NEWS ALERT

JANUARY 16-23, 2019

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AGRICULTURE

PIONEER, JAN 16, 2019

Maha Govt waives farmers' loans worth Rs 367.17 crore

In a major sop doled out to more than 11 lakh small land holding farmers and agricultural labourers ahead of the Lok Sabha polls, the BJP-led saffron alliance Government on Tuesday waived their loans disbursed by the Maharashtra State Cooperative Tribal Development Corporation (MSCTDC) and piled up interest amounting to Rs 361.17 crore.

At a weekly Cabinet meeting presided over by Chief Minister Devendra Fadnavis, the State Government decided to write off the principal loans given by the MSCTDC amounting to Rs 244.60 crore and a piled up interest of Rs 1,16.57 crore over the original loan amount.

The loan waiver decision will benefit 11.25 lakh small land holding farmers and agricultural labourers across the state. "The beneficiaries had taken the loans from the MSCTDC between 2009 and 2014," a senior Minister said.

According to the Minister, the burden of Rs 361.17 arising out of the loan waiver would be adjusted against the allocation of Rs 940 crore made for the Chhatrapati Shivaji Maharaj Shetkari Sanman Yojana under Tribal sub-plan for the year 2018-19.

Ironically enough, the Devendra Fadnavis Government has come out a fresh loan waiver announcement for 11 lakh small land holding farmers and agricultural labourers, at a time when it is facing severe criticism from the Opposition Congress, NCP and the ruling Shiv Sena for its failure to fulfill its promise of implementing the Rs 34,022 crore waiver scheme announced in June 2017.

Under the Rs 34,022 crore loan waiver scheme “Chhatrapati Shivaji Maharaj Krishi Samman Yojana” announced by the Maharashtra Government, the total number of beneficiaries was 89 lakh farmers.

Of them, early 40 lakh farmers were expected to become totally debt-free. Of the total beneficiaries under the scheme, a total 36.10 lakh farmers were eligible for a financial assistance of Rs 1.50 lakh each to clear their piled up loans.

The Opposition and Shiv Sena have been demanding that the BJP-led Maharashtra Government prove its claim that it had indeed waived loans announced under the waiver scheme.

BACKWARD CLASSES

PIONEER, JAN 18, 2019

10% EWS quota due to political will of my Govt: Modi

Prime Minister Narendra Modi on Thursday said the Constitutional amendment to provide 10 per cent reservation to economically poor in the general category was achieved due to the political will of his Government and would be implemented from this academic year.

Addressing a gathering after inaugurating the 1500 bed Sardar Vallabhbhai Patel Institute of Medical Science and Research, Modi said the economic reservation has been given without impacting the existing social reservations.

"The new reservation will be implemented in 40,000 colleges across 900 universities in the country from this academic year. The number of seats will be increased by 10 per cent," he said.

Modi said his Government was committed to provide equal opportunities to all sections of the society. The Institute will be linked to the Ayushman Bharat scheme so that poor people can avail medical facilities free of cost, he said. In 100 days, seven lakh poor people have received treatment under the Pradhan Mantri Ayushmaan Bharat scheme, he said.

This will be the first Government hospital to have a helipad, he said, adding the new medical facility will help boost health sector in the state.

"Cleanliness and health-care has always been the prime agenda of Ahmedabad municipal corporation since the time Sardar Patel was the mayor. The hospital project started in 2012 and I am mesmerised by the way it has turned out to be," he said.

CIVIL SERVICE

BUSINESS LINE, JAN 19, 2019

Civil services: Time to introspect

A host of factors prevent civil servants from taking bold decisions

“How far is it true to blame politicians for all the mess in the country? They have their share but the 5 Cs (CVC, CBI, CAG, courts and CIC) are the biggest inhibitors to decision-making. These “august” institutions are manned by non-politicians (civil servants). Time to introspect?” read the tweet of former civil servant Anil Swarup.

It indeed is time for introspection what was once termed as the country’s elite services, particularly the Indian Administrative Service and Indian Police Service.

What is it that is stopping these officers from showing spine? Why are they constrained? Why does everyone talk about only red tapism? There is no dearth of intellect, so why are decision-makers being seen as indecisive?

The answer doesn’t lie in any rules or laws, but within the officers themselves. The fear of being kicked around, being denied promotions, or being punished post retirement — as has been the case in the coal scam — seems to be coming in way of their challenging the politicians.

No wonder then most of the politicians joke, saying the “worst enemies of civil servants are civil servants themselves. We don’t need to do a thing.” A case in point is the latest “CBI versus CBI” war.

The Central Civil Services (Conduct) Rules, 1964, lay out norms for the code of conduct of an officer, including his/her political involvement. The rules state that it is essential that government servants maintain political neutrality.

But, the reality seems different. On the face of it officers do not show political allegiances, but inferences are always drawn, especially when they hold key positions.

“If the civil servants allow the politicians to ‘use’ them, there is a high probability that they (politicians) will “abuse” them. The choice rests with the civil servant,” Swarup tweeted.

The service today needs to introspect and revisit the conduct rules, so that there is no “intellectual dishonesty”.

CORRUPTION

HINDU, JAN 18, 2019

Bombay High Court raps Maharashtra Minister Girish Bapat for 'misusing his position'

Maharashtra Minister Girish Bapat. File | Photo Credit: The Hindu

Minister had restored licence of blacklisted fair price shop.

Issuing a stern reprimand to senior Bharatiya Janata Party (BJP) leader and Maharashtra Minister Girish Bapat, the Aurangabad Bench of the Bombay High Court (HC) said Mr. Bapat had misused his position and flouted norms by restoring the licence of a blacklisted fair price shop (FPS).

Justice Ravindra Ghuge rapped Mr. Bapat, who is the Food, Civil Supplies and Consumer Protection Minister in the Devendra Fadnavis government, for quashing a probe against a FPS owner in Beed district who was caught selling foodgrains and kerosene in the black market.

