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AGRICULTURE

STATESMAN, JUN 01, 2015

Woes of the farmer

Jaydev Jana

Agriculture is the source of livelihood for nearly 700 million people in India, representing a huge workforce. More than half the GDP of the rural economy is based on agriculture. It is not just a profession but a traditional occupation, a way of life.

Agriculture is characterised by small and fragmented land holdings. Small (up to one hectare of land) and marginal (more than one ha and up to 2 ha) farms constitute 83.5 per cent of total land holdings, with a major concentration in Uttar Pradesh, Bihar and Andhra Pradesh. The share of land cultivated under these holdings in several states is one-third of the total cultivated area of the respective state, the only exceptions being Maharashtra (31.7 per cent), Punjab (29.9 per cent), and Rajasthan (22.6 per cent). According to the National Commission for Enterprises in the Unorganised Sector (NCEUS), more than 80 per cent of the country's farmers are in the small and marginal segments. Paradoxically, even though small farms are superior in terms of production, they are weak in generating adequate income and sustaining livelihood.

While a majority of the workforce is still dependent on agriculture, the GDP growth rates in agriculture are marginally above the rate of population growth, in contrast to the high non-agricultural sector. As per the latest estimates released by the Central Statistical Office (CSO), the share of agricultural products in GDP was 51.9 per cent in 1950-51. This has now come down to only 13.7 per cent in 2012-13 at 2004-05 prices.

Small farmers use land and their labour; and middlemen provide money to facilitate production. Without credit offered by middlemen, over 80 per cent of the farmers would not be able to buy seeds, pesticides and fertilisers. Their participation in the market is insignificant owing to constraints low production, high transaction costs, lack of markets and poor access to information, inputs and credit. The World Bank has pointed out that the farmer's access to markets is hampered by poor roads, rudimentary market infrastructure and excess regulation.

Farmers are so poor that they cannot afford to hold on to their produce for better prices. Their indebtedness forces them to sell the commodities immediately after the harvest at lower prices to money-lenders in order to clear their debts. The chain of middlemen in the

agriculture marketing sector is so large that the share of farmers gets reduced substantially.

Minimum support price (MSP) is a form of market intervention by the government for providing insurance to farmers against any sharp fall in prices. MSPs have gone up substantially since the mid-1990s, but awareness among farmers is pathetically poor. Moreover, most farmers are unaware of the existing agricultural insurance schemes that can help them to minimise risks pertaining to income.

The absence of proper marketing facilities, indebtedness, and falling public investments became critical in the mid-1990s. Agriculture has ceased to be economically viable. More than 45 per cent of farmers interviewed by NSSO wanted to quit farming. To that can be added the spate of suicides. The gap between their aspirations and the lack of social and economic resources have driven them closer to death. Even in Punjab, where the Green Revolution had first happened, the farmer is no longer prosperous. More than 60 per cent of them reel under the debt trap. Only one-sixth of the rural households borrow from financial institutions. As regards money-lenders, the interest rate ranges from 36 per cent to 120 per cent. In reality, banking reforms in the agricultural sector in terms of credit reach is pathetically disappointing.

Increased production does not guarantee increased income for the farmer. With cereal production at a record level, the country has witnessed several suicides. Potato farmers have committed suicide in West Bengal not because the crop failed, but because of the glut in production. Having spent Rs 5 to Rs 6 on cultivating a kg of potato, they are now getting less than Rs 3 per kg. Vegetable production has increased substantially, but very often farmers are compelled to sell their produce at incredibly low rates due to lack of connectivity and marketing facilities.

Agriculture in India is a highly risky profession. Fluctuating weather, poor development of irrigation, groundwater depletion, and declining productivity are the major impediments. The negative effect of climate change and extreme weather have created greater instability in food production and farmers' livelihood. The recent spate of unseasonal rain and hailstorms in different parts of the country has damaged rabi crops in about 181 lakh hectares across 13 states between February 28 and March 16.

Agriculture needs to be commercialised to make it profitable. Processing vis-a-vis value-addition of produce is an important aspect of commercialisation. Presently, processing of fruit and vegetables is only 2 per cent in India in comparison to 80 per cent in the USA

and Malaysia, 78 per cent in the Philippines, 70 per cent in France and Brazil, 40 per cent in China and 30 per cent in Thailand. Although India is the second largest producer of vegetables and third largest producer of fruit, it is estimated that 20 - 30 per cent of horticultural crops perish due to lack of proper methods of processing and storage. To execute effective food processing on a large scale, we need to create farmers' groups in collaboration with marketing NGOs, SHGs, agri-processors, modern retailers and agro-exporters.

Agriculture and the allied sectors are essential for development. The strategic vision for better agriculture must give importance to three important elements India's comparative advantage, efficient markets at home and abroad, and environmental sustainability. Every scheme must follow this three-dimensional paradigm to help out the distressed farmer.

BLACK MONEY

BUSINESS STANDARD, JUN 01, 2015

Under new law, Rs 2 lakh penalty for not answering tax authorities' queries

Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 provides for a minimum penalty of Rs 50,000

Failure to answer questions from the tax department can entail a penalty of up to Rs 2 lakh from the next financial year, under the new [black money](#) law, which has got the assent of the President.

The Black Money (Undisclosed Foreign Income and Assets) and Imposition of Tax Act, 2015 provides for a minimum penalty of Rs 50,000.

Besides, tax authorities would be able to send summons or notices via electronic mails (emails) and fax to seek information from the suspects of stashing the black money abroad.

The Act got the President's assent on Tuesday and will come into force from April 1, 2016. The new law, which has provisions to deal with the problem of the undisclosed foreign income and assets, was passed in the [Rajya Sabha](#) on May 13, two days after it got the [Lok Sabha](#) nod.

A person shall be liable to a penalty if he has, without reasonable cause, failed to answer any question put to him, by a tax authority in the exercise of its powers, the Act says.

The penalty will be imposed if he fails to sign any statement made by him in the course of any proceedings which a tax authority may legally require him to sign and, also for their failure to attend or produce books of account or documents called in response to summons issued to him.

The service of any notice, summons, requisition, order or any other communication might be made by delivering or transmitting a copy to a person by post or by such courier service as might be approved by the Central Board of [Direct Taxes](#) (CBDT).

It can also be issued in the form of any electronic record and “by any other means of

transmission of documents, including fax message or electronic mail message, as may be prescribed”.

The [CBDT](#) might make rules providing for the addresses including the address for electronic mail or electronic mail message to which the communication might be delivered or transmitted to a person, as per the Act.

CIVIL SERVICE

HINDUSTAN TIMES, JUN 03, 2015

**17 secretaries, including two Gujarat-cadre officers, appointed
Aloke Tikku**

PM Narendra Modi carried out his biggest reshuffle of secretary-level officers on Tuesday, appointing fresh faces to head crucial departments of commerce, civil aviation and power.

In all, 17 secretaries were appointed. There are nearly 80 secretaries at the Centre posted across 53 ministries.

Some of them moved up the bureaucratic hierarchy. But there were over half-a-dozen secretaries who were moved out less than nine months after being ordered to head a department. Two 1981-batch IAS officers from Gujarat, Rita A Teotia and Pradeep Kumar Pujari have been appointed as the next commerce secretary and civil aviation secretary, respectively. Their batchmate, Rajeev Nayan Choubey, has been appointed civil aviation secretary and incumbent V Somasundaran moved as women and child development secretary.

HRD minister Smriti Irani and food minister Ram Vilas Paswan have been given a new team of officers to work with. Two secretaries at the HRD ministry, school education secretary Vrinda Sarup and higher education secretary Satyanarayan Mohanty, have been moved out within months of them taking charge.

Sarup, who has spent most of her career in the education sector, has been appointed food secretary while Mohanty will take charge as secretary-general of the National Human Rights Commission. In her new team, Irani will have women and child development secretary Vinay Sheel Oberoi for higher education and Subash Chandra Khuntia for school education.

Apart from Sarup, Paswan also gets Food Corporation of India chairman CR Vishwanath as consumer affairs secretary.

TRIBUNE, JUN 03, 2015

**Now, biometric attendance for Haryana babus
For discipline & punctuality**

While employees queue up at the entrance of Haryana Secretariat, bureaucrat from the elite IAS or HCS officers are required to punch in their fingers into a biometric device attached to their computer.

Everyone from the chief secretary to the head of department has been brought under its ambit

The step is being projected as a step towards discipline and punctuality

Small things are aimed at achieving big results! This is perhaps what Haryana Chief Minister Manohar Lal Khattar had in mind when he took a decision to place a small, unobtrusive device at the desk of every bureaucrat in Haryana Secretariat and those heading department outside.

In a move intended to “control the babus”, who cared two hoots for the elected representatives, everyone from the state’s chief secretary to the head of department has been brought under its ambit.

The number of biometric devices to record attendance has been steadily increasing across departments, branches and institutions. Started last month, now every employee of the state government in the secretariat has been brought under its purview.

While employees queue up at the entrance of Haryana Secretariat, bureaucrat from the elite IAS or HCS officers are required to punch their fingers into a biometric device attached to their computer.

Being projected as a step towards discipline and punctuality, Khattar replicated the idea implemented by Prime Minister Narendra Modi in New Delhi. But BJP insiders say that the move became a priority for Khattar as this was one of the biggest issues on which previous Bhupinder Singh Hooda-led Congress Government was attacked for “unfettered powers enjoyed by the bureaucrats”.

In the recent showdown between Chief Minister Khattar and Karnal MP Ashwani Chopra, the issue of bureaucrats and their powers was raked up. Though, the chief minister issued a public statement that all was well in his government, the talk of powers enjoyed by some bureaucrats is common in political circles.

“It’s just for record sake as yet and no penal action has been suggested. However, non-marking of attendance can invite action as per the service rules already in place”, a senior official said.

After the secretariat and the mini secretariat, the system would be in place in all directorates and offices of the deputy commissioners across the state. “Soon every government employee will be subjected to electronic monitoring for attendance instead of the registers to ensure that bunking becomes a concept of the past,” sources said.

Biometric attendance was first introduced during the tenure of the late Chief Minister Bansi Lal. But before it could become functional, the government fell. When Om Parkash Chautala became the next chief minister he disbanded the system. Some employees say the experiment introduced by the Union Government in its offices proved costly for the BJP in the recent Delhi elections. What impact it will have in Haryana will only be seen in the days to come!

HINDU, JUN 04, 2015

Chief Secy draws flak for speaking out of turn

Chief Secretary Jiji Thomson has run into trouble with the government for back-to-back comments on two issues, closely tracked by commentators as well as the public at large.

A Cabinet meeting took serious exception to his airing views on the long-drawn palmolein import case, a political hot potato for the Congress-led government.

‘Govt on defensive’

Thomson had sought to criticise then Chief Minister K Karunakaran for its decision, which Home Minister Ramesh Chennithala said was an attempt to put his government on the defensive.

This view elicited instant support from at least five Cabinet colleagues, sources said. The Chief Secretary should have avoided making a statement on a subject that is sub judice, the Ministers said.

But Thomson informed the Cabinet that his comments were not intended to discredit the government. He was merely responding to a specific question at a press conference.

“I was only explaining my position in the case when asked for it,” Thomson said.

On Tuesday, he had told newsmen that the decision by the Karunakaran government to import 15,000 tonnes of palmolein was a wrong one.

GAIL project

Meanwhile, Industries Minister PK Kunjalikutty sought to ‘correct’ Thomson on his take on resuming work on laying the GAIL pipeline in the Kozhikode and Malappuram districts.

They are the strongholds of the Minister, who represents Muslim League – major partner of the ruling coalition.

The Minister denied having told the Chief Secretary that work would proceed at any cost.

HINDU, JUN 03, 2015

Steps simplified for govt. staff to get passport

The Ministry of External Affairs has simplified the procedure for issuance of passport to employees of government departments and public sector undertakings.

In a statement, Madurai Regional Passport Officer, S. Maniswara Raja, said that government employees were finding it difficult to obtain identity certificate and no-objection certificate from their departments. Hence, the Passport Office has decided to introduce a new feature – prior intimation letter.

The employees have to submit prior intimation letter along with their application for passport. A copy of the prior intimation would be sent to the controlling/administrative authority of the applicant. “If the employer has any objection regarding issuance of the passport to the employee, they should appear in person at the RPO concerned mentioning the details of such objections. However, the final decision will be taken by the Passport Issuing Authority,” the statement said.

If prior intimation is submitted by the applicant, passport would be issued on the basis of pre-police verification. However, the police verification in re-issue cases was applicable.

