously, can spell trouble for the future, especially when the party seems close enough to taking power. The less it reveals about – the more it camouflages – the ideology and character of the party, its real programme, policy agenda, and intentions, its stand on sensitive and highly divisive issues, the better. In the case of the BJP today, what evidently needs to be underplayed, if not kept out of public view, is the Sangh Parivar's well-known repertoire of core issues: the concept of Hindutva; the project of building a Ram Temple in Ayodhya (on the grave of the Babri Masjid); the abrogation of Article 370, which confers a special constitutional status on Jammu & Kashmir; coming up with a Uniform Civil Code; banning religious conversions, cow slaughter, and so forth.

The irony of it all seems to have escaped general attention. The BJP, after all, is a highly ideologised political entity. It is a member of a volatile family, the "Sangh Parivar," which is "nurtured" by the Rashtriya Swayamsevak Sangh, the ideological or conceptual brain directing family affairs. To represent intra-familial relationships in this right-wing communal formation, there is no need to go to any external source. Here is how the History section of the BJP's official website, [www.bjp.org](http://www.bjp.org), presents the relationships: "The Bharatiya Janata Party is today the most prominent member of the family of organisations known as the 'Sangh Parivar' and nurtured by the Rashtriya Swayamsevak Sangh (RSS)...History is the philosophy of nations...the Sangh Parivar has a very clear...conception of Indian history...[The RSS] has no doubt about Hindu identity and culture being the mainstay of the Indian nation and of Indian society."

The BJP has come a long way since 1984, when it suffered a crushing defeat at the hands of a Congress that rode a sympathy wave to an unprecedented electoral triumph. The BJP's highly ideological nature, its organisational strength, and the depth of reserves provided by its membership of the Parivar explain its resilience, its ability to re-invent itself in accordance with changing socio-political circumstances. Historically, it began to

taste electoral success only after trading its vague and somewhat indeterminate right-wing platform of its formative years (1980-1986) for the platform of aggressive Hindutva, adopted at its Palampur session in 1989.

#### Core Hindutva issues

A close look at the BJP's election manifestoes from 1996, which began the era of the party bidding seriously for power at the Centre, shows a consistent pattern of fielding the core Hindutva issues, with 1999 constituting the sole exception. The language, the style, and the treatment of the issues vary but the core issues are embedded in the manifestoes. The ideologues evidently saw to this, despite the reported sporadic attempts of A.B. Vajpayee to moderate or soften the message.

The BJP's 1998 Manifesto is nothing if not outspoken on all the core issues. It speaks of "Sanatana Dharma [as]...synonymous with Indian nationalism" and commits the party to the concept of "One Nation, One People and One Culture." It proclaims that "the evolution of Hindutva in politics is the antidote to the creation of vote banks and appeasement of sectional interests." Asserting that "Shri Ram lies at the core of Indian consciousness," it commits the party to facilitating "the construction of a magnificent Shri Ram Mandir at Ram Janmasthan in Ayodhya where a makeshift temple already exists." It promises to "explore all consensual, legal and constitutional means to facilitate the construction of Shri Ram Mandir at Ayodhya." As for the special constitutional status of Jammu & Kashmir, the party's 1998 Manifesto issues a threat: "The BJP will abrogate Article 370 of the Constitution." Further, it proposes to "entrust the Law Commission" with the formulation of "a Uniform Civil Code based on the progressive practices from all traditions."

There was no BJP Manifesto for the 1999 Lok Sabha elections. Instead, the newly formed National Democratic Alliance came out with a "National Agenda for Governance," which included none of the core Hindutva issues.