‘Glaring misdeeds’

“The Minister [Mr. Bapat] is a custodian and protector of the rights and privileges of citizens. But he [Mr. Bapat] has failed in his duty disregarding such rights and by restoring the licence of a fair price shop operator guilty of glaring misdeeds,” reads Justice Ghuge’s order.

The order against Mr. Bapat’s directive was passed after a complaint was lodged by Sahebrao Waghmare of Beed against Vibhishan Mane, owner of the FPS in 2016. Mr. Waghmare had accused Mr. Mane of diverting foodgrains intended for BPL card holders for his own profit and tampering with records.

Yet, Mr. Bapat in April last year, ordered his licence to be restored, citing flimsy grounds “of lack of evidence” against Mr. Mane. In his directive restoring Mr. Mane’s licence, Mr. Bapat ascribed a lack of clarity on part of the investigating officer (the Tehsildar).

However, the HC, after hearing Mr. Waghmare’s petition, censured Mr. Bapat and restored the probe of the Tehsildar and the DSO.

Identical orders

“It is quite surprising that the same learned Minister continues to pass identical orders with little respect for the majesty of Law and the provisions of the Essential Commodities Act,” read the HC’s order.

In September 2017, the court had again pulled up Mr. Bapat for restoring the licence of a women’s self-help group (SHG) called the

‘Savitribai Phule Mahila Bachat Gat’ from Beed to operate a FPS despite the group facing a criminal case for illegally lifting foodgrains during the period when its licence was suspended.

In that case, the Minister had similarly ordered the SHG’s licence to be restored in March 2015 in a ‘revision process’ after its appeal against cancellation was dismissed by the Deputy Commissioner (Supplies) in Aurangabad.

The Opposition Nationalist Congress Party (NCP) demanded Mr. Bapat’s immediate resignation from the Cabinet.

PIONEER, JAN 19, 2019

IAS officer Chandrakala, SP leader get ED summon

The Enforcement Directorate (ED) has issued summons to four accused persons, including IAS officer B Chandrakala and a Samajwadi Party (SP) leader, in connection with an alleged illegal mining scam case in Uttar Pradesh.

The ED had registered a criminal case under the Prevention of Money Laundering Act (PMLA) after taking cognisance of a CBI FIR to probe illegal mining of minor minerals (sand and gravel) in the Hamirpur area between 2012 and 2016.

The CBI has said it is probing the role of former Uttar Pradesh Chief Minister Akhilesh Yadav too in the case as he had held the mining portfolio during this period. Chandrakala and SP MLC Ramesh Kumar Mishra had been summoned by the ED to appear before the Investigating Officer of the case in Lucknow on January 24 and 28 respectively. Besides Chandrakala and Mishra, the ED has summoed two more officials to appear before it next week, sources said.

The ED is probing the money trail and whether the alleged proceeds of crime generated due to the kickbacks received in these cases were laundered by the accused.

The agency will also look for assets, both immovable and movable, of the accused that can be attached under the anti-money laundering law after establishing the proceeds of crime. The CBI had carried out searches at 14 locations earlier this month in connection with its FIR against 11 persons including IAS officer Chandrakala, Mishra and Sanjay Dixit (who had unsuccessfully contested the 2017 Uttar Pradesh Assembly polls on a BSP ticket), to probe the alleged illegal mining of minor minerals in Hamirpur district during 2012-16. The role of the then mining ministers of the State is also under the scanner of the ED.

Yadav, who was the CM of the State between 2012 and 2017, held the mining portfolio during 2012-13, a reason why his role is under the scanner for investigation, according to the CBI FIR.

He was succeeded by Gayatri Prajapati, who took charge as the mining minister in 2013 and was arrested in 2017 following a complaint of rape by a woman residing in Chitrakoot

PIONEER, JAN 16, 2019

‘Misuse’ of CM disaster relief fund: Kerala Lokayukta admits plea

The Kerala Lokayukta has admitted a complaint alleging misuse of Chief Minister’s Distress Relief Fund (CMDRF) and issued notice to Pinarayi Vijayan and other State Ministers on it.

A full Bench comprising Lokayukta Justice Pius C Kuriakose, and Upa-lokayuktas Justices KP Balachandran and AK Basheer, on Tuesday decided to admit a complaint filed by one RS Sashi Kumar.

The Bench was constituted after there was a difference of opinion among the Lokayukta and one of the Upa-lokayuktas regarding the jurisdiction of the agency to probe disbursement of assistance from CMDRF, an official statement said here.

The Bench decided that the complaint was maintainable before the Lokayukta and ordered notice to the respondents — CM Pinarayi Vijayan and other State Ministers. While admitting the complaint, the Lokayukta clarified in the order that he had not found any of the party guilty.

CURRENCY

HINDU, JAN 21, 2019

Nepal's central bank announces ban of Indian notes above 100

Nepal Rastra Bank in its circular stated that Indian currency of 200, 500 and 2,000 denominations cannot be carried and used for trading.

Nepal's central bank has banned the use of Indian currency notes of 2,000, 500 and 200 denominations, a move that could affect Indian tourists visiting the Himalayan nation where Indian currency is widely used.

Nepal Rastra Bank on Sunday issued a circular prohibiting Nepali travellers, banks and financial institutions from holding or carrying and trading Indian bank notes higher than 100, the *Kathmandu Post* reported.

The central bank said in its circular stated that Indian currency of 200, 500 and 2,000 denominations cannot be carried and used for trading.

Under the new regulation, Nepali citizens cannot carry these denominations to countries other than India. Similarly, Nepalis are also not allowed to bring such notes from other countries. Indian notes of 100 or below, however, are allowed for trading and conversion, the bank's circular reads.

On December 13 last year, the Cabinet had decided to publish the notification in the Nepal Gazette not to allow people to carry Indian currency notes above 100 denominations in Nepal.

The ban has been criticised by travel traders and entrepreneurs, saying that it would hurt the country's burgeoning tourism at a time when the government has announced 'Visit Nepal' campaign with an objective to draw at least 2 million tourists in 2020.

Since a majority of Indians come to Nepal over land from bordering towns, it is difficult for them to convert their currency to Dollar or Euro, they said.