If no-objection certificate is submitted, passport will be issued on post-police verification basis. However, if identity certificate is issued by the employer for the government employee, the passport would be issued on no-police verification basis.

The spouse of such employees, and dependent children up to the age of 18 years have an option to submit identity certificate for expeditious issue of passport, the statement said.

TIMES OF INDIA, JUN 02, 2015

Next CVC may break IAS stranglehold

NEW DELHI: K V Chowdary, former chairman of Central Board of Direct Taxes (CBDT), and Vijai Sharma, the senior-most information commissioner, are tipped to take

over as the central vigilance commissioner and chief information commissioner, respectively.

Chowdary and Sharma were finalized as the choices for the two crucial positions after the meeting of the selection committee headed by Prime Minister Narendra Modi and comprising Union ministers Rajnath Singh, Arun Jaitley, Jitendra Singh as well as Leader of Congress in Lok Sabha Mallikarjuna Kharge.

Once ratified by President Pranab Mukherjee, Chowdary, a 1978 batch Indian Revenue Service officer who is currently serving as advisor to the Supreme Court-appointed Special Investigation Team on black money, will be the first non-IAS to head the Central Vigilance Commission.

Sources said the selection panel settled on Sharma, a 1974 batch IAS officer who superannuated as environment secretary, as its choice to head the Central Information Commission. He has been serving in the commission as information commissioner since 2012. His appointment will be in keeping with the pattern where the senior-most information commissioner has been appointed the chief.

However, the decision comes after a puzzling gap of nine months when Rajiv Mathur, former chief of Intelligence Bureau, retired as the chief information commissioner. The appointment was being looked forward to because the cases pending with the CIC have now crossed 39,000. The government also has to fill three vacancies of information commissioners.

The formal announcement of the two appointments will have to wait until Wednesday when the President returns from his visits to Sweden and Belarus.

Sources said 203 applicants, including all seven information commissioners, had applied for the post of chief information commissioner and 553 for the post of information commissioners. Under the RTI Act, the CIC has one chief and 10 information commissioners.

In CVC, the term of central vigilance commissioner Pradeep Kumar had ended on September 28 last year, while vigilance commissioner J M Garg completed his tenure on September 7. Rajiv, a 1975 batch IPS officer, is the only vigilance commissioner at present. The posts of another VC and the CVC have been vacant for almost a year. Sources said the government had received about 135 applications for the CVC's posts.

The government has come under severe flak from the opposition for the vacant CIC and CVC posts in the last few months with Congress president Sonia Gandhi even raising the issue in Parliament recently.

The appointment of CVC was possible after the apex court earlier this month lifted a five-month-old stay imposed after an NGO approached the court alleging lack of transparency in appointment process. The SC had on December 17 last year asked the government to furnish details of the appointment procedure and not to appoint CVC or VC without its approval.

COMMUNICATION

DECCAN HERALD, JUN 03, 2015

Free national roaming by BSNL

Telecom Minister Ravi Shankar Prasad on Tuesday said that Bharat Sanchar Nigam Limited (BSNL) will offer its mobile service subscribers free incoming calls on roaming from June 15.

Announcing this during a press conference, the minister said the state-run telecom firm is ready to compete with private companies by offering better services.

The announcement comes ahead of full mobile number portability (MNP), which will be effective July this year.

“Although there could be slight reduction in revenue on account of free incoming calls during roaming, we expect to gain first mover advantage and anticipate offsetting this amount by arresting churnout/porting out and acquiring new customers,” BSNL CMD Anupam Shrivastava said.

However, free incoming calls will be offered for only one year.

The minister added that in 2004, BSNL made profits of Rs 10,000 crore, and its loss stood at Rs 7,500 crore in 2014 when the Narendra Modi government took over. MTNL, he said, was in profit zone till 2008, but is now facing losses.

The minister said BSNL’s revenue went up 2.1 per cent in 2014-15 and active subscribers rose 47 lakh.

CONSUMERS

TRIBUNE, JUN 02, 2015

Amended consumer protection laws to cover e-commerce

Maggi row: Brand ambassadors liable for action

The Food Safety and Standards Authority of India (FSSAI) is looking into the complaint against Maggi samples collected from different states, said Union Minister Ram Vilas Paswan (pic)

The ministry went for larger scrutiny of Maggi samples following reports of high levels of monosodium glutamate and lead in UP samples

Maggi brand ambassadors will also be liable for action if ads regarding the product marketing are misleading, he said

In a move to safeguard the interest of consumers, including online shoppers, the government today announced move to amend a three-decade-old consumer protection laws to cover e-commerce and product liability.

The development, part of Prime Minister Narendra Modi's "Make in India" initiative, will translate into reality only when the manufacturing sector booms. The idea will find hard to perpetuate itself if the consumer society in the country is not given confidence.

Union Minister of Consumer Affairs, Food and Public Distribution Ram Vilas Paswan said amendments to the Act have already been finalised. Apart from simplifying procedures to seek justice, the government wants to make it abreast with business and commerce conducted in modern times.

"The Act dates back to 1986 when concept of e-commerce was not in vogue. Now the bulk of the business is in the category of e-commerce," he said.

The view in the ministry is that the present laws are inadequate to safeguard the consumers from their dubious e-marketing.

The growing stature of e-commerce is also confirmed as per recent Assocham-Deloitte study. It says in the quantum of business was to the tune of Rs 87,000 crore in 2014. As per the study it is expected to reach Rs 1.02 lakh crore by end of this calendar year.

Besides, the product liability would increase the compass of liability on the goods and service providers. A cross-section of products will be covered by it. The goods providers would be liable to penalties ranging from possible forfeiture of his licenses and recall of products.

Presently, individual gets compensation, if any, from the product providers. In the new dispensation, if a complainant's charge is true, then it will be assumed that the entire assembly line of the products is faulty.

Simply put, if a consumer complains of delivery of a faulty car and his charge is proved correct, not only will he be compensated but all those who purchased the product from the assembly line will be deemed to be aggrieved parties.

How will the government operationalise this new mechanism? Paswan said the proposed amendment to the Act seeks to constitute an "authority" which will have the power to investigate and make recommendation to the National Consumer Disputes Redressal Commission.

DROUGHT

BUSINESS LINE, JUN 04, 2015

Dealing with drought

The Centre says it has a plan in place to tackle a deficient monsoon. But is it the right one?

Throughout India's history, there have been years when the monsoon has been good, and years when it has not. This year is likely to be one of the worse ones, with the Indian Meteorological Department revising its rainfall forecast to "deficient". Although the IMD's early forecast, made in April, has erred often, its later forecasts, made in June and revised in July, have been getting far more accurate over the years (last year, its June forecast was skewed only for the North-West region), which means the country is looking at a very real possibility of a second successive drought year. Are we prepared for it? The Centre says it is. Union Agriculture Minister Radha Mohan Singh has said his ministry has prepared detailed contingency plans for 580 districts and that there are adequate buffer stocks of foodgrain to meet any shortage. However, the response is primarily geared towards mitigating the impact on agricultural output. If one uses agricultural output and inflation as yardsticks, one could even argue that these measures are successful. Last year, despite a drought, and despite the fact that the key agrarian states of Punjab and Haryana had the worst monsoon in half-a-century, agricultural output actually grew, albeit a marginal 0.2 per cent. Food inflation, too, was just 5.44 per cent, compared to the over 15 per cent food inflation witnessed in the previous bad drought year of 2009-10, when rainfall was only 77 per cent of normal. This was because high-output, commercial agricultural states like UP, Punjab and Haryana no longer depend on the monsoon. While a second dry year might stretch even their irrigation ecosystem, the distress of the poorer and marginal farmers in the rainfed areas of the States is likely to get acute.

The contours of the economy have changed substantially, both in rural and urban areas, which requires a new kind of policy response aimed at safeguarding livelihoods, not just crops. Despite the fact that agricultural output was not impacted, last year's drought worsened agrarian distress, which was rendered acute by the unseasonal rains. City-dwellers have had to cope with sudden spikes in vegetable, dairy and animal protein prices, and a sustained surge in pulses and edible oil prices, which strain their budgets more than an increase in basic grain prices.

This calls for a more rounded response, from ensuring adequate credit flow, alternative crop plans and livelihood sustenance for small farmers and landless labour in rural areas, to support for the dairy and animal husbandry sectors, to drinking water management in both rural and urban areas. The supply side has to be managed to minimise impact on urban consumers and food imports need to be handled deftly. Moreover, with five drought years since 2000 and a sixth in the offing, it is time we consider deficient rain as the new normal — and plan accordingly.

INDUSTRY

TIMES OF INDIA, JUN 02, 2015

Bengal govt's industry bodies can now sanction building plans

KOLKATA: Ahead of her proposed London visit next month, chief minister Mamata Banerjee on Monday announced a series of measures aimed at boosting industry morale. The most innovative of them is giving government-owned industrial corporations the power to sanction building plans in industrial parks and for other industrial purposes.

Till now, only corporations and municipalities in urban areas and panchayats in rural areas could sanction such plans. Now, West Bengal Industrial Development Corporation (WBIDC), West Bengal Industrial Infrastructure Development Corporation (WBIIDC), West Bengal Small Industries Development Corporation (WBSIDC) and Webel will also share the responsibility.

"There will be uniform rates for sanctioning plans so nobody can charge extra money," the chief minister told 200-odd industrialists at Town Hall. She also directed WBIDC managing director Krishna Gupta to ensure that the process is time-bound.

MSME secretary Rajiva Sinha said WBIDC, WBSIDC already have engineering teams to set up industrial parks and so they would be quite capable of sanctioning building plans as per laws of different municipalities, corporations or panchayats. Industrial units outside industry parks can also submit building plans to MSME facilitation centres and Shilpa Sathi.

In another welcome move, Mamata also assured industrialists that there will not be multiple unions of her party at any industrial unit. At present, rival Trinamool unions at industrial belts like Durgapur and Haldia have become a headache for business houses.

Other new simplification mechanism includes doing away with environment clearance for green industries. The validity of environment clearance has also been extended from five to seven years. "Pollution control certificate as a pre-requisite for providing electricity connection has also been done away with. The validity of trade license has also been extended to three years.

Frontline frontline local industrialists like RP-Sanjiv Goenka group chairman Sanjiv Goenka, Ambuja Neotia chairman Harsh Neotia, representatives from ITC were not

present at the interaction because most of them are out of the city. Those present included CII national president Sumit Mazumdar, Dhunseri Group chairman C K Dhanuka, ICC president Roopen Roy, Nicco Group chairman Rajiv Kaul, Century Plyboards MD Sanjay Agarwal, LINC MD Deepak Jalan, Adhunik Group MD Manoj Agarwal, Shyam Steel director Lalit Beriwal, BAPL director Utsav Parekh and Siddha Group MD Sanjay Jain among others.

Mamata was accompanied by finance and industries minister Amit Mitra, urban development minister Bobby Hakim, panchayat minister Subrata Mukherjee and mayor Sovan Chatterjee along with secretaries of eight relevant departments. Mamata also did a roll call of the secretaries present and made them commit to implementing the proposals announced by her.

HUMAN RIGHTS

HINDU, JUN 05, 2015

INTERNATIONAL RELATIONS

An inappropriate appointment

Justice Sathasivam is in the running for the office of chairperson of NHRC. However, his earlier acceptance of a governor's post makes him eminently unsuitable for the sensitive job

The National Human Rights Commission (NHRC) is the premier body that investigates abuses and violations of human rights in India. Set up in 1993, the NHRC has wide-ranging powers to investigate, recommend prosecutions, and award compensations for human rights violations. High-profile cases investigated by the Commission include encounter killings by the police and other acts of violence by the state. In 2002, the Commission under former Chief Justice J.S. Verma, was the first official body to visit Gujarat after the riots; it moved the Supreme Court to transfer cases outside the State to secure a fair trial.

The NHRC, set up under the Protection of Human Rights Act, 1993, consists of nine members. Four are ex-office appointments — serving Chairpersons of the National Commissions for Minorities, Scheduled Castes, Scheduled Tribes and Women. Two are persons who have done work in the area of human rights. And three are from the judiciary: a sitting or retired judge of the Supreme Court; a Chief Justice of a High Court; and, the most important of all, a former Chief Justice of India (CJI) who heads the Commission.