But broad alliance considerations did not deter the BJP from fielding these highly divisive issues in its next general election Manifesto, which was titled "Vision Document – 2004." It expresses fealty to "the philosophy of Integral Humanism as enunciated by Pandit Deendayal Upadhyaya" and to Hindutva, claiming that "Hindutva is not a religious or exclusivist concept" but is "inclusive, integrative..." Among the 2004 Manifesto's highlights is reaffirmation of the party's "commitment to the construction of a Ram Temple in Ayodhya," if necessary through a judicial verdict but preferably through a process of speeded-up dialogue between parties to the dispute. The demand for the abrogation of Article 370 does not find a place in this Manifesto but the demand for "Autonomous Regional Councils for Jammu and Ladakh with adequate financial and administrative powers" does.

#### Hardening stance

The BJP's 2009 Manifesto saw a hardening of the core Hindutva stance. It extols the "Hindu world view." It includes a paean to the Ayodhya movement, which had been led by the party's prime ministerial candidate, L.K. Advani, as "the biggest mass movement in India since Independence," a movement that "initiated a powerful debate on cultural nationalism and the true meaning of secularism." Claiming that "there is an overwhelming demand of the people in India and abroad to have a grand temple at the birth place of Shri Ram in Ayodhya," it commits the BJP to exploring "all possibilities, including negotiations and judicial proceedings, to facilitate the construction of the Ram Temple in Ayodhya." The 2009 Manifesto reaffirms the BJP's commitment to the abrogation of Article 370. And it proposes, "as a first step," to "set up a Commission to draft a Uniform Civil Code, drawing upon the best traditions and harmonising them with the modern times."

It is not as though the BJP did not do homework on its Manifesto for the 2014 Lok Sabha elections. In fact, its preparations began earlier than other major parties, with the October 2013 launch of a website inviting suggestions from voters for its Manifesto. Given the historical background, it would be naïve to think that the failure of the BJP to come up with a serious Manifesto in time, on account of unresolved tensions between the old guard in the BJP Manifesto Committee and the aggressive Modi team, means the sidelining of core Hindutva in the event of the NDA forming the next government. Recent developments, including the Parivar's highly communal campaign in Uttar Pradesh and Amit Shah's inflammatory rhetoric addressing a Jat audience, are intimations that the BJP, "the most prominent member" of the family of Hindutva organisations, is not about to change its spots.

A close look at the BJP's election manifestoes from 1996 shows a consistent pattern of fielding the core Hindutva issues. What does the failure to present a serious Manifesto this time mean for the party that hopes to lead the next government?

## **POLITICS AND GOVERNMENT**

STATESMAN, APR 4, 2014

**Decoding Gujarat~I**

**HEMANTKUMAR SHAH**

For almost the past six months, Mr Modi has remained mostly out of Gujarat for electioneering. The state government is almost at a standstill. No major policy decisions are being taken

Gujarat is known as the land of Mahatma Gandhi and Sardar Vallabhbhai Patel for their contributions to India and the world. Its economic development is also marked by a penchant for entrepreneurship. Not only is the state's infrastructure development enviable; its financial, social and cultural progress too has been laudable for many decades. The credit goes to Gandhi and Sardar. Therefore, at present it is necessary to check how far the claims made by the present Chief Minister of Gujarat, Narendra Modi, stand true. He claims the credit for the development of Gujarat as a whole. He tries to be a smart sales and marketing person with skills of mesmerizing and hypnotizing the masses by using undesirable language to tarnish the image of Opposition leaders. Second, he has succeeded in receiving extraordinary financial support from leading corporate houses not only of Gujarat but from different parts of the country and the world as well.

Thousands of acres of agricultural land, Gochar lands, waste lands and fallow lands have been offered at throwaway prices to giant corporate houses that have opened their treasuries to support Mr Modi's candidature for PM. Thus he has been instrumental in the corporate loot of Gujarat.

Deteriorating governance in the fields of education, health and agriculture is a proven fact. For almost the past six months, Mr Modi has remained mostly out of Gujarat for electioneering. The state government is almost at a standstill. No major policy decisions are being taken. The pathetic state of affairs in various areas during his 13-year rule is really a matter of concern.