The overland Indian visitors' survey showed that 1.2 million Indians came to Nepal through the surface route while 160,132 travelled via air. The average length of stay of Indian tourists coming overland was 5.8 days. Average expenditure per visitor was as much as 11,310, the paper said.

The Indian government introduced new banknotes of 2,000, 500 and 200 denominations after the demonetisation of old notes worth 500 and 1,000 in 2016. However, the move hit countries such as Nepal and Bhutan where Indian currency is widely used.

Nepal Premier K.P. Sharma Oli said earlier this year that demonetisation hurt the Nepalese people and added that he would raise the matter with Indian leaders. People have been using the new Indian currency in Nepal for nearly two years now.

EMIGRATION

PIONEER, JAN 17, 2019

Govt proposes new Emigration Bill 2019

A new Emigration Bill will replace the existing one in view of a paradigm shift in the nature, pattern, directions and volume of migration over the last 35 years.

According to the proposal made by the External Affairs Ministry, the Emigration Bill 2019 proposes to constitute an Emigration Management Authority (EMA) by the Centre to ensure the overall welfare and protection of emigrants. According to the proposed Bill, two new bureaus- the Bureau of Emigration Policy and the Bureau of Emigration Administration will be set up in this connection.

The bureaus will take care of day-to-day operational matters. These will be responsible for all emigration-related issues as well as the welfare and protection of Indian nationals abroad.

It will be the overarching authority to provide policy guidance, undertaking a comprehensive review and stocktaking on emigration management related matters.

The EMA will be led by a secretary-level officer from the External Affairs Ministry, the nodal Ministry for all emigration-related matters and will have representation from the Home Ministry and the Ministry of Human Resource Development.

It will also have representation from the states and the recruitment industry on a rotation basis.

These bureaus will be led at the joint secretary level and will take care of day-to-day operational matters and will be responsible for all emigration-related issues as well as the welfare and protection of Indian nationals abroad.

The Bureau of Emigration Administration will have offices in different parts of the country.

According to the proposal, nodal authorities will be setup by the respective states and Union Territories that will be chaired at the principal secretary level and will have representation from the home, NRI, labour and skill departments.

These authorities will work in close coordination with other competent authorities of the Central government to ensure safe, orderly and regular migration and address various aspects related to migrants who return.

The proposed Bill makes mandatory registration and intimation of all categories of Indian nationals proceeding for overseas employment as well as students pursuing higher studies abroad.

The Bill has comprehensive provisions including insurance, pre-departure orientation, skill up gradation, legal assistance, migrant resource centres, help desks, migration and mobility partnerships, labour and manpower cooperation agreements aimed at strengthened the welfare and protection of the Indian work force abroad.

The proposed Bill also takes into account the increasing incidents of human trafficking, illegal recruitment, illicit trafficking of drugs, harbouring offenders under the garb of recruitment or those offering emigration services without due process.

It proposes to provide for stringent punishment, in particular for categories classified as aggravated form of offences with regard to women and children.

The External Affairs Ministry has sought comments from the general public latest by January 20 before it being tabled in Parliament.

The Ministry statement proposing the new Bill stated that the Emigration Act 1983 was enacted in a specific context of large scale emigration of Indian workers to the Gulf region

HIGHER EDUCATION

HINDU, JAN 21, 2019

Universities told to implement 10% quota: Prakash Javadekar

The Union government has directed all educational institutions and universities to implement the 10% quota for the poor in the general category from the coming academic year, Human Resource Development Minister Prakash Javadekar said on Sunday.

“The government has already issued an official memorandum... We issued directives a couple of days ago to all universities and colleges to implement the quota from the current academic year [2019-20] itself. We hope all the State governments will implement it,” he told reporters here.

Mr. Javadekar said the general election was a mere 90 days away and the Opposition parties did not have a leader capable of taking on Prime Minister Narendra Modi. “The country needs a stable government… The general election is going to be held on the question of whether the Indian public desires a *majboot* (strong) government or a *majboor* (weak) government. The country needs the solid governance provided by the BJP so far,” he said, discounting any threat to the BJP from a grand alliance of Opposition parties.

He referred to Saturday’s rally of the Opposition parties in Kolkata and said the BJP would win an absolute majority, bagging more seats than what it had secured in the 2014 election.

Mr. Javadekar said the BJP would run a programme, *Hamara ghar BJP ka ghar*(Our home is the BJP’s home), across the country until the model code of conduct came into effect. “The drive will urge every family or individual supporting the BJP to put up a flag with the party symbol.”

INTERNATIONAL TRADE

PIONEER, JAN 18, 2019

Indo-US trade below potential, restrictions should be eased: USIBC chief

Amid bilateral trade tensions, USIBC President Nisha Biswal said Thursday that the trade between India and the US is much below its potential, and both the sides should ease restrictions and put in an "overarching" framework.

Biswal, a former Assistant Secretary of State for South and Central Asia, is leading a delegation of the US-India Business Council (USIBC) at the Vibrant Gujarat Summit (VGS) which will begin Friday.

The US, which was a partner country for two earlier editions of the biennial investor summit, refused to be a partner this year, citing pending bilateral trade disputes.

"The biggest challenge to US-India trade relations is we have not done the hard work of creating an overarching framework for trade," Biswal, who was born and brought up in Dahod in Gujarat, told PTI in an interview.

"We do not have a trade agreement, we do not have an investment treaty, we do not even have a mini agreement," she said, adding that every time the two countries negotiate, it is highly transactional and there is no real incentive to compromise.

India announced retaliatory tariffs on 29 US products six months ago after US President Donald Trump imposed heavy tariffs on imported steel and aluminium items.

However, despite the announcement, India is the only major country which has been postponing the implementation of retaliatory tariffs.

"What, I think, the two governments have sought to do in the last few months is to take a small basket of issues that have been irritants...And tried to resolve those so that it could become a kind of mini-agreement," Biswal said.

"The issues included tariffs on steel and aluminium from Indian side and from the US side it was tariffs on ICT and the policy of price control on medical devices. Both sides wanted more market access for some of their products," she said.