Needing an icon of independence

That the head has to be a former CJI is for good reason. Commonly, human rights violations are committed by, or with the connivance of, or allowed to be perpetrated by high-level political leaders, the police or other officers. The public needs to have unquestionable confidence that these cases will be investigated without a tinge of favour, by the most independent persons available. The Commission's public face and guiding force is the Chairperson. Hence, the insistence on a former CJI as the Chairperson of the Commission. Even a puisne judge of the Supreme Court is not to be considered for the post; nothing less than a person who has occupied the highest rank in the judiciary will do. If there is an icon of independence in the country who has received no favour from the government and is fearless about tackling the powers that be, surely it is the CJI. So proceeds the Act.

Justice P. Sathasivam held the office of the CJI from July 2013 to April 2014. Shortly thereafter, the government offered him the position of Governor of Kerala. He accepted, setting off a chorus of criticism. One former CJI, when asked for his reaction, enigmatically and crisply commented that "standards differ". Lawyers and retired judges

pointed out that the office of the CJI was being devalued. Its holder was part of a constitutional triumvirate of power along with the President and the Prime Minister, they argued, and therefore accepting Governorship meant going to an office not only several rungs lower, but more crucially one which was given entirely as patronage and largesse by the executive. It was also feared that once a precedent was set, and by no less than a CJI, it would not be long before judges on the verge of retirement would have the vision of a comfortable gubernatorial position hazing their eyes while deciding sensitive cases against the government.

Very few voices defended the appointment. One of those was that of Justice Sathasivam himself. He argued that he was accepting just another constitutional post, an untenable argument when the Constitution enumerates many posts barely comparable to the eminence of the CJI. He is also reported to have said that these standards would not apply to a retired CJI, a defence which poses some difficulty.

Indeed, it needs to be remembered that judges, especially of the Supreme Court, will inevitably handle cases of controversy involving the government and political personages. Justice Sathasivam himself has handled cases involving prominent politicians such as Amit Shah, where the accused received relief. Accepting appointment from governments of which such petitioners are a part will invite scrutiny of these cases and give rise to questions. This post facto scrutiny and linkage is one of the main reasons why judges have stayed away from accepting appointments that are decided purely by politicians. Even the eminent Justice M.C. Chagla received strong condemnation from leaders of the Bar for accepting the posts of Union Minister and Ambassador. Over the years, Raj Bhavans have, with distinguished exceptions, become havens for politicians being eased out, or rewarding civil servants for services rendered. Justice Sathasivam was appointed during the season when Governors of several States were being given marching orders telephonically by the Home Secretary. That a just-retired CJI broke precedence and judicial ranks to join this less than august group was an action that was widely seen as diminishing the image of the head of the judiciary, with no countervailing public interest.

An inappropriate appointment

The concern that arises now is that Governor Sathasivam is in the running for appointment as Chairperson of the NHRC. His name is mentioned as one of the likely appointees, and it is said that he has given his consent. This would be an inappropriate appointment, going against the grain of the primary qualification for heading the body, namely, independence from the government and the perceived ability to take hard actions against those in power.

This is an institutional qualification; it is no defence to say that a person who enjoys a sinecure from the government will revert to absolute independence when appointed to

head the NHRC. It is true that the statutory qualification for Chairperson does not specify that the candidate should not have held previous office at the hands of the government, but the framers of the Act would not have envisaged, even in their wildest dreams, that there would be a case of a Chief Justice becoming a Governor and then looking to become Chairperson of the NHRC.

Viewed from another angle, it is the proximal position that matters — he ought not to be treated as a former CJI, but as a Governor of a State, and hence not qualified to be Chairperson of the NHRC. It appears that a petition was filed in the Supreme Court raising these grounds, but it was withdrawn on the ground that the objection was being placed before the government. Perhaps judicial determination will have to follow if executive consideration is inadequate.

The position of the head of the NHRC is a crucial one for protecting human and democratic rights. These rights and the Commission are primordial for all citizens, especially for those who fall foul of the powerful in government. The appointment to this office must not be tainted in any way. Justice Sathasivam committed one mistake in accepting governorship and lowering the office of the CJI. One hopes that another such mistake will not be committed.

(Sriram Panchu is a senior advocate. E-mail: srirampanchu@gmail.com)

To be chairperson of the NHRC, a candidate must be independent from the government and possess the ability to take hard actions against those in power

HEALTH SERVICES

TRIBUNE, JUN 03, 2015

DUES OF RS 289 CR PENDING FOR 50 YEARS

At GMSH-16, free facility for Pb, Haryana govt staff goes

States had refused to pay arrears of hospital's annual maintenance charges last year

The employees of Punjab and Haryana governments will no longer be able to seek free-of-cost treatment at the Government Multi-Specialty Hospital (GMSH), Sector 16 here. Courtesy, both state governments have failed to clear the outstanding of Rs 289.73 crore payable to the Chandigarh Administration.

The amount, which is annual maintenance charges of the hospital, is pending for the past about 50 years.

Reacting to the refusal of the two governments in clearing their debts, the Chandigarh Administration on Monday decided to stop providing free of cost treatment to the employees of the states.

As per the Punjab Re-organisation Act-1966, the governments of Punjab and Haryana were bound to together bear 50 per cent of the annual expenses incurred on the hospital in lieu of providing free-of-cost treatment to their employees and poor patients in 60:40 ratio, respectively.

Since 1967, the governments have not contributed their share against the hospital expenditure to the UT Administration.

In a letter dated June 1 (a copy of which is with The Tribune) sent to the hospital and the health secretaries of both Punjab and Haryana, the UT Special Secretary, Health, stated, "The amount in crores is payable by both the governments and it is piling up. The governments have now almost refrained from paying the arrears. Therefore, it has now been decided to discontinue the free treatment facility..."

In July 2014, the governments of Punjab and Haryana blatantly refused to clear the dues.

In separate letters sent to the UT Administration, both states had cited changes in the scenario of their employees seeking treatment at the GMSH-16 and also their inability to pay the outstanding amount while seeking that it be waived.

It took the UT Administration nearly a year to react. About 25 per cent of the patients' strength at the GMSH-16 still comprises government employees from Punjab and Haryana seeking free treatment. The daily OPD registration is close to 3,000 and admissions vary from 15 to 20 at the hospital.

“Health infrastructure has developed in Panchkula and Mohali. The employees are also getting fixed allowance. OPD card charges will be levied on them now. That's the only difference,” said UT Health Secretary Anurag Aggarwal.

INTERNATIONAL RELATIONS

ASIAN AGE, JUN 05, 2015

Chinese push for ‘code of conduct’ on Indian border

China has virtually rejected Prime Minister Narendra Modi’s proposal to clarify positions on the Line of Actual Control and said it prefers an agreement with India on a code of conduct to maintain peace along the border.

Outlining China’s first public reaction to the PM’s proposal, deputy director-general of Asian affairs at the foreign ministry Huang Xilian said previous attempts to clarify mutual positions on the LAC had “encountered difficulties”.

“Whatever we do in the border area it should be constructive. That means it should be a building block for the process of negotiations not stumbling block,” he said, replying to a question.

“If we find that clarification of the LAC is building block then we should go ahead. But if we find that it is a stumbling block it could complicate the situation further. We have to be careful,” Mr Huang, the ministry’s point man for India, told an Indian media delegation here on the outcome of Mr Modi’s three-day visit here last month.

“Our position is that we have to seek some kind of comprehensive measures, not only one measure to control and manage the border to ensure peace and tranquillity along the border. We can try and reach an agreement on the code of conduct,” Mr Huang said. He said both countries still have some time to explore together.

“There is no need to do only one thing. We have to do many things. We have to seek comprehensive approach to this,” he said. Pressed further on why China has reservations on the LAC clarification, which Mr Modi stated will help both sides to know their positions, Mr Huang said it was tried few years ago but ran into difficulties.

“We tried to clarify some years ago but it encountered some difficulties, which led to even complex situation,” he said.

BUSINESS LINE, JUN06, 2015

India, Bangladesh sign historic land boundary agreement

PRATIM RANJAN BOSE

KOLKATA. JUNE 6:

They have been waiting for this day since August 15, 1947.

The wait has been particularly long in last couple of years after the former Manmohan Singh government brought the Constitutional amendment bill for Land Boundary Agreement between India and Bangladesh but failed to get it through.

But, approximately 51,000 people, living without a nation, in 111 enclaves of either country (land parcels located across the border) didn't give up hope. They were keeping track of political developments - be in New Delhi or Dhaka - blow by blow, moment by moment.

The history is captured in their daily facebook updates.

The wait was finally over at 4.11 pm on June 6, 2015, when Indian Prime Minister entered the final pact for ratification of a 41 year agreement to swap the land parcels. At the stroke of a pen, approximately 14,000 people living in 51 Bangladeshi enclaves inside West Bengal in India; became Indian.

“We are celebrating Independence dada. It will be a night long celebration,” Saddam Miah of Poaturkuthi, in Cooch Behar district, was screaming at top of his voice. The conversation was made impossible by a loudspeaker, belching out some Hindi film songs, in the background.

It was Independence Day at enclaves in India and Bangladesh. From today there will be no Chhit-Mahal, as they were locally referred.

Both the countries offered the enclave dwellers a choice of returning to their (notional) mother land or stay back wherever they are. According to a July 2011 survey by Bharat Bangladesh Enclave Exchange Coordination Committee (BBEECC) Saddams - irrespective of caste, creed and religion - wouldn't be leaving India.

BBEECC was the guiding force in demanding ratification of LBA.

But, many from the Bangladeshi side - that includes some Hindu minorities and a few poor Muslims – would be crossing over to India. They are pinning hopes to do better in the relatively more prosperous Indian economy.

Delhi has already allocated a huge Rs. 3,008 crore package for their rehabilitation in West Bengal.

But none of those were in consideration today.

At the 51 formerly Bangladeshi enclaves which are now an integral part of India; it was day for endless celebration with the Indian tri-colour.

Poaturkuthi, Balapukhari, Mashaldanga – if facebook images are to be believed, the scene is same everywhere; men are dancing on the streets ignoring scorching sun.; women distributing sweets and children are soaking every bit of this new found freedom.

Only one man, Diptiman Sengupta - the face of BBECC - is not celebrating. Quarter of a century ago, his father Dipak Sengupta initiated the movement for freedom of enclave residents in India. But, it was Diptiman who gave it the much needed teeth.

Diptiman is surely happy to have achieved the goal. But, tonight he would be busy to keep the celebration within manageable limits and avoid any untoward incident.

“For so many years they were persecuted and treated as outsiders in India. Law enforcing agencies had picked them up from market place for trespassing into India. Indian neighbours took advantage of their predicaments. Now that they are free, I have to be careful that it breaks no boundaries,” he said.

(This article was published on June 6, 2015)

TIMES OF INDIA, JUN 06, 2015

\$2 billion line of credit to Bangladesh to create 50,000 Indian jobs

Surojit Gupta

NEW DELHI: What is good for [Bangladesh](#) is good for India. The government is extending a \$2 billion line of credit to its neighbour which is expected to create 50,000 jobs in India and provide a big boost to the government's Make in India drive.

A line of credit is a promise to provide loans at subsidized rates from agencies such as Exim Bank. These are normally conditional on the recipient using the loan amount to buy equipment and services from Indian entities such as [BHEL](#), RITES, small and medium enterprises.

"We have already provided \$862 million line of credit to Bangladesh and this \$2 billion is going to provide a big boost to project exports from India and help Indian companies," Yaduvendra Mathur, chairman and managing director of Export Import Bank of India, told TOI.

He said the line of credit will also provide a huge boost to several sectors such as steel and cement as they will be exported to Bangladesh for the projects which will be undertaken there. "It is a big boost to manufacturing and projects but also create jobs," Mathur said. Since taking over Prime Minister [Narendra Modi](#) has extended nearly \$6 billion line of credit under his Look East policy to Nepal, Bangladesh, Sri Lanka and Maldives.

[The Exim Bank](#) has set up a special infrastructure facility in its Delhi office to route the projects from India and is working closely with the ministry of external affairs on boosting project exports from the country.

Under the line of credit (LOC) a minimum of 75% of goods and services needs to be of Indian origin and must be procured from India. According to Mathur, Exim Bank of India's LOCs are boosting the country's [international trade](#) and project exports. Exim Bank plays an active role in supporting Indian project exporters to execute developmental projects in over 60 countries which in turn provide immense opportunities to Indian firms to demonstrate their project execution capabilities, according to Mathur.

"Associated supplies through sub-contractors contribute to increase in India's global trade. At the same time furthering the Make in India concept while generating additional employment in India," he said.