The Annual Average Growth Rate (AAGR) of GDP i.e. State Domestic Product (SDP) in Gujarat was 4.34 per cent during 1960-80, whereas India's AAGR was 3.3 per cent. Thus, the difference between Gujarat's growth rate and that of India's was 1.04 percentage points. The state's AAGR was 14.97 per cent during 1980-1990 and it was the highest growth rate experienced by the state.

During 1990-2000, it was 12.77 per cent, the second highest. During these two decades, the AAGR for India stood at 5.5 per cent. Thus, the state of Gujarat was far ahead of the whole country. During Mr Modi's period, specifically between 2001 and 2011, the

AAGR plummeted to just 9.82 per cent, when India's AAGR was 7.5 per cent. Thus the difference between the two works out to just 2.32 percentage points. During 2006-12, the AAGR in Gujarat was 9.32 per cent, whereas it was 8.06 per cent for the whole of India, the highest since 1950. Therefore, the difference is just 1.26 percentage points. Thus, so far as the state's economic growth is concerned, Mr Modi drew Gujarat back to the 1960s and 1970s! And, of course, India's high growth rate does not depend on Gujarat's. The highest AAGR was experienced by Gujarat during 1990-94 and that was 16.73 per cent. The highest annual growth rate was 40.18 per cent during 1988-89, when Amarsinh Chaudhari was the Chief Minister. The second highest annual growth rate was witnessed during 1992-93 during the Chief Ministership of Chimanbhai Patel, and it was 34.33 per cent.

It was 30.06 per cent in 1983-84 when Madhavsinh Solanki was Chief Minister. During Modi's period, the highest growth rate was achieved during 2003-04 and it was just 14.77 per cent. These facts actually suggest that Gujarat has not developed during Mr Modi's rule.

Since the advent of the industrial revolution, transformation in the economy is perceived as the transformation of the agrarian economy to the industrialized economy. According to this parameter, Modi's period is not the period of transformation of Gujarat's economy. In 1999-2000, industry's contribution to GDP was 39.21 per cent and that of agriculture it was 14.52 per cent. In 2008-09, agriculture's contribution went down to 14.10 per cent and that of industry went up to 41.05 per cent. Thus, only 0.42 per cent transformational change occurred during Mr Modi's rule.

In fact, industrialization of Gujarat was almost completed well before he took over as Chief Minister. During almost two decades spanning the period 1980-98, the contribution of agriculture to SDP went down from 34 per cent to 19.42 per cent and industry's contribution went up from 28 per cent to 41.91 per cent. The figure of agriculture's contribution to State GDP for 2011-12 is 18.3 per cent. Hence, from a historical perspective, in terms of industrial growth the period of 1980-98 was much more important than the period of

Modi's rule.

During the 2003, 2005, 2009 and 2011 Vibrant Gujarat summits, promises were made for huge amounts of industrial investment. The success ratio is pathetic. In 2011, the summit ended with the promise of around Rs 20.40 lakh crore investment but at the end of the two-year period the success ratio is just 1.46 per cent, i.e. just Rs 29.81 thousand crore. The success ratio of these summits went down consistently, as evident from the table. Interestingly, the total investment in the whole of India during 2009-12 was Rs 19,83,189 crore. How can it be Rs 20.40 lakh crores only for Gujarat in just one year? In the face of criticism, the Modi government did not sign any MoU with any investor during the 2013

summit held at Mahatma Mandir, Gandhinagar. During the 17-year period of 1991-2008, the total industrial investment made in the state was Rs 5.05 lakh crore. Therefore, it cannot be Rs 20.83 lakh crore in just one year ~ 2011. It is very difficult to assess the actual industrial investment made as a result of Vibrant Gujarat summits because the state government furnishes contrasting figures. In 2005, promises of investment worth Rs 106,160 crore were made. Initially the claim of Rs 74,019 crore was made by the state government. In reply to an RTI query, it said that investment of only Rs 24,998 crore was actually realized. The figure in that year's Socio-Economic Survey is slightly higher than that.