"Unfortunately they have not been able to get a conclusion on that thing. Our hope was that two governments will sit together and decide this issue," she said.

The two countries should rather create a much more "ambitious framework of trade", she said, adding that "we should be best trading partners".

"While US-India trade continues to grow...It is no where near the potential of what it should be. And that really requires both sides to take significant steps to ease restrictions or access to flow of investments and flow of trade in both directions," she said.

Around 500 US companies have significant business relations with India, against 6,000 to 7,000 US companies doing serious business with China, Biswal pointed out.

Asked if the US decided not to be a partner for the VGS due to trade disputes, she said, "I can't speak for the US government, but I can say that there have been some disappointments that these issues have not been resolved."

US Consul General in Mumbai Edgard Kagan, when asked about his country's refusal to be one of the partner countries, had said the Indian government needed to resolve the outstanding trade issues first.

Biswal, however, asserted that the US government and industry "continue to prioritise India as very important trade and economic partner".

The bilateral trade was USD 20 billion in 1980s, which grew toUSD 100 billion in 2014-15, and now the target is to take it to USD 500 billion, she said.

JUDICIARY

PIONEER, JAN 18, 2019

Justices Dinesh Maheshwari, Sanjiv Khanna to be sworn in as SC judges today

Karnataka High Court Chief Justice Dinesh Maheshwari and Justice Sanjiv Khanna of the Delhi High Court will be sworn in as judges of the Supreme Court on Friday.

The Government had notified on Wednesday the appointment of justices Maheshwari and

Khanna as judges of the apex court.

Chief Justice of India Ranjan Gogoi will administer the oath of office to the two judges on Friday, an official circular said.

"The swearing-in-ceremony of Justices Dinesh Maheshwari and Sanjiv Khanna as judges of the Supreme Court will be held on January 18, 2019 at 10:30 AM in the Chief Justice's court," the circular said.

The five-member SC Collegium, comprising CJI Gogoi and justices A K Sikri, S A Bobde, NV Ramana and Arun Mishra, on January 10 recommended names of justices Maheshwari and Khanna for elevation as apex court judges

NON RESIDENT INDIANS

TRIBUNE, JAN 22, 2019

Diaspora has changed 'perception of country'

In recent years, Indian diaspora has dramatically changed the world's perception of Indians and India, said Union Minister for External Affairs Minister Sushma Swaraj while inaugurating the Youth Pravasi Bharatiya Divas today.

Today, people of Indian origin are not only heads of state and government, but also occupy top positions in multinational corporations, thus raising India's global profile.

Swaraj said the idea of starting Youth Pravasi Bharatiya Divas had not been limited to discovering roots and appreciating heritage, but also to learn how each one of the young Pravasi Indian could be part of India's development journey towards a New India.

Speaking of "limitless opportunities" being offered in India, the minister said the Indian Government was creating an environment where people of Indian origin and their children could excel in India if they were looking for affordable quality education or as tech start-ups.

She said the scope for NRIs and OCI cardholders to conduct better research in Indian institutions and universities had increased.

The minister said India was poised to become the youngest country by 2022 with an average age of 29 years that would provide it an unprecedented edge towards building a new young India.

Uttar Pradesh Chief Minister Yogi Adityanath, Member of Parliament from Norway Himanshu Gulati and Member of Parliament from New Zealand Kanwalijit Singh Bakshi were also present on the occasion.

Prime Minister Narendra Modi would be present tomorrow to formally inaugurate the 15th edition of PBD in his Lok Sabha constituency of Varanasi on the theme of “Role of Indian Diaspora in Building a New India”.

OMBUDSMAN

PIONEER, JAN 18, 2019

Submit panel of names for Lokpal by Feb end: SC

The Supreme Court on Thursday requested the search committee on Lokpal to recommend by the end of February a panel of names for appointing the country's first anti-graft ombudsman.

A Bench headed by Chief Justice Ranjan Gogoi asked the Centre to make available requisite infrastructure, manpower, secretarial assistance and others to enable the committee, which is headed by former apex court judge Ranjana Prakash Desai, to commence its work immediately and conclude it within the time frame.

The Bench, also comprising justices LN Rao and SK Kaul, ordered this after Attorney General KK Venugopal apprised the court that due to certain difficulties like lack of office space, infrastructure, manpower and secretariat, "possibly, the search committee has felt handicapped in convening its meetings and in holding its deliberations". It also noted in its order that the eight-member committee, which was constituted by a Government notification of September 27 last year, had not undertaken any deliberations till January 16 and a meeting was held only on Wednesday.

The new roads will connect northeastern parts of the Delhi and facilitating those travelling to Shamli, Mandola and Saharanpur in western UP.

The road would start from the NH-24 near the Akshardham flyover and touch the Delhi-Saharanpur NH-709B near Garhi Jassi in Loni Dehat.

The proposed road would be aligned along the Noida Link Road and the Marginal Bund Road in Delhi and Baghpat Road in Uttar Pradesh (UP). In Delhi, the road would pass through Ramesh Park, Geeta Colony, Shastri Park, Sonia Vihar Extension and West Karawal Nagar. While in UP, it would pass through Ankur Vihar, Welcome City and Indrapuri before ending at the Pooja Pusta Police Chowki in Loni.

The stretch connecting Akshardham to Khajuri Khas is known for traffic bottleneck in the national Capital.

"The development of Akshardham-Geeta Colony-Shastri Park-Khajuri Khas-Delhi-UP Border at Loni have been approved to decongest the national Capital under Bharatmala projects", Gadkari said adding that this road road has now been declared as National Highway no 709 B.

"The project is being given top priority. This road will be developed as six lane access controlled road with service roads on both sides", he said.

"Further, from Akshardham to EPE intersection, there is a provision of 19 kms of elevated section which would help in minimizing acquisition of land and segreration of local traffic," the letter read.

According to the ministry, the bids for the Akshardham to UP Border and Delhi-UP Border-Mandola to EPE intersection projects are being invited by next week. The work has been awarded for the project EPE junction to Shamli bypass that will cost Rs 725 crore. The project connecting Shamli bypass to Saharanpur bypass will cost Rs 780 crore.