So far, the government has provided 225 LOCs to 61 countries under the Development and Economic Assistance Scheme. These LOCs have been extended to countries in Africa, Asia, Latin America, Oceania and the CIS, totalling \$14.87 billion. Over 170 Indian companies have executed or are executing projects worth \$7 billion under this initiative.

Export-Import Bank of India is the premier export finance institution of the country. It commenced operations in 1982 under the [Export-Import Bank of India Act](#), 1981.

The government launched the institution with a mandate to not just enhance exports from India, but also to integrate the country's foreign trade and investment with the overall economic growth.

"Commencing operations as a purveyor of export credit, like other Export Credit Agencies in the world, Exim Bank of India has evolved into an institution that plays a major role in partnering Indian industries, particularly the small and medium enterprises through a wide range of products and services offered at all stages of the business cycle, starting from import of technology and export product development to export production, export marketing, pre-shipment and post-shipment and overseas investment," according to the bank's website.

LIBRARIES

HINDU, JUN 02, 2015

Delhi plans a culture library

In order to promote and preserve the heritage and vibrant culture of Delhi, the Arvind Kejriwal government has decided to build a central library in the city.

According to the government, the 'Central Culture Library' will house the rich literature on all the historical and cultural aspects of Delhi's past, from the ancient period to the modern times.

"We have decided to build the city's first 'Central Culture Library' to promote culture and heritage of the Capital. This library will have a treasure of rich literature on the cultural and historical aspects Delhi," Minister of Art and Culture Jitendra Singh Tomar said.

"The department has shortlisted two-three locations for the purpose. After zeroing in on one and getting the land allotted, the department will soon start work on the project. We are hopeful of starting construction in the next six months," he said.

HINDU, JUN 04, 2015

Knowledge network to be open to all SAARC nations

India is in the process of extending its National Knowledge Network to all members of the South Asian Association for Regional Cooperation (SAARC) to allow students unimpeded access to digital libraries and network resources, External Affairs Minister Sushma Swaraj said here on Wednesday.

At the groundbreaking ceremony of South Asian University (SAU) here, Ms. Swaraj said the Ministry was carrying out the instructions of the Prime Minister to have the university connect with at least one university in every SAARC nation.

"As Prime Minister [Narendra] Modi said in his speech at the 18th SAARC summit, India's vision for the region rests on the pillars of trade, investment, assistance, cooperation, people-to-people contacts and connectivity. In the coming days and years, we will work assiduously to make the region more connected and more prosperous," Ms. Swaraj said.

At the 13th SAARC summit in Dhaka, India offered to host the SAU. The university, mooted as one dedicated to the region, has had its share of teething troubles, mainly on account of financial constraints.

Pak. yet to pay share

While India has offered to pay the capital cost of \$198 million for its establishment, apart from providing close to 40 hectares for the campus, Pakistan is yet to pay its share. In 2014, a Parliamentary Standing Committee asked the Ministry to expedite the process of seeking funds from Pakistan. Its report said the neighbouring nation owed \$7.8 million towards the project since 2010.

A SAU official told *The Hindu* that the issue had been raised with Pakistan and the process of reclaiming the dues initiated.

“All other members have been paying their share. We have taken up the issue with Pakistan, and it is being sorted out. Earlier, there used to be no representatives of Pakistan present on the governing board; that too has changed now,” the official said.

Sushma launches work on South Asian University campus

MONEY

TRIBUNE, JUN 03, 2015

Jaitley pushes for plastic currency

Finance Minister Arun Jaitley today made a case for greater use of plastic currency even as he stressed that the development of new facilities at Hoshangabad and Mysore would help in reducing reliance on imports for the printing of currency notes.

“The developed world has moved substantially to plastic currency and payment gateways. I think there is need for India and our determination is there to gradually take steps to move in that direction,” he said.

Jaitley underlined the need for indigenisation of paper, ink and security features of the Indian currency. He mentioned that indigenisation of the currency had been emphasised by Prime Minister Narendra Modi on many occasions. He said a beginning in this direction had been made by starting commercial production of higher denomination of bank note paper at SPM, Hoshangabad, which he had inaugurated last week.

The Finance Minister was speaking at the conference on “Make in India – Indigenisation of Currency” held at the Vigyan Bhawan here today.

Jaitley said another banknote paper mill at Mysore will be operational for commercial production by the year-end. The combined production from these two projects, will meet the sizeable requirements of bank note paper in the country.

These plants will promote “Make In India” initiative of the Modi government, he said. The minister said the country needed to get rid of “obsolete” methodologies and catch up with the technologies of future to promote industrialisation and create jobs. The plastic currency refers to the usage of credit and debit cards. It also reduces reliance on paper currency notes.

PARLIAMENT

TELEGRAPH, JUN 02, 2015

Court blow to consolation berths

Calcutta, June 1: Calcutta High Court has struck down a law that granted the status of ministers of state to 23 Trinamul MLAs.

The ruling demolishes a consolation cubicle built by the Mamata Banerjee government to shelter several district satraps who could not be accommodated in her ministry because of a statutory ceiling.

The provisions of the West Bengal Parliamentary Secretaries (Appointment, Salaries, Allowances and Miscellaneous Provisions) Act, 2012, were used to give facilities of a minister of state to several MLAs of the ruling party.

However, a division bench of Chief Justice Manjula Chellur and Justice Ashim Kumar Banerjee said today: "Schedule VII of the Constitution has not empowered the states to enact such a legislation."

The division bench held that the Constitution had clearly stated that the total number of ministers should not exceed 15 per cent of the total number of members in an Assembly.

Under this rule, the number of ministers in Bengal cannot exceed 44 as the Assembly has 294 MLAs.

Pointing out that the strength of Mamata's ministry had already reached 44 before the legislation was brought in to appoint parliamentary secretaries, two advocates of the high court had moved a PIL in January. Moving the PIL, senior advocate and former mayor of Calcutta, Bikash Ranjan Bhattacharyya, had contended that the state had violated the provisions of the Constitution by enacting the legislation.

Later in the day, sources said the government would file an appeal in the Supreme Court.

THE LOLLIPOP

Facilities enjoyed by the parliamentary secretaries

- Salary: Rs 7,850 a month
- Allowance for attending office: Rs 1,000 a day
- An office with modern facilities
- Car
- Unlimited medical bill
- Unlimited telephone bill
- Two attendants

In May 2011, Trinamul had 184 MLAs but only 44 MLAs could be made ministers because of the limit. "But as there was discontent among the MLAs of the ruling party, the government got the legislation passed to give some of its prominent MLAs facilities similar to that of ministers of state," said a law department officer.

Officially, the parliamentary secretaries were supposed to liaise between a department and the Assembly and they were eligible to salary and other benefits.

"The list included MLAs like Tapan Dasgupta, Nirmal Maji, Ashok Dev, Tapas Roy, Biplob Mitra and Rabindranath Ghosh.... All of them are powerful leaders in their districts but they could not be made ministers. So, they were appointed as parliamentary secretaries," said a senior minister.

Although Mamata had initially spoken of a 30-member cabinet, she ended up with 44 ministers because of pressure from within.

"Later, when the Congress left the government, Mamata had appointed a few more as ministers from the party. But the demand was high and so the post of parliamentary secretaries had to be created," added the minister.

At present, the state has 23 parliamentary secretaries. Initially, the number was 27 but three MLAs were made ministers later and one was removed.

POLICE

ECONOMIC TIMES, JUN 03, 2015

L-G says Delhi government needs to take sanction on Bihar officers

In a notification, the Centre had given absolute powers to the LG in appointment of bureaucrats, saying he need not "consult" the CM on police.

NEW DELHI: In another round of bitter confrontation, Lt Governor [Najeeb Jung](#) today questioned Chief Minister Arvind Kejriwal's decision to induct five police officers from Bihar in its elite Anti Corruption Branch, triggering sharp reaction from the AAP Government.

Three inspectors and two sub-inspectors of [Bihar Police](#) have joined Delhi government's ACB after a request in this regard by the [AAP government](#) to Chief Minister Nitish Kumar's office.

Reacting strongly to the decision, Jung's office virtually rejected the appointment of the five police officials from Bihar and reaffirmed that the ACB functions under his direct authority and control.

"ACB Delhi, being a police station, functions under the authority, control and supervision of the Lt Governor, a position that has also been clarified by the Ministry of Home Affairs, vide Notification No 1368 (E), dated 21st May 2015.

"The office of the Lt Governor has so far not received any proposal for the deputation of such personnel from outside Delhi Police. The matter will be duly examined as and when the [Lt. Governor](#) receives the formal proposal from the Vigilance department of Delhi government," the LG's office said in a statement.

On its part, the AAP government justified the move and made a stinging attack on the Lt Governor and the Centre while asserting that it has "full power" to hire officials for the ACB

"Delhi Government has full power to take police officers from anywhere in the country. Previously too it had been done. The Centre is making a joke of everything. Sometimes they make LG to say that officers will come under it, sometimes they make LG to say ACB will come under it.

"They will not obey the Constitution, Court order and the law. They may say someday that they will run the White House through the LG," Deputy Chief Minister Manish Sisodia said.

Addressing a press conference, AAP leader Ashutosh slammed the Centre and the Lt Governor accusing them of creating hurdles in ACB's functioning.

"If ACB is strengthened who needs to be scared? Only those who are corrupt. LG's opposition to the move is against the will of the people," he said.

However, the BJP supported Jung and accused the AAP government of picking up "unnecessary fights" with the LG and not following the Constitution.

"The AAP government cannot run a government by bulldozing the Constitution and other laid down norms and procedures. The LG is right that his approval is necessary for hiring officials for ACB," Delhi BJP President Satish Upadhyay said.

A request for the Bihar Police officers was recently sent by Delhi government, following which the five officers were dispatched.

The AAP government and the Lt Governor have been involved in a public spat over his powers vis-a-vis an elected government. The Centre had on May 21 issued a notification siding with the Lt Governor.

Speaking at the assembly session recently, Kejriwal had said that the notification conferring more powers on Lt Governor Jung was part of an "experiment" to take the country towards "dictatorship."

In the notification, the Centre had given absolute powers to the LG in appointment of bureaucrats while also clarifying that he need not "consult" the chief minister on subjects like police and public order.

The matter has already reached the court. Kejriwal had recently conveyed to chief ministers of Bihar, UP and West Bengal among others that the Centre's notification, throwing its weight behind the Lt Governor, was "detrimental" to India's federal structure and it may happen to their states as well.

Delhi Police and ACB have recently come face to face after some of the former's men were arrested by the anti-graft unit for allegedly accepting bribe.

The move to induct policemen from Bihar also seems to be aimed at reducing ACB's reliance on Delhi Police as till now all its officers were derived from it.

POLITICS AND GOVERNMENT

STATESMAN, JUN 03, 2015

Travesty of Constitution

It would be superfluous to iterate the very obvious that the Trinamul government has suffered one more setback in court. One is inclined to ask when it last successfully defended its legislative and administrative misadventures. Quite the most critical feature of Monday's verdict of Calcutta High Court (coram: Manjula Chellur, CJ; and Ashim Kumar Banerjee, J) is that it upholds the legislative certitude on the size of a ministry, i.e. 15 per cent of the total number of MLAs.

We do not know whether Mamata Banerjee was deliberately impervious to the fundamentals. Yet we do know that some two dozen Trinamul MLAs were taken on board as "parliamentary secretaries" with the rank of Ministers of State. This seemingly was the reward for coming to the aid of the party before the 2011 Assembly election. A thoroughly irregular method was devised when the Chief Minister realised she would be unable to accommodate all the vested interests that joined hands to bring her to power. A ring of redundant faithfuls masquerading as MoS without portfolio was put in place at considerable cost to the exchequer a monthly salary, Rs 1000 a day for stepping into Writers'/Nabanna, a car, unlimited medical/telephone bills, and two attendants. Thus did a torpid economy suffer the party's profligacy. It is hard to imagine a more disingenuous and unconstitutional structure. As much is the subtext of the order of the Division Bench. Miss Banerjee clearly imagined her poll victory placed her above everything, including the Constitution. No less apparent is the fact that the quirky embroidery of "parliamentary secretaries" (MoS) was crafted chiefly to protect the interests of district satraps who could not be accommodated because of the statutory ceiling.