Interestingly during the 2011 summit, even the State Bank of India, Dena Bank and Bank of Baroda signed MoUs worth Rs 18,000 crore for the implementation of various schemes of the Government of India. Most of them are bankable schemes for which there is no need of any kind of MoU. And of course, it is not an investment at all.

The FDI made in Gujarat in 2011-12 was Rs 4,730 crore. It went down to Rs 2,676 crore in 2012-13, representing a 43 per cent decline. Gujarat ranks sixth in terms of FDI after Maharashtra, Delhi, Tamil Nadu, Karnataka and Andhra Pradesh. Maharashtra's contribution to the country's total FDI was 39 per cent in 2012-13 and it was just 2 per cent in the case of Gujarat.

According to the Planning Commission's National Human Development Report of 2001, Gujarat ranked 10th among all states. Its rank is 11th, according to the India Human Development Report of 2011. Nowhere does Gujarat stand first in the indices of human development.

Its rank is 26th in the category of undernourished women and children. In 1999, there were 26.19 lakh BPL families. At present the number stands at 40 lakh according to the government advertisement on Mukhyamantri Amritam (MA) Yojana aired on almost all FM channels in Gujarat during last December and January.

According to the BJP manifesto for the assembly elections in December 2012, 50 lakh families were to be provided affordable and decent housing. This would mean that 2.5 crore people (43 per cent) live in poverty because good housing is one of the indicators for the measurement of poverty. According to the UNDP criteria of Multi-dimensional Poverty Index (MPI-2010), Gujarat has 41.5 per cent people in poverty. Gujarat ranks 8th in terms of poverty among 20 Indian states according to the research study made by Oxford Human Development Initiative in 2011.

**(To be concluded)**

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**STATESMAN, APR 4, 2014**

**Decoding Gujarat~II**

The popular perception is that roads in Gujarat are far better than in most other states. This is once again a myth. A PIL was filed in the High Court of Gujarat in 2013 to direct the state government to construct good roads. While hearing the petition, the judge said that 90 per cent of the roads are in bad shape ~ HEMANTKUMAR

There are around 16 lakh educated unemployed youth in Gujarat according to the state government's publication ~ Socio-Economic Review, 2012-13. Recently, 8.8 lakh applications were filed with the government for the post of talatis i.e. secretary of the village panchayat. The figures point to rampant unemployment. The promise to generate jobs for 1.02 crore people was made during the first five Vibrant Gujarat summits. But till March 2012, only 2.99 lakh jobs were generated from the investment made till that time. Another 2.70 lakh jobs were to be generated from the rest of the investment. Thus, a total of only 5.69 lakh jobs were generated from the industrial investment that was promised during these summits.

There has been a 7.75-time increase in VAT revenue, a 2.5-time increase in electricity duty and a 6.5-time increase in overall tax revenue of the state government. And yet the debt burden of the government has gone up from Rs 26,000 crore to Rs 1,46,000 crore. The net per capita debt burden is Rs 26,000, the highest in India. And the reason is complete mismanagement of the state government's finances.

There are 47,000 vacancies of teachers in primary and secondary schools and around 5,000 vacancies in colleges and universities. Universities are being run without regular appointments of Vice-Chancellors for months together. All the 30 universities, opened in Gujarat over the past 12 years, are in the private sector or are being run on a self-finance basis. Many universities run on only paper or with just 100 or 200 students, e.g. Children's University and Indian Institute of Teachers' Education at Gandhinagar. The dropout ratio after 5th standard is 29.5 per cent and before 10th standard it is 43 per cent.

Forty-three per cent of children in the below-5 category are undernourished. Gujarat has 47 per cent undernourished women. And still the state has a wide gap of anganwadis. It requires 72,000 anganwadis, but makes do with 54,000. The state does not have enough primary health centres and community health centres.