POLICE

PIONEER, JAN 17, 2019

Mishra, YC Modi, Jha in race for CBI top post

The high-powered Selection Committee headed by Prime Minister Narendra Modi is likely to meet on January 24 to appoint the new CBI Director. The two other members of the Committee are Chief Justice of India Ranjan Gogoi and Leader of Opposition in the Lok Sabha Mallikarjun Kharge.

As the race for the top post at CBI begins, BSF DG Rajnikant Mishra is learnt to have met NSA Ajit Doval earlier this week even as NIA DG YC Modi and Gujarat DGP Shivanand Jha are also in the reckoning. Presently, the CBI is headed by an interim Director M Nageswara Rao following ouster of the incumbent Alok Verma following an adverse report against him by the Central Vigilance Commission.

While Mishra is a 1984 batch IPS officer of Uttar Pradesh cadre, Modi is Assam-Meghalaya cadre of 1984. Both have served significant terms in the CBI. Jha is a 1983 batch Gujarat cadre officer now heading the State police. 1983-batch IPS officer OP Singh, serving as DGP of Uttar Pradesh and Special Secretary Internal Security Rina Mitra of Mafhya Pradesh cadre (1983-batch may also be considered for the appointment of the top post in the CBI.

Sources said the Government had proposed the meeting for selection of the new CBI chief on January 21 earlier but Kharge wanted the meeting on January 24 or 25. After mutual consultations between the stakeholders, the Government has finalised January 24 as the date for the meeting to select the new CBI Director.

On October 10, the panel had removed Verma and transferred him as Director General Fire Service.

CJI’s nominee Justice AK Sikri had during the panel meeting on January 10 insisted that the panel should finalise a new CBI Director within two weeks, sources said. The panel had named Rao as the interim director of the CBI, a move criticised by the Congress for not appointing a regular CBI Director. Kharge had also written to the PM demanding early meeting of the high powered committee to appoint a regular CBI Director.

Meanwhile, Supreme Court on Wednesday deferred the hearing on a petition challenging the appointment of additional director of the CBI M Nageshwara Rao as the interim chief of the premier investigating agency following ouster of Alok Verma.

TRIBUNE, JAN 23, 2019

SC directs states to give feedback on Centre's draft law on custodial torture

The Supreme Court on Tuesday directed chief secretaries of all state governments to give within three weeks their feedback on the Centre's draft law to prevent custodial torture and inhuman treatment as India was a signatory to the United Nations' convention on torture.

A Bench headed by Chief Justice Ranjan Gogoi was informed by Attorney General KK Venugopal that the central government has circulated the draft Bill to all the states for their feedback.

He told the Bench—also comprising Justices L Nageswara Rao and Sanjiv Khanna—that so far only seven states have given the feedback to the Law Ministry and other state governments are yet to respond.

"Having heard the Attorney General on behalf of Union of India, we direct the chief secretaries of all state governments to send their feedbacks within three weeks from today," the Bench said, adding that in the event of failure, the chief secretaries will have to appear in person before it on February 13.

Former Law Minister Ashwini Kumar, who has filed a PIL on the issue, said there was no need for taking feedback from states as it was only delaying the framing of law.

"It has nothing to do with the law and order that is said to be under the domain of the states. India is the signatory of the UN convention and the law should have been made. People are dying every day in custody," he said.

"If the legislation is going to touch the rights of the states then is there anything drastically wrong in seeking views of the states," the bench asked.

The Bench has now posted the matter for hearing on February 13.

Earlier, the court had decided to examine afresh the plea seeking direction to the government to frame a law to prevent custodial torture and inhuman treatment.

The apex court is re-visiting the issue after more than a year as it was told that no progress was made in this regard even after an assurance was given that the government was looking into the matter with "all seriousness".

The PIL filed in 2016 by Kumar, who is a Congress leader, was disposed of on November 27, 2017, and since then there has been no progress, prompting him to approach the court again.

The Rajya Sabha MP had narrated the sequence of events as to how the bill was passed in Lok Sabha in 2010, but Upper House sent it to the select committee.

The Bill lapsed and the NDA government came has done nothing and even in Parliament in a reply to a question it was stated that five custodial deaths were being recorded everyday, he said.

Prior to this, the apex court had noted the statement of the Attorney General that the government was looking into the issue with "all seriousness" and had decided to disposed of the PIL.

Kumar, in his PIL, sought directions to frame an effective law on the issue and empower agencies like the NHRC with necessary enforcement capabilities and mechanisms to implement its orders and directions.

The Congress leader had asked the bench not to dispose of the PIL and keep it at abeyance to see as to how things move on legislation front. The plea was then rejected.

He had said that despite being a signatory to the United Nations' Convention against Torture, 1997, India has not ratified the convention so far since ratification required an enabling legislation to reflect the definition and punishment for 'torture'.

He had contended that the Centre should have a comprehensive and stand-alone legislation against torture.

The plea had sought a direction to the Centre to ensure an effective law and its enforcement to fulfil constitutional promise of human dignity and prevention of custodial torture.

It had sought the issuance of guidelines for timely and effective investigation of complaints of torture and custodial violence and directions be given to the government for rehabilitation and compensation for the victims.

The government had earlier said a writ petitioner cannot seek legislation through the court as the issue fell under the domain of the executive and the legislature. **PTI**

POLITICAL PARTIES

TRIBUNE, JAN 22, 2019

SC refuses to entertain PIL that wants parties to stop fielding candidates with criminal cases

The Supreme Court on Monday refused to entertain a Delhi BJP leader's PIL seeking a direction to the Election Commission to restrain political parties from fielding candidates with criminal antecedents in polls.

A Bench headed by Chief Justice of India Ranjan Gogoi, however, said petitioner Ashwini Upadhyay was free to submit a representation to the Commission on the issue.

"We are not inclined to entertain this petition. However, it will be open to the petitioner to approach the Election Commission by giving a representation," it said.