Every provision in the rule-book was flouted with the West Bengal Parliamentary Secretaries (Appointment, Salaries, Allowances etc.) Act 2012. That contrived piece of legislation has now been binned with the observation of the Bench "Schedule VII of the Constitution has not empowered the states to enact such a legislation". Miss Banerjee's immediate response "Nowadays courts are running the government" is characteristically hard-headed, if not more. She must accept that her consolation-prize formula made a travesty of the Constitution. Her strategy of governance is under a cloud as she packs her bags for Dhaka and London. Two final observations are necessary. Miss Banerjee's arrogance was manifest from her decision to appoint additional parliamentary secretaries last year even after the statute had been challenged. Second, the former parliamentary secretaries have the crowded and occasionally disrupted calendar of the Court to thank

for having enjoyed their pay and perks for nearly two and a half years, when really they ought to have been shown the Constitutional door a long time ago.

POVERTY

HINDU, JUN 04, 2015

Fight against hunger too slow and uneven

JOMO KWAME SUNDARAM

Almost 800 million people, or one in nine in the world, continue to suffer from hunger. The number of hungry people has declined globally by more than 167 million over the last decade, and by more than 200 million since 1991; 780 million of the chronically hungry are in developing countries, where their share has declined from 23.4 per cent in 1991 to just under 13.0 per cent at the end of 2014.

Thus, according to the latest State of Food Insecurity in the World (SOFI 2015) report, the Millennium Development Goal (MDG) of halving the proportion of chronically undernourished people in developing countries by 2015 is within reach, but only if progress accelerates sufficiently by the end of this year.

Progress too slow

At the 1996 World Food Summit (WFS), heads of government and the international community committed to reducing the number of hungry people in the world by half. Five years later, the MDGs lowered the level of ambition by seeking to halve the proportion of the chronically undernourished.

By the end of 2014, 72 developing countries had reached the MDG Goal 1 target. Of these, 29 have also achieved the more ambitious WFS goal. However, the number of hungry people in the world has only declined by a fifth from the billion estimated for 1991.

...and uneven

Overall progress has been highly uneven. Some countries and regions have seen only slow progress in reducing hunger, while the number of hungry has even increased in several cases.

In sub-Saharan Africa, more than one in four people remains chronically hungry, while Asia, the world's most populous continent by far, is also home to over half a billion hungry people. Meanwhile, Latin America, the Caribbean, East and Southeast Asia have significantly reduced both the share and the number of undernourished. Most countries have reached the MDG target. West Asia and Central Africa have seen a rise in the share of the hungry compared to 1991, while progress in sub-Saharan Africa, South Asia and Oceania has not been sufficient to meet the MDG hunger target by 2015.

Lessons from experience

While there is no one-size-fits-all solution for how to improve food security, SOFI 2015 identifies several factors that have played a critical role in achieving the hunger target.

Growth needs to be inclusive to reduce poverty and hunger. Access to food has improved rapidly and significantly in countries that have experienced inclusive economic growth, notably in East and South-East Asia. Better performers in Africa met the MDG hunger target while those that made slow progress did not.

Raising the productivity of family farmers can be an effective way out of poverty and hunger by increasing net incomes and in town investments for further improvements. improved agricultural productivity, especially by small holder family farmers and incomes, leads to poverty and hunger reduction.

Economic growth is usually helpful as it can expand the fiscal revenue base, including to finance social transfers and other assistance programmes. In Latin America and South Asia, social protection has made the difference, especially for the rural poor, who comprise 78 per cent of the poor globally.

The expansion of social protection — cash transfers to vulnerable households, food vouchers, health insurance or school meal programmes — correlates strongly with progress in hunger reduction. Besides the direct impact on relieving hunger and poverty, social protection can enable those with fewer assets to boost their incomes, and invest more, thus enhancing their resilience.

SOFI 2015 estimates that some 150 million people worldwide have escaped extreme poverty thanks to social protection. However, more than two-thirds of the world's poor still do not have access to regular social support. Transfers help households manage risk and mitigate shocks that would otherwise trap them in poverty and hunger.

With the number of undernourished people remaining “unacceptably high”, the need to strengthen the political commitment to eliminate hunger cannot be overemphasised. The pledges of the Community of Latin America and the Caribbean at its 2013 summit and of the 2014 African Union summit to end hunger in their respective continents by 2025 are very encouraging. In 2015, the governments of the world are expected to strengthen financing for development, commit to the post-2015 Sustainable Development Goals and ensure the needed collective action to address global warming. SOFA 2015 is a timely reminder of the enduring legacy of needless hunger and poverty which we must eliminate by 2030.

(Jomo Kwame Sundaram is the Coordinator for Economic and Social Development at the Food and Agriculture Organization and received the 2007 Wassily Leontief Prize for Advancing the Frontiers of Economic Thought.)

The Millennium Development Goal of halving the proportion of chronically undernourished people in developing countries by 2015 is within reach. But progress must accelerate by the end of this year

PRIME MINISTERS

TELEGRAPH, JUN 02, 2015

A way with the world: The prime minister's natural flair for diplomacy **Kanwal Sibal**

The prime minister, Narendra Modi, scored most in foreign policy in his first year in power. No one anticipated Modi's natural flair for diplomacy, to which he has brought imagination and self-assurance. Modi has been more emphatic than his predecessors in giving improvement of relations with neighbours greater priority. He invited all the Saarc leaders to his swearing-in, to signal that the decisive election victory of a supposedly nationalist party did not denote a more muscular policy towards neighbours. On the contrary, India would take the lead in working for shared regional peace and prosperity.

Bhutan, the only neighbour that has not politically resisted building ties of mutual benefit, was the first country he visited in June, 2014. He handled his August 2014 visit to Nepal with sensitivity and finesse, and followed it up with exceptional leadership in providing immediate earthquake relief to Nepal in May, 2015. In obtaining Parliament's approval of the land boundary agreement with Bangladesh in May, 2015, Modi showed his determined leadership again.

He did falter with Pakistan, seemingly unsure about whether he should wait for it to change its conduct before engaging it, or engage it nevertheless in the hope that its conduct will change for the better in future. He announced foreign-secretary-level talks during Nawaz Sharif's visit to Delhi, but cancelled them precipitately. He ordered a robust response to Pakistan's cease-fire violations, yet sent the foreign secretary to Islamabad in March, 2015, on an unproductive Saarc Yatra. Relations with Pakistan remain in flux. In Afghanistan, President Ashraf Ghani's tilt towards Pakistan and China has challenged the viability of India's Afghanistan policy. Ghani's delayed visit to India in April 2015 did not materially alter the scenario for us, but India has kept its cool.

Modi's foreign policy premise, that countries give priority today to economics over politics, has been tested in his China policy, which received a course correction. After courting China economically, Modi had to establish a new balance between politics and economics. President Xi's visit to India in September, 2014, was marred by the serious border incident in Ladakh. Modi showed a sterner side of his diplomacy by expressing serious concern over repeated border incidents and calling for resuming the stalled process of clarifying the Line of Actual Control. During his China visit in May, Modi was even more forthright by asking China to reconsider its policies, take a strategic and long-term view of our relations and address "the issues that lead to hesitation and doubts, even distrust, in our relationship". He showed firmness in excluding from the joint statement any reference to China's One Road One Belt initiative or to security in the Asia-Pacific region. The last minute decision to grant e-visas was puzzling, especially as the stapled visa issue remains unresolved. The economic results of his visit were less than expected, with no concrete progress on reducing the huge trade deficit and providing

Indian products more market access in China. The 26 "agreements" signed in Shanghai were mostly non-binding MoUs involving the private sector and included the financing of private Indian companies by Chinese banks to facilitate orders for Chinese equipment.

Modi's visit to Seychelles, Mauritius and Sri Lanka in March, 2015, signified heightened attention to our critical interests in the Indian Ocean area. Modi was the first Indian prime minister to visit Seychelles in 33 years. His visit to countries in China's periphery in May, 2015, was important for bilateral and geopolitical reasons. During his visit to South Korea the bilateral relationship was upgraded to a "special strategic partnership", but Korea nevertheless did not support India's permanent membership of the United Nations security council. Modi's visit to Mongolia was the first by an Indian prime minister to a country whose position is geopolitically strategic from our point of view.

Belying expectations, Modi moved decisively towards the United States of America on assuming office. He set an ambitious all-round agenda of boosting the relationship during his September, 2014, visit to Washington. In an imaginative move, he invited Obama to be the chief guest at our Republic Day on January 26, 2015. To boost the strategic partnership with the US, he forged a "breakthrough understanding" on the nuclear liability issue and for tracking arrangements for US-supplied nuclear material. Progress on the defence front was less than expected with four low-technology "pathfinder" projects agreed under the defence technology and trade initiative. The important US-India joint strategic vision for the Asia-Pacific and Indian Ocean region, issued as a stand-alone document, high-lighted the growing strategic convergences between the two countries, with China in view. A special feature of Modi's September, 2014, US visit was his dramatic outreach to the Indian community, which has since then become a pattern in his visits abroad, whether in Australia, Canada or Beijing. No other prime minister has wooed the Indian communities abroad as Modi has done.

President Putin's visit to India in December, 2014, was used to underline politically that Russia remains India's key strategic partner. Modi was effusive in stating that with Russia we have a "friendship of unmatched mutual confidence, trust and goodwill" and a "Strategic Partnership that is incomparable in content". He was careful to convey the important message that even as India's options for defence cooperation had widened today, "Russia will remain our most important defence partner". Civilian nuclear cooperation with Russia got a boost with the agreement that Russia will build "at least" ten more reactors in India beyond the existing two at Kudankulam. All this was necessary to balance the strengthened strategic understanding with the US and its allies.

Modi bolstered further our vital relations with Japan, which remains a partner of choice for India. Shinzo Abe announced \$35 billion of public and private investment in India during Modi's visit to Japan in September 2014, besides an agreement to upgrade defence relations.

Modi's visit to France and Germany in April, 2015, recognized Europe's all-round importance to India and was timely. He rightly boosted the strategic partnership with France by ensuring concrete progress in the key areas of defence and nuclear cooperation

by announcing the outright purchase of 36 Rafale jets and the MoU between AREVA and L&T for manufacturing high-technology reactor equipment in India. Modi's bilateral visit to Canada in April, 2015, was the first by an Indian prime minister in 45 years. Bilateral relations were elevated to a strategic partnership and an important agreement signed for long-term supply of

Relations with the Islamic world received less than required attention during the year, although the Qatar Emir visited India in March, 2015, and the political investment we made earlier in Saudi Arabia aided in obtaining its cooperation to extract our people from Yemen. Gadkari went to Iran in May, 2015, to sign the important agreement on Chabahar. Modi did well to avoid any entanglement in the Saudi-Iran and Shia-Sunni rivalry in West Asia. He met the prime minister of Israel, Benjamin Netanyahu, on the sidelines of the UN general assembly meeting in September, last year, to mark the strength of India-Israel ties. So, Modi's handling of India's foreign policy in his first year is impressive. He has put India on the map of the world with his self-confidence and his faith in the nation's future.

PUBLIC ADMINISTRATION

PIONEER, JUN 02, 2015

SUPER BOSSES TO BOSS BABUS?

After its controversial proposal to procure high-end equipment for surveillance, the Aam Aadmi Party (AAP) Government in Delhi is trying to set up a parallel system to keep tabs on the programmes and functioning of the departments and their officials from top to bottom. A proposal moved by the Home Department, has suggested setting up of 25 monitoring and evaluation units, each consisting of a team leader, one office assistant and five field staff. The department has proposed that these teams be supervised by five directors. It has also suggested that a project director should be the head of the whole project.

In a draft Cabinet note, a copy of which is with The Pioneer, the Home Department cites pre-occupation of officers with other important work, lack of initiative on the part of officials and absence of standard parameters to judge the results achieved in implementation of various schemes and programmes, as some of the reasons necessitating setting up of these monitoring units. The financial implication of setting up these 25 units is projected at Rs20 crore (salaries Rs7 crore, establishment and other expenses Rs10 crore and miscellaneous Rs3 crore). The Home Department has proposed that the wing function under its supervision.

Delhi Government officials said on the condition of anonymity, that instead of making administration easy and simple, there is a possibility that creation of 25 monitoring and evaluation units may make multiplicity of authorities further complicated. “The bureaucrats under constant surveillance and monitoring may not be in a position to deliver their best unless the political system creates a sense of absolute confidence among them. There will be no alacrity among bureaucrats to participate fully in decision-making procedures. At the moment, the bureaucracy is skeptical about their political masters, it will directly hamper and jeopardise the decision-making process and good governance,” said the officials.

“The proposal may contain elaborate details of the extent of participation/role of implementing department. Details of the field of the expertise of the staff may be included in the draft or the intent to do so subsequently needs to be reflected in the proposal,” the note said.