The Sixth Pay Commission Report has not been fully implemented. The arrears were paid in instalments. Professors of colleges and universities are yet to get their arrears. More than 4.5 lakh employees are appointed on a contractual basis. The state government went to the Supreme Court against the judgment of the High Court which directed regular appointment to these employees. The police was allowed to form a trade union, in complete violation of constitutional provisions.

As many as 36 IAS and IPS officers are in jail for fake encounters and other criminal offences. There is no transparency in the functioning of the government. Thousands of

applications under the RTI Act are pending with the State Information Commission. There is no accountability. Assembly sessions are increasingly infrequent. The report of the Second State Finance Commission was tabled in the House five years after it was submitted. The government doesn't seek participation of stakeholders. Even the draft of the Common University Act was not put in the public domain for discussion among teachers, students and Vice-Chancellors.

Around 6000 children have been reported missing over the past five years. In many cases, those who kill children are not arrested; as often as not, the accused are protected by their political mentors in Gandhinagar. More than 11,000 cases of atrocities against women have been registered in the last five years, let alone the unregistered crimes. More than 5,500 farmers have committed suicide and the police has been instructed not to register the cases as suicide. Ahmedabad and Surat have the dubious distinction of having recorded the country's highest crime rate.

The electricity duty for domestic consumption in 2014 is 15 per cent; it is 11.25 per cent for student hostels... and just 10 per cent for industries. More than 4.5 lakh applications from farmers for power connections are pending with the government and the state boasts that it is selling electricity to other states. A sum of Rs 1,020 crore was spent on purchasing power from private companies, whereas according to the state's 11th plan it should have been spent on generation of electricity.

During 1990-2000, the production of electricity by the state-owned company went up by 34.82 per cent. But during 2000-11 it went up only by 19.74 per cent. During 1990-2000, the generation of electricity went up by 483.82 per cent in the private sector; it has come down to 141.93 per cent during 2000-11. In a word, Narendra Modi has failed to boost electricity generation.

According to the CAG report of 2013, Gujarat Energy Transmission Corporation Limited (GETCO), the state-owned company, has not achieved its target for the erection of extra high tension substations and transmission lines. During 2007-13, there was a delay of six to fifty months in commissioning the substations. This is not an example of good governance.

Gujarat Urja Vikas Nigam Limited (GUVNL), a government owned company, has signed a power purchase agreement (PPA) with Adani Power Limited (APL). It states that if the provisions of the agreement are not observed by APL, the GUVNL can impose a fine. During 2009-12, APL supplied less power than the stipulated quantity. The fine of Rs 240 crore should have been collected from APL, but the amount collected was Rs 160 crore less. Is there a scam somewhere?

The popular perception is that roads in Gujarat are far better than in most other states. This is once again a myth. National Highways, State Highways and district roads were

good even 50 years ago and they are good even today. But the roads in 18,500 villages, 13,700 village panchayats, 159 municipalities and eight municipal corporations are riddled with potholes. A PIL was filed in the High Court of Gujarat in 2013 to direct the state government to construct good roads. While hearing the petition, the judge said that 90 per cent of the roads are in bad shape. Every year crores are being spent on resurfacing roads in big cities. This benefits contractors and their political mentors.  
(Concluded)

## **RAILWAYS**

FINANCIAL EXPRESS, 1, 2014

### **Railways takes down curtains from AC three-tier coaches**

Citing safety reasons, railways has decided to remove curtains put on pathways of all air-conditioned three-tier (3 AC) coaches of trains.

However, the curtains from windows of 3 AC coaches will continue, officials said.

Decision to remove curtains was taken on recommendation of commissioner of Railways Safety (CoRS) following its enquiry into causes of last year's fire in Bangalore-Nanded Express train, that left at least 26 people in Andhra Pradesh. "Railway board had on March 12 decided to remove all curtains put on pathways of 3 AC coaches. All zonal railways have been instructed to remove them."