Upadhyay wanted direction to the Election Commission "to restrict political parties to setup candidates with criminal antecedents in serious offences".

He said while issuing notification for assembly elections in five states on October 10, 2018, the EC did not amend the Election Symbol Order 1968 and the Model Code of Conduct to restrict political parties from fielding candidates with criminal records.

Maintaining that criminalisation of politics in India had grown, the petitioner said data published by the Association for Democratic Reforms showed that 24% MPs had criminal cases pending against them.

"Out of 7,810 candidates analysed for the 2009 elections to Lok Sabha, 1,158 or 15 per cent declared criminal cases of which 610 or 8 per cent had serious cases. Out of 8,163 candidates for the Lok Sabha elections in 2014, 1398 or 17 per cent declared criminal cases of which 889 or 11 per cent had serious cases," the petition read.

PUBLIC SECTORS

BUSINESS LINE, JAN 19, 2019

Time to rationalise State PSUs

- by Govind Bhattacharjee

They run up huge losses and operate in redundant areas, merely serving the vested interests of bureaucrats and politicians

India's public sector landscape is littered with a vast number of loss-making and dysfunctional public sector units (PSUs), particularly in the States, with only a handful of well performing ones.

While the Central Government has 444 PSUs with total investment Rs. 15 lakh crore in these, the States have so far invested Rs. 14.6 lakh crore in 1,136 functional and 319 dysfunctional State PSUs (SPSUs).

The philosophy behind PSUs has undergone a sea change now with redefinition of the state's role as a facilitator rather than a producer, but most of our PSUs still remain trapped in the vast no-man's land between the state and market.

In 2016-17, Central PSUs had earned net profit of Rs. 1.3 lakh crore and contributed Rs. 3.86 lakh crore to revenue in taxes, cess and dividends while providing employment to 11.31 lakh people. But 1,136 working SPSUs collectively incurred net loss of Rs. 84,000 crore during 2016-17 employing 17.3 lakh people, and their accumulated losses amounted to Rs. 4.65 lakh crore. Only 531 earned total profit of Rs. 18,000 crore. As many as 292 SPSUs have negative net worth, and many of the 319 dysfunctional SPSUs had ceased operations for more than 25 years.

Irrelevant existence

While the power sector accounts for a large number of PSUs, a large number of SPSUs were established in the finance and welfare sectors, and their objectives defy all logic. Uttar Pradesh has 103 SPSUs (38 non-functional) which includes development corporations for almost everything – from fishery, poultry, piggery, livestock, sugarcane and seed to police housing and small industries, and development or welfare corporations for backward classes, scheduled castes, women, ex-servicemen,etc.

Bihar’s 74 SPSUs (40 non-functional), includes most of these, besides corporations for financing and development of films, Panchayati Raj, medical services and infrastructure, fruits, vegetables, pharmaceuticals, chemicals, beverages, textiles etc. Kerala’s 130 SPSUs (15 dysfunctional) includes development corporations for the welfare of almost every conceivable segment of humanity.

It is absurd to expect any state to have the expertise or resources to manage such a sweeping range of activities. Poultry, piggery, fishery etc. are better left to individual entrepreneurs or firms with the knowhow to make these profitable. Financial and welfare needs of specific sectors can be addressed much more efficiently by banks and financial institutions; in any case, government ministries and departments exist to take care of the welfare of disadvantaged sections.

The welfare SPSUs only provide loans to members of various communities which are refinanced by the government; this can easily be done through the banking networks or devising suitable government schemes. No wonder that these companies have not served any useful purpose, and most have accumulated huge losses. They exist only to provide parking places for senior bureaucrats or powerful politicians, so that state largesse can be extended to them through cars, perks and privileges.

States must withdraw from all unviable sectors, while revamping the structure and management of the remaining ones.

PSUs should be depoliticised and their management professionalised, by appointing experienced and qualified managers. Wherever feasible and where synergies exist, efficient Central PSUs may be persuaded to manage State PSUs.

Many countries, such as Sweden and Thailand, have insulated their ailing PSUs from politicians and bureaucrats. They have created a Directors' Pool from where all Board members including CMDs are appointed. The holding structure of PSUs also needs to be reworked, and there are best practices available, like Singapore's Temasek model.

Post-independence in 1965, Singapore had pursued economic growth by holding stakes in many companies. A decade later, in 1974, it incorporated the holding company Temasek to manage their assets commercially, keeping government and PSUs at arms-length. Some PSUS were corporatised and expanded, while others were privatised. Some of these grew to become global brands.

Malaysia had created a watchdog body, Minority Shareholders Watching Group — a think-tank without politicians — to monitor breaches and to ensure better corporate governance.

Sadly, the political will for reforming SPSUs is missing in India.

The writer is former DG, office of the CAG and Professor, IIPA, New Delhi

THE STATEMANS , JAN 21, 2019

Withering Heights

By Govind Bhattacharjee

Jawaharlal Nehru hailed the public sector undertakings (PSU) as "Temples of modern India" and wanted them to seize the "commanding heights of the Indian economy", a phrase that was coined in 1922 by Vladimir Lenin.

Later, Yevgeni Preobrazhensky, a Russian revolutionary economist who championed rapid industrialisation of peasant-dominated Russia through state-owned heavy industries, fervently advocated complete state control over the "commanding heights of the economy" to promote "primitive socialist accumulation". He was executed during Stalin's Great Purge in

1937, but the idea continued to inspire the leaders of the newly-independent third world nations, which inherited poverty, deindustrialisation and an undeveloped agrarian economy from y their colonial masters.

To Nehru, the only way to overcome the endemic poverty and food crisis in post-independence India was through overwhelming State control over the means of production and distribution in the Soviet style, to serve broad macro-economic objectives of achieving higher economic growth, self-sufficiency in production, import substitution and long-term equilibrium in foreign trade, besides meeting other socio-economic obligations.