“It may be observed various independent departments, other than the implementing departments of respective programmes/schemes are functioning with specific set-ups for the purpose of evaluation and monitoring as a check-and-balance mechanism — evaluation team of planning department, finance and audit department etc. These departments submit scheme/ project-specific reports to different higher authorities, including the Ministers concerned and the Chief Minister,” it said.

In a letter to the Home Secretary, Deputy Director (Administrative Reforms) Amitabh Joshi has said the proposal needs to bring out exact grounds and objectives before the Cabinet to justify the need to make such expenditure keeping in view the existing set-ups.

“The proposed new set-up is required as monitoring and evaluation of the functioning of Government staff in existing system is inadequate and needs a new system of monitoring and evaluation of the schemes and programmes of the Government. However, it is seen that the grounds are generalised in nature without any case study /survey or analysis and assessment of any specific scheme /ongoing programme or project,” the letter said.

Earlier, the AAP Government move for the purchase of surveillance equipment had raised a political storm with rival parties expressing apprehension that such a facility could be used to snoop on AAP's political rivals. The Congress had said such funds for buying high-end equipments should be entrusted with officials appointed by following "proper protocols and procedures."

STATESMAN, JUN 04, 2015

Why is society so polarised?

Andrew Sheng

Polarisation is the deep division within society. We see this in every opinion poll where the majority of the population is almost equally divided between those who agree to stay with the status quo and those who want to change it. In between are the Tea Parties or the radical minority, whose views are much more extreme, but they help shape public opinion, which is both undecided and confused at the same time.

The deep divide is actually a generational split. As I mentioned in an earlier article, Henry Kissinger has touched on this generational gap in his book World Order. He sees this as the age of technology that has upturned the foundations of social order through its disrupting speed and scale of change.

The older generation naturally wants to change things incrementally by keeping power and order. The young who have little fear, much less to lose, have everything to gain from radical change and disorder. We see this demand for change from radicals fighting in the Middle East to students in Hong Kong's Occupy Central. Polarisation is happening in both rich and poor societies.

Polarisation is not just due to income and wealth inequality. Narrowing these gaps will go a long way to swing the silent majority towards supporting the status quo, but it will not change completely those who feel strongly that their fundamentals are absolute and cannot be changed.

Kissinger sees very clearly the implications of cyber-technology on social order. Information and processing power is advancing at such a bewildering speed that no human being can comprehend fully that new information. IBM estimated that every day,

2.5 billion gigabytes of new information are generated daily, 90 per cent of which was created in the last two years. No human being is capable of digesting that amount of information.

The older generation is still reading and processing information through paper, whereas the young are downloading information on their smartphones. The old think that history and memory is important, whereas the young are wired to instant info on Wiki or Twitter that show only a part of the truth. Kissinger summed it up beautifully, “In the Internet age, world order has often been equated with the proposition that if people have the ability to freely know and exchange the world’s information, the natural human drive toward freedom will take root and fulfil itself, and history will run on autopilot, as it were.”

But the world is not run on autopilot. Order can be disrupted either by contests within a multi-polar world between new emerging powers or by seemingly random events and accidents that set the world in a new direction. As they say in chaos theory, a butterfly flutter can set off the next typhoon.

The youth think that they are the butterflies, small against the wind, but they will survive the dinosaurs. The Internet promises instant gratification — we want it now! In an age of Uncertainty, the young find Certainty through either religion or fundamentalism. Such beliefs become the anchor of their existence and identity.

Hong Kong society has become polarised because the young have seized the moment in Occupy Central, sending all the professional politicians to the sidelines. They are defiant through their desperation.

Thirty years ago, the young could hope for good jobs when they graduated. Or believing the spirit of the Lion Rock, they could be the next billionaires through their own hard work and enterprise. Today, unemployment stares them in the face as jobs go to the best and brightest, many of whom are educated abroad. With huge rents, even noodle-stalls and IT start-ups are out unless you have rich relatives willing to fund you. Few of the young can afford to buy an apartment on their current salaries. So the defence against such loaded odds is the absolute belief in Hong Kong’s real strengths — democracy and the rule of law.

Protests in the Internet world make you instantly from zero to hero.

Kissinger has achieved Zen-insight on this, “Western history and psychology have therefore treated truth as independent of the personality and prior experience of the observer.” But Internet “truths” are computed through search engines designed to filter “likes” and “dislikes”. It has empowered small groups to process, monitor and shape “truth”, for better or worse, instant voice.

Governments are by definition slow to react to these monumental changes. Policy and action has to go through laborious processes, delayed in Hong Kong because of the inability of the polarised establishment to compromise and agree. Passing the next piece of legislation as a solution is almost meaningless, because law has become so complex that it contains “thousands of pages of text whose precise meaning is elusive even to those legislators who vote for them.”

Ultimately, the issue arises from the “complexity of defining an identity in the age of social media”. What does it mean to be a Hong Konger within Greater China? Is it an absolute identity with absolute rights or a minority within a majority with relative and collective rights and responsibilities?

The Internet Age cannot solve the social contradictions of our times. The refugees who are boarding boats to cross the Mediterranean and Andaman Seas in search of absolute freedom will find instead slavery or rejection. To welcome them would encourage an unstoppable flood of refugees to be fed and housed, or used as illegal labour. To push them back out to sea could mean death. There are no simple answers to the modern moral dilemmas.

Hong Kong’s great strength is that it is an open crossroads of globalization between different cultures, but its weakness is that its own internal identity was never properly debated under colonialism and after its return to China. The silent majority cannot be silent any more, because real choices have to be made. That choice is to have either instant democracy of one person, one vote, or a phase-in of learning by doing.

Hong Kong people have always survived by their practical realism. Hong Kong’s identity will be determined by its choice between idealism and realism.

RAILWAYS

BUSINESS LINE, JUN 05, 2015

Confused signals on Railways reform

VIVEK SAHAI

Either adopt the British model of privatisation or restructure the management. A ‘bit of both’ approach won’t work

For the last three decades the Centre has been toying with the idea of restructuring Indian Railways. While the Railway Reform Committee (1981) headed by HC Sarin (it had . Manmohan Singh as one of the members) had a detailed look at this issue and submitted its final report in 1985, the first serious study on changing the organisational structure as well as the ethos of the Railways was carried out by the Prakash Tandon Committee in 1994. Simultaneously, the Gupta-Narain Committee also examined the rationalisation of the management services the same year.

Subsequently, Rakesh Mohan, while submitting his report in 2001, delved into this issue at great length. In 2014, in his National Transport Development Policy Committee Report, he devoted considerable energy on suggesting means to invigorate the organisation. The High Level Railway Restructuring Committee headed by Bibek Debroy is another effort to streamline this mammoth organisation.

The Indian Railways plays a significant role in the life of every Indian. Reasonably then, every Indian has a right to worry about its efficient functioning and nurture the hope that it will ride a trajectory of unstinted growth.

Every government recognises this, and hence the plethora of committees. But, forming a committee is one thing; implementing its recommendations is another!

Contradictory views

The interim report of Debroy’s committee needs in-depth scrutiny not only of its recommendations, but also of how best they can be implemented.

The subject of restructuring is covered in seven chapters; the second chapter is devoted to liberalisation, the entry of private operators and the unbundling of the Railways into two separate entities — infrastructure and operating companies— almost on the lines of the restructuring of British Rail.

The very idea militates against the avowed policy of the government to abstain from any move towards privatisation.

On the other hand, Chapter 5 examines the issue of management cohesiveness of the organisation in great detail and proposes many far-reaching recommendations.

Yet, the contents of Chapters 2 and 5 are quite contrary to each other, and profess two different philosophies! If the committee is suggesting bringing in private players and having two separate entities as stated in Para 2.43 of the report, then Chapter 5 is redundant.

With the entry of private players, the Railway Management should reduce in size. It will need a different prescription for survival. It is a vexatious issue and will bring the government in direct confrontation with unions and associations of every kind.

With the inclusion of two mutually conflicting chapters, the report loses focus and emanates confusing signals. It is hoped that the final version will resolve this dichotomy.

What's the timeframe?

The other important issue is the time-table for the implementation of the suggested reforms. There is an urgent need to arrange for the flow of funds, preferably through public-private partnership (PPP). The main obstacle here is the lack of trust among private players about the intentions of the Railway administration.

The esoteric Railway Budget cannot be comprehended by a layperson, leading to doubts in the minds of prospective investors. Accounting reforms — talks have been going on for more than a decade — can bridge this gap in perception. It would, therefore, be better if accounting reforms saw a closure immediately.

Concomitantly, the Railway Board can be restructured to work on business lines instead of its present petty departmental approach, euphemistically termed 'functional'. Both these targets are within the realm of possibility.

The report rightly roots for a regulator as a statutory body. Without a strong regulator in place, any possibility of introducing private players as operators will remain a dream. Putting a regulator in place within a year of implementation of the report will have a salutary effect on the atmosphere for investments in the Railways.

A cast iron case has been made out for concentrating on the core activities of the Railways as a transporter. Various suggestions are well thought out, but again, many of these may be unpalatable. Their fruition will depend more on whether the government has the stomach to push matters to their logical conclusion or not, and less on their propriety and desirability.

A holistic approach

The report can be commended for its holistic approach, barring the conflicting message on privatisation. Still, it can lay claim to being a complete package. If only some parts are finally accepted, it must be ensured that it does not leave gaping holes in the jigsaw puzzle.

This report is different from previous ones on two counts: first, it lays down a time-table for implementation, and second, it also lights a pathway to be followed for speedy and smooth implementation of its recommendations by way of “setting up of a strong formal implementation and monitoring mechanism...a dedicated cross-functional team be set-up in the ministry”. Debroy has termed this report a draft report. It is hoped the final report will take care of issues mentioned here so that the recommendations will help Indian Railways modernise itself without delay. Hopefully, the Centre will muster up the courage to change the working ethos of Indian Railways.

The writer is a former chairman of the Railway Board. He was also associated with the National Transport Development Policy Committee’s report

(This article was published in the Business Line print edition dated June 5, 2015)

TAXATION

HINDUSTAN TIMES, JUN 1, 2015

Banking, railway, mobile bill, other services costlier from today as service tax goes up to 14%

People will have to shell out more from June 1 (Monday) while using mobiles, eating out and travelling as the service tax rate goes up to 14%.

Finance minister Arun Jaitley in his budget had proposed to raise service tax from 12.36% (including education cess) to 14%. The proposal takes effect from June 1.

The tax is levied on all services, except a small negative list.

Some of the key services that will attract higher tax and hence become costlier are: railways, airlines, banking, insurance, advertising, architecture, construction, credit cards, event management and tour operators.

Mobile operators and credit card companies have already started sending messages to subscribers conveying the increase in service tax rate which will have a bearing on the bills.

According to railway ministry officials, fares for First Class and AC classes in passenger trains, besides freight charges, will go up by 0.5% from June 1.

"Currently, 3.7% service tax is levied on train fares for AC Class, First Class and freight. This will go up to 4.2% from June which means the rise is only 0.5%," the official said. Currently, there is abatement of 70% on passenger services.

Jaitley had proposed to raise the service tax rate to 14% to facilitate a smooth transition to the Goods and Services Tax (GST) regime, which the government wants to roll out from April 2016.

Once implemented, GST will subsume service tax, excise and other local levies.

"To facilitate a smooth transition to levy of tax on services by both the Centre and the States, it is proposed to increase the present rate of service tax plus education cesses from 12.36% to a consolidated rate of 14 per cent," Jaitley had said in Budget speech.

Education cess, which is levied on service tax, will be subsumed in the service tax rate with effect from June 1.

Although the budget also proposed a 2% Swachh Bharat cess on selected services, the government is yet to come out with a notification in this regard.

HINDUSTAN TIMES, JUN 01, 2015

I-T forms simplified, new filing return deadline is now August 31

The finance ministry on Sunday came out with a new three-page income tax return (ITR) forms, in a corrective measure after facing strong criticism from public. The new forms, which no longer require mandatory disclosure of foreign trips and dormant bank accounts, can now be submitted till August 31 instead of the regular July 31 deadline.

The new forms will be up on websites for e-filing from the third week of June since the government is yet to update the software with new proposed changes.

According to a finance ministry statement, the new forms — ITR 2 and ITR 2A — will have only three pages and other details will have to be filled in schedules, as per each individual's criterion and income.

The revenue department has also proposed to come out with a new ITR 2A form, which can be filed by an individual or HUF, who does not have capital gains, income from business/ profession or foreign asset/foreign income. This according to the government will cover a maximum number of tax payers.