## TAXATION

FINANCIAL EXPRESS, APR 2, 2014

### **Direct Tax Code: 35% tax for super rich, no change in exemption limit**

Finance minister P. Chidambaram released for public discussion the Direct Tax Code (DTC), 2013, that proposes extra taxes on the super rich, a lower-than-earlier proposed threshold for taxing offshore sale of Indian assets and a review of the General Anti-Avoidance Rules (GAAR).

P. Chidambaram reiterated his appeal to political parties to pass in 2014-15 the DTC Bill that was originally introduced in Lok Sabha in August 2010. The Bill would lapse with the current Lok Sabha and needs to be re-introduced by the next government for its passage.

P. Chidambaram decided to revise the original 2010 code to take into account several legislative changes that happened subsequently, instead of proposing separate amendments to the code.

The major changes proposed in the revised Bill include a 10% additional tax on those who receive dividends of more than Rs 1 crore a year.

The idea is to tax high-flying corporate captains who spend enough time abroad to avoid paying taxes on their worldwide income in India. Promoters and large shareholders of many big companies thus pay only 15% tax in India on the dividend they receive and no income tax.

The new proposal, if becomes law, will make them pay an extra 10% tax on the dividend they receive.

Another proposal is to introduce a fourth slab of 35% tax rate for individuals and Hindu Undivided Families (HUFs) with income of over Rs 10 crore. Tax on wealth at the rate of 0.25% on assets above Rs 50 crore is proposed on all physical and financial assets with the exception of a few.

In the revised code, the finance ministry has accepted 153 of 190 recommendations made by a parliamentary standing committee, which includes lowering the age for tax exemption for senior citizens to 60 years from 65. It, however, did not accept the Yashwant Sinha committee's suggestion that income tax exemption limit could be raised to Rs 3 lakh and the remaining slabs could be relaxed.

As per the existing structure, there is no tax on income of up to Rs 2 lakh per annum; 10% on Rs 2-5 lakh; 20% on Rs 5-10 lakh and 30% on income beyond Rs 10 lakh.

“The new DTC 2013 draft is more of an announcement by the government that it has completed its work on the code, which has been in process from 2010. From here, whichever government assumes, it can take it forward in the present form or any other revised form, said Sunil Kapadia, Tax Partner, EY.

The code also sharply reduces the value of Indian assets involved in a global transaction that would trigger tax claims in India.

## WATER SUPPLY

HINDUSTAN TIMES, APR, 1, 2014

**Delhi's free water scheme ends today, tariff up 10%**

**Nivedita Khandekar**

Come April 1, Delhiites will no longer enjoy up to 20,000 litres of water free every month — a key manifesto promise of the Aam Aadmi Party (AAP) — and pay 10% more in water tariff next month. The hike has been in effect since January for consumers not enjoying the subsidy.

“The scheme has been discontinued with effect from April 1 in the absence of budgetary support,” a Delhi Jal Board (DJB) spokesperson confirmed.

As already reported, subsidy on power consumption up to 400 units will also end on Tuesday and consumers will pay unsubsidised electricity bills in full from May.

The water subsidy was the first decision of the AAP government but was under doubt after the government resigned on February 14 since only the ‘vote on account’ was cleared with no funds set aside for the scheme’s continuation in the new financial year.

At a board meeting earlier this month, DJB officials said the subsidy’s continuation was subject to availability of funds from Delhi government since the board had decided DJB would fund the scheme till March 2014 and the government would arrange funds subsequently.

Claiming the move will worsen inflation, AAP spokesperson Manish Sisodia said, “They (Congress and BJP) can think of benefits for Ambani and Adani and not for the aam aadmi. What else can we expect from them?”

BJP leader and DJB member Meera Agrawal, however, claimed the benefits of free water didn’t reach the poor. “It was AAP’s manifesto promise not DJB’s,” she said.