It cannot be denied that PSUs had indeed helped the independent nation in its formative years. Save a handful of companies, the private sector, inherently averse to risk, was almost non-existent then, and could not be expected to invest in infrastructure and heavy industries that entailed long gestation periods, more so in an insular economy in the post-independence days. PSUs have grown luxuriantly since then, from only five Central PSUs (CPSUs) with total investment of Rs 29 crore during the First Plan, to as many as 444 in 2016-17, with total investment of Rs 16 lakh crore. There are also 192 companies controlled by the Government indirectly, in association with state governments.

But the philosophy behind them has undergone a sea-change since then, with a redefinition of the State’s role as a catalyst and facilitator rather than a producer. Today most of our PSUs, especially those owned by the state governments, remain haplessly trapped in the vast no-man’s land between the state and market.

As regards performance, 212 of the 444 CPSUs earned a net profit of Rs 1.6 lakh crore in 2016-17, while 157 incurred net losses of Rs 30,700 crore. SAIL (loss of 3187 crore) and MTNL (Rs 2941 crore) led the pack of loss-making entities. No less than 188 CPSUs have accumulated losses exceeding Rs 1.23 lakh crore over the years, and the net worth of 77 companies has completely been eroded by their accumulated losses.

The Government earned Rs 46,000 crore from selling a part of its stakes in 25 CPSUs during 2016-17. Fortysix CPSUs are listed in the stock exchange. Of the seven Indian companies that made it to the coveted Fortune 500 list in 2018, four were PSUs: Oil India (ranked 137), ONGC (197), SBI (216) and Bharat Petroleum (314), the others being Reliance industries, Tata Motors and Rajesh Exports. As many as 57 CPSUs were either defunct or under liquidation or did not prepare their accounts, so their operational results remained indeterminate. During 2016-17, CPSUs contributed Rs 3.86 lakh crore to the public exchequer in taxes, cess and dividends, earned forex worth Rs 87,616 crore through exports while paying Rs 4.59 lakh crore on imports on royalty, technical knowhow, interest, etc.

They provided regular employment to 11.31 lakh people. If that is a mixed bag of performance for the CPSUs, the performance of the State PSUs (SPSUs) is indeed dismal. As of March 2017, there were 1136 SPSUs, with total public investment of Rs 14.6 lakh crore, with 78 per cent of investment only in power sector companies alone. SPSUs collectively incurred net loss of Rs 84,000 crore during 2016-17, while 531 of them earned total net profit of Rs 18,000 crore. The accumulated losses of these SPSUs amounted to a whopping Rs 4.65 lakh crore over the years, from Rs 11000 crore in 1990-91. No fewer than 117 of them paid a total dividend of Rs 117 crore, at an average of only Rs 9.3 lakh during 2016-17. There are 292 SPSUs with negative net worth, besides 319 non-working SPSUs, many remaining dysfunctional for more than a quarter century. SPSUs employed 17.3 lakh people in 2016-17.

Power and transport sectors have always been sick, the former being forced to absorb the losses due to government largesse to farmers and others, besides their own inefficiency. Their finances have not improved even after their unbundling into separate generation, transmission and distribution companies (DISCOMs) and despite the Government taking over 75 per cent of the DISCOMs’ loans through the UDAY scheme.

The transport sector is sick due to heavy overheads, uneconomical pricing and widespread inefficiency. The scenario turns really bizarre when one examines the activities. Many of the SPSUs have been created by defying all logic and making them permanent losing concerns. A large number of SPSUs were established in the so-called promotional and welfare sectors, e.g. UP has 103 SPSUs (38 being non-functional) which includes: Finance and Development Corporation for Backward Classes and Scheduled Castes, Development Corporation for almost everything from fisheries, poultry, piggery, livestock, sugarcane and seed to police housing and small industries, welfare corporations for women and ex-Servicemen, etc.

Bihar’s 74 PSUs (40 non-functional) also include corporations for film development and finance, panchayati raj finance, medical services and infrastructure, development of fruit and vegetables, pharmaceuticals and chemicals, beverages, textiles etc. Kerala's 130 PSUs (15 dysfunctional) includes development corporations for the welfare of almost every conceivable segment of the populace ~ Christian converts from Scheduled Castes and Recommended Communities, school teachers, non-teaching staff, handicapped persons, artisans, Women, backward classes, minorities, Scheduled Tribes, and even Forward Communities.

It reminds one of Ronald Reagan's remark, comparing the government with "a baby's alimentary canal, with a happy appetite at one end and no responsibility at the other". Needless to say, no state has the necessary expertise or resources to manage these ethereal range of activities. Poultry, piggery, fishery etc. are better left to individual entrepreneurs or firms that know how to make these profitable. Financial and welfare needs of specific sectors can be addressed much more efficiently by banks and financial institutions. There are government ministries and departments to take care of the welfare of backward classes and minorities.

The Welfare SPSUs only provide loans to members of various communities which are refinanced or reimbursed by the Government; this can easily be done through the existing banking networks or government subsidy schemes. Development and production of films, pharmaceuticals, seeds, chemicals, textiles, beverages etc. are not activities mandated for a state in a liberalised economy. No wonder these companies have not served any useful purpose, and most have accumulated huge losses. Actually these corporations exist only to provide parking places for senior bureaucrats or MLAs and powerful politicians as Chairman and Managing Directors so that state largesse can be extended to them through cars, perks and privileges which add to the losses at the cost of the taxpayers. These are the apparatus for appeasement of potential trouble makers.

Section 270 of the Companies Act 2013 prescribes two modes of winding up of a company and its liquidation: voluntarily, by passing a special resolution which is simpler but used rarely, or by a tribunal through the appointment of an official liquidator who will liquidate its assets to pay off the liabilities. Many of the SPSUs have never prepared their accounts since inception for 30- 50 years, so it is impossible to determine their assets and liabilities, without which it is virtually impossible to liquidate them through tribunals.

Liquidation proceedings have been initiated against 124 non-working SPSUs leading nowhere, with proceedings against many companies continuing for over 30 years. Obviously, for Governments, this is not a priority. A total of 1136 PSUs is a huge number for 29 states to manage. For revitalising them, it is imperative first to identify the sectors the government must withdraw from, and then revamp the structure and management of the remaining ones.