On the major sticky issues like details and source of income of foreign trips and bank accounts, the government eased the disclosures sought earlier and said: "It is now proposed that only passport number, if available, would be required to be given in forms ITR-2 and ITR-2A. Details of foreign trips or expenditure thereon are not required to be furnished."

For information related to bank accounts the ministry has decided to ask information of only those dormant accounts which were operational during the last three years, from the filing year.

"As regards bank account details in all these forms, only the IFS code, account number of all the current/savings account which are held at any time during the previous year will

be required to be filled-up. The balance in accounts will not be required to be furnished," the statement added.

Further clarifying for non Indian citizen individuals, the income tax department said that it is not mandatory for them to report the foreign assets acquired by him during the previous years in which he was non-resident and if no income is derived from such assets during the relevant previous year.

"Individuals having exempt income without any ceiling (other than agricultural income exceeding Rs 5,000) can now file form ITR 1 (Sahaj). Similar simplification is also proposed for individuals/HUF in respect of form ITR 4S (Sugam)," the statement added.

Following the controversy over the ITR forms for assessment year 2015-16, which sought details of bank accounts and foreign visits, the revenue department had put them on hold.

The ITR forms, which was notified last month by the CBDT for the current assessment year, had specific columns for banks accounts, IFSC Code, names of joint account holders and foreign visits, including the ones paid by companies.

FINANCIAL EXPRESS, JUN 03, 2015

Income Tax return: No relief for Indian citizens with foreign assets

The Income Tax Department will retain the detailed questions on foreign assets and income of resident Indian citizens...

By: [Gireesh Chandra Prasad](#)

The Income Tax Department will retain the detailed questions on foreign assets and income of resident Indian citizens in the revised tax return forms, to be issued shortly. The relaxation announced by the finance ministry on Sunday pertains only to expatriates, who would be required to disclose foreign assets acquired before their India stint only if those assets do not yield income in the year for which return is filed. Resident Indian citizens are excluded from this relief.

“In the absence of disclosure by taxpayers, the department will have to issue notices seeking clarification every time information is received on the foreign assets and income

of a resident Indian citizen from other nations under information exchange agreements. An upfront disclosure of such assets and income would spare the assessee from such notices,” said a person familiar with the department’s move.

On Sunday, the finance ministry announced that the revised tax return forms to be notified soon will not have the prying questions on foreign travel details and balances in bank accounts of assesses that were originally sought in ITR2 when it was brought out last month. The ministry’s statement however, remained conspicuously silent on the expanded list of questions on foreign assets and income of resident Indian citizens that were also introduced in ITR2 to be filed by individuals having income from more than one house property but do not have income from business or profession.

Sources said that everything that has not been specifically excluded in the ministry’s statement would be retained. The ITR2 brought out last month increased the depth of foreign asset and income reporting. In the case of immovable property abroad, for example, the number columns to give additional information was increased to 10 from three given in the return for 2014-15 assessment year.

Similarly, the scope of foreign bank account details to be disclosed in the return for 2015-16 assessment year too was widened to include the interest accrued in those accounts and the amount offered to tax in India. In the return for the year before, assesseees were asked to disclose only the name of the account holder, account number, bank address and the peak balance. Also, in the case of financial interest in a foreign entity, reporting requirement has been expanded to include the nature of interest, date since it has been held, the income accrued, its nature and the amount offered to tax in India under the return. The same is true in the case of trusts set up outside the country too.

While seeking information about foreign assets of resident Indian citizens from other countries under tax treaties is a routine practice, the tax administration recently decided to also seek help of other nations to recover tax dues by attaching foreign assets of

defaulters. In nearly half of the 94 double tax avoidance agreements (DTAA) and in some of the 15 tax information exchange agreements (TIEA) India has with other countries, there are provisions to seek such assistance. This is possible only in cases where the defaulter has no further legal recourse available in India to prevent the recovery of the tax dues by way of attaching assets, had these been located in India.

Taxpayers have time till August 31, 2015 to file returns as per the revised forms. E-filing software would be ready in the tax department's website by June 3.

TERRORISM

STATESMAN, JUN 03, 2015

'Tagore, Gandhi's ideas best way to counter terrorism'

Sumir Kaul

Terming terrorism as a serious challenge for the international community, President Pranab Mukherjee today said the ideas of truth, dialogue and non-violence espoused by Rabindranath Tagore and Mahatma Gandhi provide the best way forward.

"What is terrorism. What is the definition of terrorism.

Terrorism has no respect for religion, border or nationalities. It believes in only one thing and that is wanton destruction. Today terrorism is a serious challenge for international community," Mukherjee said at Uppsala University here.

The President said that enduring peace can only be established on the basis of humanity's moral and intellectual solidarity as political and economic agreements will not on their own build a lasting peace.

Speaking on "Tagore and Gandhi: Do they have Contemporary Relevance for Global Peace?," Mukherjee said Gurudev Rabindranath Tagore firmly believed that world peace could never be achieved until big and powerful nations curbed their desire for territorial expansion and control over smaller nations.

The President said if Tagore was the intellectual and spiritual torch bearer of global peace, it was the Mahatma or the great soul who showed the world that Satyagraha or truth force and Ahimsa or non-violence can be marshalled to create a more just world.

"I have no hesitation in stating that the ideas of truth, openness, dialogue and non-violence espoused by Tagore and Gandhiji provide the best way forward for a world confronted with intolerance, bigotry and terrorism," he said.

Speaking from the same podium from where the Nobel laureate had addressed the gathering in 1921, Mukherjee said their values and their vision are more relevant today than any time before in a world desperately searching for permanent solutions to conflicts and tensions.

"These ideals therefore need to be propagated far and wide, especially amongst the youth," he said.

The President said that in Tagore's view, war was a consequence of aggressive western materialism that developed in the early part of the 20th century, with science divorced from spirituality.

"According to the poet, the East and the West must meet on a common ground and on terms of equal fellowship: where knowledge flows in two streams -- from the East and from the West and in their unity is perceived the oneness of truth that pervades and sustains the entire universe. As he put it pithily: It was Buddha who conquered the world, not Alexander," Mukherjee said.

He said it happens rarely in history that two seers, two persons who are capable of addressing not only their times but generations to come, work in close dialogue.

He said the simultaneous presence of Tagore and Mahatma Gandhi is a unique blessing that modern India received and we believe that this good fortune places upon us a special responsibility to involve ourselves actively in the promotion of dialogue amongst different religions, faiths, cultures and civilisations.

URBAN DEVELOPMENT

HINDU, JUN 02, 2015

Big plans for new capital

APPAJI REDDEM

Amaravathi, the capital for Andhra Pradesh after bifurcation, is to be a fabulous riverfront city modelled on Singapore. But quite a few hurdles loom ahead

The historical region of Amaravathi, chosen to be the capital city of the new Andhra Pradesh, resembles the terrain of 1960s Singapore. But the attempt is to replicate Amaravathi as Singapore in the 21st century, a commercial island city-state on the Krishna riverfront. But this will be a mammoth task, given the innumerable hurdles that lie in wait for Andhra Pradesh Chief Minister N. Chandrababu Naidu.

The bifurcation of united Andhra Pradesh into Telangana and residual Andhra during the Congress-led United Progressive Alliance regime left many scars on Andhra Pradesh. The split State has a Rs. 17,000 crore budget deficit, with no capital city to call its own. Though the State machinery has been allowed to function from Hyderabad for 10 years after bifurcation, several departments have had to suffer step-motherly treatment in the new Telangana regime under its first Chief Minister K. Chandrasekhara Rao.

The bifurcation, which took place ahead of the 2014 Lok Sabha polls, deeply hurt Telugu pride, but political parties across the spectrum, in their constant attempts to be politically correct, have not revealed these wounds. The loss of Hyderabad, or Cyberabad as it was fondly called, in which Andhra Pradesh has high stakes, was another blow. It was especially painful for Mr. Naidu, whose efforts to conceive of and build Hyderabad into a world-class cyber city are well known.

While cash-rich Telangana is in celebratory mode on its first birthday, Mr. Naidu has resolved to have no festivities. Instead, there is going to be a Nava Nirmana Deeksha or focus on the building of a new State.

Mr. Naidu apparently wants to turn this adversity into an opportunity by planning a world-class capital on the banks of the river Krishna. About 7,068 sq. km have been earmarked for the capital region, of which 225 sq. km have been dedicated to Amaravathi, the capital city. In the words of Mr. Naidu, it will not just be “an administrative capital but an economic driver, a people’s capital, and an affordable city”.

Amaravathi, meaning ‘abode of the immortal’, is a small town in Guntur district, and was specifically chosen by Mr. Naidu to leverage on its rich 2,000-year-old heritage. It was the capital of the Satavahana kings between the 2nd and 3rd century BCE — they ruled most of the country from here — and also an important region for Buddhism.

Mr. Naidu wants the new capital to be Andhra Pradesh's pride. "After the bifurcation, he wanted to develop Amaravathi into a world class city and a huge metropolis near Visakhapatnam, as a fitting counter [to Telangana]," said a leader closely associated with the Chief Minister.

The people's response to the government's intended pooling of around 33,000 acres needed for the capital has been positive, according to ministers and officials. The government was able to successfully convince farmers and pool almost half of the land along with ownership rights. The offer of annuity and developed residential and commercial land has been received well by several land owners.

"Consent letters [have been given] for 33,000 acres and [there has been] agreement on half of the land. This can be termed as the first achievement, first of its kind in the country. People are excited and showing tremendous interest," said Andhra Pradesh Capital Region Development Authority Commissioner, N. Srikanth. That the Singapore government has kept its word in submitting a master plan within the stipulated time, as per the agreement, is another milestone according to the government. The foundation stone will be laid today and several programmes are to follow in the coming days.

Dissenting voices

However, all is not well — there are dissenting voices as well. The opposition is questioning the logic behind using such a huge stretch of agricultural land for building the capital, as this land is one of the green pastures of the State, and provides three kinds of crops. Questions have been raised on the fate of landless labourers and tenant farmers in the region. The whole exercise, the Opposition has said, is an attempt to marginalise farmers and distribute land to corporate entities. Doubts have been raised on the real intent of the government, with fingers pointed at government attempts to arm-twist farmers on land acquisition.

Adding to the confusion, people from other regions such as coastal Andhra and Rayalaseema, which had capital expectations, are growing impatient with the new government's excessive focus on the capital while ignoring the rest of the State. The government's lacklustre approach in demanding special status category to Andhra Pradesh from its alliance partner, the Bharatiya Janata Party, has also surprised many observers. While leaders across party lines are busy making safe statements, the people have launched protests, demanding special status. For instance, Guntur-based Mamillapalli Sanjiva Rao braved the scorching sun and spent nearly 38 hours on a cell phone tower, threatening to commit suicide, to protest the delay in declaring Andhra Pradesh's special status. In another case, Sai Krishna Kota, an assistant professor in Gudlavalleru Engineering College near Vijayawada, went on hunger strike for the same cause.

While the government is busy joining the dots to clear key infrastructure projects scheduled for completion by 2019, an appeal has been filed by Vijayawada-based Pandalaneni Srimannarayana that the entire region comes under Seismic Zone category-III and is therefore not fit for a capital. “Not just the seismic activity, the earmarked area is black cotton soil which is not suitable for 70-80 storied skyscrapers. That apart, the area is larger than that of the U.S. capital, New York. Is it necessary to build [the] capital here at the cost of farmers’ livelihood? We have abundant government land available elsewhere,” the appellant reasons.

Mr. Srimannarayana’s appeal is in the National Green Tribunal, and notices have been issued to the Union of India, Government of Andhra Pradesh, the Ministry of Forests and Environment, and the Capital Region Development Authority (CRDA). The hearing is scheduled for July 27.

Where’s the money?

There is also concern over raising the funds to build the vast city. This could be another stumbling block for the government, which is currently struggling to pay employee salaries, a fact that came to light in February. A massive hike has been given to employees recently and is going to add to the salary bill. The investment needed for the capital is about Rs. 4 lakh crore, according to a rough estimate by the Chief Minister, but there is no concrete plan in place thus far about how this amount is going to be raised.

The government has indicated that most of the projects will be taken up through the public-private partnership mode. “These projects may not be viable. The Central Viability Gap Funding (CVGF) is needed and it is mostly unlikely in the present circumstances,” said a top official.

But an optimistic Mr. Naidu is pinning his hopes on global giants such as the Japan External Trade Organisation, the Japan Bank for International Co-operation, the Energy and Industrial Technology Development, the Japan International Cooperation Agency, Singapore’s Tamasec Holdings, and Chinese entities to fund and build the capital.

Analysts are commenting about a lack of seriousness and a visible gap between theory and practice in the development of a split Andhra Pradesh. The obsession of the Chief Minister and the State departments with Hyderabad, and the stiff resistance from employees to shift to Vijayawada, the base capital, even a year after the bifurcation, citing a lack of facilities, are only adding to the woes of the new State.

People from coastal Andhra and Rayalaseema are growing impatient with the government's excessive focus on the capital while ignoring the rest of the State

STATESMAN, JUN 04, 2015
Indignity in Swachh Bharat
Subhabrata Dutta

After close to 68 years of Independence, manual scavenging persists as a disgraceful reality in different states of the country. In the context of the Prime Minister's Swachh Bharat Abhiyan (Clean India Campaign), the problem calls for urgent attention both of civil society and the government. In a word, the country needs to wake up to this indignity.

A photograph published in The Statesman on 13 November 2014 indicates that manual scavenging of human excreta is still prevalent in Gujarat. Yet it is not a uniquely Gujarat phenomenon. Many other states are no less culpable. Such instances have been reported from the country's capital as well.

According to the Census data of 2011, India has 26,06,278 dry latrines and there are 7,94,390 identified manual scavengers to remove human excreta. Scavenging involves the sweeping of dirt, cleaning latrines, septic tanks, drains, carrying of corpses etc. The most obnoxious part of this job is the cleaning of human excreta and then carrying it on the head for disposal in a distant corner.

The task is performed by different castes and communities. In northern India, they are called Methar, Bhangi, Valmiki (Dalit Hindu community), and Helal Khor (Dalit Muslim community). In South India, they are referred to as Thoti, Madi etc. The common strand is that these segments of the populace belong to Dalit communities. All over India, this practice has been a traditional and ancestral occupation among Dalits, one that is inherited by one generation from another. This traditional legacy of sorts has been variously described as Jajmani, Jagirdari, Dastoori etc. Manual scavenging is the hereditary occupation of certain castes that are poor and belong to the lowest rung of society. They are paid a pittance for the dirty work and literally so. Sometimes the wages are offered in kind foodgrain, clothes, gifts etc. The exploitation serves the purpose of the upper castes. As often as not, refusal is countered with atrocities. In this strategy of violence, the upper castes ensure the permanent slavery and subjugation of lower castes. The ordeal of the manual scavengers does not end here. The majority of this class group are employed as casual or temporary workers by local rural and urban governing bodies, the Railways, the medical colleges and hospitals, and police stations. Inherent is the insecurity of service, bereft of post-retirement benefits.

The manual scavengers suffer from a variety of ailments skin disease, lung infection, anaemia, breathing problems and so on. The infections can affect both women and their children.

The manual scavengers are also the victims of untouchability because of the social stigma associated with their jobs. Their children are even discriminated against in school. They are forced to live in separate settlements or 'shanty towns' or bastis. They are looked down upon with disdain and regarded as inferior creatures by the upper castes. Field studies have highlighted the social evil and the attendant humiliation. Mulk Raj Anand's novel, *Untouchable* (1935), provides a graphic example of this social malaise.

And central to the malaise is the caste system. Going by the conventional wisdom of the upper castes, such tasks as the cleaning of dry latrines, carrying of excreta on the head, cleaning of septic tanks and drains, carting of bodies of human beings and animals, and sweeping of roads must be carried out by the lower castes. It is almost as if this has been pre-ordained by the upper castes.

The economic insecurity of the lower castes forces them to accept the job of sweeping and scavenging as the only source of livelihood. Again, among the manual scavengers, a patriarchal mindset operates. The bulk of the work is done by women, reaffirming the process of feminization and gender inequality in the task of manual scavenging .

Poverty, privation and exploitation are the stark challenges that confront the scavengers. Subaltern studies have established a link between castes, poverty, exploitation and marginalisation. In an effort to address this sub-human practice, a piece of legislation was formulated in 1993, specifically the *Employment of Manual Scavengers and Construction of Dry Latrine (Prohibition) Bill*. Another Bill called the "National Commission for Safai Karmacharis Bill, 1993" was also enacted. It is a bitter irony that the practice continues even after the enactment of legislation.

The abolition of manual scavenging depends mainly on the economic rehabilitation of the scavengers and the complete conversion of dry latrines into water-flushed toilets. For the economic rehabilitation of the distressed, the "National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents" was undertaken in 1992. The nodal agency of the scheme at the State level was the Scheduled Castes Development Corporation. The National Scheduled Castes and Schedules Tribes Finance and Development Corporation (NSFDC) was authorised to supervise the implementation of the schemes. Training programmes were arranged for the scavengers under the

programme called "Rural Youth for Self-Employment". Financial assistance was also provided. But the progress of the rehabilitation programme was not satisfactory and there was a gradual decline since 1994.

To promote education within this class group, the Centre had introduced in 1977-78, the "pre-Matric scholarship for the children of those engaged in unclean occupations". Other government initiatives for the improvement of Safai Karmacharis, were the "National Commission for Safai Karmacharis" (1994) and the "National Safai Karmacharis Finance and Development Corporation" (1997).

Despite appropriate legislation and welfare measures, there has been no decline in the inhuman practice. The manual scavengers continue to languish judging by the vital parameters of their economic condition and opportunities. They have to contend with a disadvantage in terms of education, housing, employment, let alone social discrimination, harassment and cruelties. A strong political will is essential to address this social malaise. Members of Dalit communities do occupy positions of power, but there has been no change in the condition of manual scavengers. Arguably, the system cannot be abolished in a caste-based society. But a fairly modest beginning has been made and it may take some decades for the schemes on the anvil to attain fruition. Fundamentally, it calls for a change of attitude. Only then can the Prime Minister's Swachh Bharat Abhiyan be meaningful.

STATESMAN, JUN 02, 2015

Thus capital
Sam Rajappa

In the era of the Satavahanas who ruled Andhra Desa from 225 BC to 225 AD, considered the golden age of Andhras, the kings wielded absolute authority. Chandrababu Naidu, Chief Minister of Andhra Pradesh, styles himself after the Satavahana kings and wants to rule from Amaravathi, not the ancient city known for its Buddhist culture and learning, but an imitation Singapore on the banks of the Krishna in Guntur district. Buddha extinguished his personality in search of enlightenment.

Naidu wants to build a Singapore in Andhra Desa to perpetuate vain glory. The present State of Andhra Pradesh came into existence on 1 March 2014 in accordance with the Andhra Pradesh Reorganisation Act, 2014, passed by Parliament and given assent by the President. Section 6 of the Act says the Union government shall constitute an expert committee to select a capital for the new State.

The committee was appointed on 28 March 2014. Its terms of reference include least dislocation of existing agriculture systems and minimum resettlement of people and their habitations and assessment of vulnerability from natural disasters like floods, cyclones and earthquakes. The cost of construction and land acquisition was to be kept to the minimum. Disregarding the Act of Parliament and terms of reference stipulated by the Union government, Chandrababu Naidu, on 30 December 2014, got the Andhra Pradesh Capital Region Development Act, 2014, passed but could not obtain the President's assent, and selected Vijayawada-Guntur-Tenali-Mangaleri (VGTM) as capital region, an area found unsuitable by the GoI appointed Expert Committee in its report submitted on 27 August 2014. The committee was opposed to a green-field capital city at this stage and suggested if the AP government wanted to pursue that option, it should search for locations where large parcels of government land may be available.

Chandrababu Naidu is in a hurry to have the ground-breaking ceremony of the new capital in VGTM region on 6 June presided over by Prime Minister Narendra Modi. A consummate politician, Naidu had gifted a Rajya Sabha seat to Nirmala Sitharaman, an eminently suitable candidate though she is a leader of the BJP, and made her husband an adviser to his Telegu Desam Party government with Cabinet rank, putting Modi under an obligation to pamper Andhra. The Modi government's Finance ministry on 30 March approved Rs 1,500 crore to AP's dream capital project without ensuring it met the terms of reference issued under Section 6 of the Reorganisation Act passed by Parliament.

The Master Plan for Amaravathi, described as "People's Capital of Andhra Pradesh," extending over 217 sq km, has been prepared by Subarna International Consultants of Singapore and is expected to cost Rs 300,000 crore. It is also the first outsourced capital city in the country. The Krishna will have an imitation Sentosa Island as a major tourist attraction. Residents of the capital will have non-motorised transport, cycle tracks and extensive network of walkways. There will be lake parks, waterfront promenades and a golf course. The entire capital region extends to 7,420 sq km, much larger than New York City or Tokyo.

The core area where the new Amaravathi is to be built is prone to floods, particularly the area surrounding the Kondaveeti Vaagu reservoir, making it necessary to raise the ground level by two metres. The initial cost of raising the ground level is estimated at Rs 1,500 crore. N Srikanth, Commissioner of the Capital Region Development Authority, says "it is worth it." The Singapore government has been able to tame the Singapore river by various strategies like building small reservoirs at different points to retain the run-off to avoid flooding. Chandrababu Naidu hopes planners of Amaravathi from Singapore will

also be able to do the same with the River Krishna. He said: “Amaravathi will be a dynamic city with economic and social activity. The government is determined to complete it as early as possible although Hyderabad will be the common capital for 10 years”

According to Article 4 of the Constitution, Parliament alone has the responsibility to select the site or location of the capital since the AP Reorganisation Act is a child of Parliament. That is why Section 6 was inserted in the Act. VGTM, the capital region on the banks of the Krishna chosen by the TDP government, comprises fertile agricultural lands in seismic zone susceptible to natural calamities like floods, cyclones and earthquakes.

The location chosen will necessarily involve high-rise concrete structures which will inhibit recharge of ground water and aquifers and affect flow of water into the Krishna. The estimated massive outlay of Rs 300,000 crore on the project will adversely affect the government’s budgetary allocations for important sectors like public health, education and social welfare. Though Section 52 of the Capital Region Development Authority Act envisages farmers joining a Land Pooling Scheme voluntarily, the government has been threatening to take away their lands forcibly under the recently reissued Central ordinance on land acquisition which exempts the government from prior consent of land owners. The capital city project does not come under the definition of ‘public purpose’ provided in Section 2 of the LARR Act.

On 2 May, the Municipal Administration and Urban Development Department issued a GO (No. 110) enabling the State government to give pooled land acquired from farmers to private agencies for commercial use on a 99-year lease. For reasons best known to Chandrababu Naidu, this GO has not been put on the government website. Obviously, the intention of the government in concealing the GO is to hand over pooled land to real estate sharks to make windfall profits. It was for this purpose Section 54 was inserted in the CRDA Act providing for “developer entities,” euphemism for real estate developers. It may be recalled the Supreme Court has, time and again, cautioned the government not to acquire agricultural land in the name of development. The capital city project of the AP government makes a mockery of this sane advice.

Setting up of capital region of a State does not fall in any list of the Seventh Schedule of the Constitution, neither in the Union List nor in the State List or the Concurrent List. According to entry 97 of the Union List, if any matter does not come within the ambit of any list of the Seventh Schedule, only Parliament is competent to make law. That is why

Section 6 was included in the AP Reorganisation Act which makes the AP Capital Development Authority Act ultra vires the Constitution. Article 254 of the Constitution makes it abundantly clear that if any provision of a law made by the legislature of a State is repugnant to any provision of a law made by Parliament, the Central Act will prevail. The site chosen by the State poses a danger to human lives and property because it is highly vulnerable to natural calamities. Apart from that, the capital region is made of alluvial and sandy soil with high water level and cannot sustain heavy structures needed for the capital city. Only rocky or rock-like soil having low water level can sustain heavy structures. Any Act or statute which is dangerous to human lives is violative of Article 21 of the Constitution.

Development of the capital at the present site and in the present form, besides being illegal and against the Constitution, will result in massive and irrevocable loss and destruction to agriculture and farming, food security, and environmental degradation. It will severely disrupt the existing vibrant agrarian economy and uproot thousands of farmers and agricultural labourers and throw them on the streets resulting in social upheaval. To develop a capital city which should last for centuries, it is imprudent to be in such a hurry. The AP Reorganisation Act itself gives the State 10 years to develop its capital city which can be extended if circumstances demand. If Narendra Modi agrees to lay the foundation stone for the new city of Amaravathi on 6 June, he will not only be doing a great disservice to the farming community but also encourage States to indulge in anti-constitutional activities.