The essential prerequisite is to depoliticise them, professionalise their management by appointing experienced managers rather than politicians or bureaucrats in their boards and changing their holding structure. Wherever feasible and where synergies exist, Central PSUs may be persuaded to manage the SPSUs which otherwise are likely to remain unviable.

Many countries have insulated their ailing PSUs from politicians and bureaucrats, like Sweden and Thailand. They have created a Directors' Pool from where all Board members including CMDs are appointed. The holding structure of PSUs also needs to be reworked, and there are judicious practices available, like Singapore's Temasek Model. Post-independence in 1965, Singapore had pursued economic growth by taking stakes in many companies. A decade later, in 1974, it incorporated the holding company Temasek to manage their assets commercially. Some PSUs were corporatised and expanded, while others were privatised. Many of these grew and became global brands. Malaysia had created a watchdog body, Minority Shareholders Watching Group ~ a think-tank without politicians to monitor breaches and to ensure better corporate governance. Unfortunately in the narrow vision of our leaders, political expediency gets the better of genuine institutional reforms, and PSUs are unnecessarily dragged into politics like HAL in recent times, rather than depoliticizing them. SPSUs, if not reformed, shall wither away; for the economy, the impact will be anything but anodyne.

TAXATION

PIONEER, JAN 17, 2019

Cabinet OK's Rs 4,242 cr for Income Tax e-filing project

Union Cabinet on Wednesday approved Rs 4,242 crore worth project for the e-filing process for Income Tax and Rs 6,000 crore worth recapitalisation of Exim Bank. The Cabinet meeting chaired by Prime Minister Narendra Modi also approved Rs 22,594-cr expansion of Numaligarh refinery in Assam.

IT major Infosys has been selected to implement the next generation system for processing income tax return filings, with the Union Cabinet sanctioning an estimated Rs 4,241.97 crore for the project. The move will help in bringing down the income tax return (ITR), said Union Minister Piyush Goyal, briefing media.

Goyal said this approval is for creating a Integrated E-filing and Centralised Processing Centre 2.0 Project of the Income Tax Department. Minister said the processing time at present for ITR is 63 days and it will come down to one day after implementation of the project. The project is expected to be completed in 18 months and will be launched after three months of testing. Goyal also informed that tax refunds worth Rs 1.83 lakh crore have been issued so far in the current fiscal.

Cabinet approved an increase in the bank's authorised capital from Rs 10,000 crore to Rs 20,000 crore.

Goyal said it has been decided to issue recapitalisation bonds by the Government of India to the tune of Rs 6,000 crore for capital infusion in Export-Import Bank of India (Exim Bank).

"The equity will be infused in two tranches of Rs 4,500 crore in 2018-19 and Rs 1,500 crore in 2019-20 respectively," he said. Established by the Government of India in 1982, Exim Bank is the apex financial institution for financing, facilitating and promoting the country's international trade.

The Cabinet also approved Rs 22,594-crore expansion of Numaligarh refinery in Assam for increasing the capacity by 6 million tonnes per annum to meet the fuel demand of north-eastern India. The central government will provide a Rs 1,020 crore viability gap funding for the project, said the Minister.

Numaligarh Refinery Ltd, in which 61.65 per cent is owned by Bharat Petroleum Corp Ltd (BPCL), currently refines 3 million tonnes of crude oil a year. The refinery was set up in 1999 following the Assam Accord. Goyal said the Cabinet Committee on Economic Affairs, chaired by Prime Minister Narendra Modi, gave its approval to the expansion of the refinery to 9 million tonnes per annum.

"It (the project) involves setting up of a crude oil pipeline from Paradip (in Odisha) to Numaligarh and product pipeline from Numaligarh to Siliguri (in West Bengal) at a cost of Rs 22,594 crore. The project is to be completed within a period of 48 months, after approval and receipt of statutory clearances,” he said.

TRANSPORT

PIONEER, JAN 18, 2019

Rs 4,405 cr highwayproject approved

In a major move to decongest Delhi, the Ministry of Road Transport and Highways (MoRTH) has approved a 155-km six-lane highway project worth Rs 4,405 crore under the Bharatmala scheme.

The roads include Akshardham to Loni Border at Delhi-Up Border (14.75 kms), Delhi-UP Border -Mandola-Eastern Peripheral Expressway (EPE) intersection (16.57 kms), EPE junction to start of Shamli bypass (61.4 kms) and start of Shamli bypass to Saharanpur bypass (62.7 kms).

In a letter to Delhi BJP President Manoj Tiwari, Union Road Transport and Highways minister Nitin Gadkari announced that the four projects have been approved by the ministry worth Rs 4405 crore to decongest the national capital.

The project Akshardham to UP Border and Mandola in Delhi-UP Border to EPE intersection will cover 31.32 kms and it will cost Rs 2900 crore. Currently, commuters from Western UP have to pass through the east Delhi areas such as Shastri Park, New Usmanpur, Khajuri Khas and Bhajanpura to reach Saharanpur highway that starts at Loni. The new highway will allow commuters to avoid the congested areas of east Delhi and reach the Saharanpur-bound national highway NH709B near Loni from the NH-24 directly.

WEALTH

HINDU, JAN 21, 2019

India’s richest 1% get richer by 39% in 2018; just 3% rise for bottom-half: Oxfam

At Davos, Oxfam said this increasing inequality is undermining the fight against poverty, damaging economies and fuelling public anger across the globe

Indian billionaires saw their fortunes swell by 2,200 crore a day last year, with the top 1 per cent of the country’s richest getting richer by 39 per cent as against just 3 per cent increase in wealth for the bottom-half of the population, an Oxfam study said on Monday.

Globally, billionaires' fortunes rose by 12 per cent or $ 2.5 billion a day in 2018, whereas the poorest half of the world's population saw their wealth decline by 11 per cent, the international rights group said in its annual study released before the start of the five-day World Economic Forum (WEF) Annual Meeting in this Swiss ski resort town.

Oxfam further said that 13.6 crore Indians, who make up the poorest 10 per cent of the country, continued to remain in debt since 2004.

For Limited Circulation