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BLACK MONEY

DECCAN HERALD, JUL 15, 2016

SIT for ban on transactions above Rs 3 lakh: Also seeks Rs 15-lakh cap on individuals' cash holding

The Supreme Court-appointed Special Investigation Team (SIT) on black money has recommended a ban on cash transactions of above Rs 3 lakh.

It also sought restricting cash holding with individuals to not more than Rs 15 lakh to curb illegal wealth in the economy.

In its fifth report, the SIT headed by Justice (Retd) M B Shah listed out methods to curb black money. The panel felt that large amounts of unaccounted wealth is stored and used in the form of cash.

No need for upper limit

“Having considered the provisions which exist in this regard in various countries and also having considered various reports and observations of courts regarding cash transactions, the SIT felt that there is a need to put an upper limit to cash transactions," an official statement said.

The panel was in favour of framing an act to declare transactions above Rs 3 lakh illegal and punishable under law.

The SIT also suggested fixing an upper limit of Rs 15 lakh on cash holding. In case any person or industry required holding more cash, it may obtain necessary permission from the Commissioner of Income Tax of the area, the panel said.

CIVIL AVIATION

BUSINESS STANDARD, JUL 11, 2016

AI's last-minute fares at Rajdhani A/C 2-tier level

Air India will drop fares on four key routes - Delhi-Mumbai, Delhi-Chennai, Delhi-Kolkata and Delhi-Bengaluru - four hours before the departure

A professional firm cannot function on crutches: Ashwani Lohani
Maharaja soars on promotional schemes
Air India to trim losses by 40% to Rs 2,000 cr in FY17
Air India boss enforces discipline on pilots

Aiming to attract more fliers and achieve higher seat occupancy in its flights on trunk routes, Air India has decided to lower its last-minute ticket fares to the level of AC 2-tier of Rajdhani trains.

As part of the pricing strategy, Air India will drop fares on four key routes, Delhi-Mumbai, Delhi-Chennai, Delhi-Kolkata and Delhi-Bengaluru, for tickets booked four hours before departure.

Air India Chairman and Managing Director Ashwani Lohani said the move is aimed at providing relief to passengers from sky-rocketing fares and also to fill vacant seats.

A Delhi-Mumbai Rajdhani AC II-Tier ticket costs Rs 2,870, while Delhi-Chennai Rs 3,905. The fare of second AC Rajdhani ticket for Delhi-Kolkata is Rs 2,890 and Rs 4,095 for Delhi-Bengaluru Rajdhani.

Air India has an average load factor of 74 per cent across its domestic network while the seat occupancy on these routes is around 80 per cent, he said.

“Our objective is to fill these remaining seats as well. This can be achieved with such affordable fares. In addition, this would also help us increase our passengers’ revenue,” Lohani added.

Air India’s decision to lower fares is likely to leave competitors jittery as they have been accused of increasing fares by 2-3 times for last-minute bookings.

Last month, Air India had floated a scheme to fly unconfirmed passengers of Rajdhani trains at fares matching with the AC first class ticket prices.

INDIAN EXPRESS, JUL 14, 2016

Revised civil aviation rules: Cancellation fee not more than base fare + fuel levy
Government has also barred airlines from imposing refund processing charge.

These cancellation charges are now set to drop to the level of base fare plus fuel surcharge and the airlines will have to refund all statutory taxes.

In a significant relief to fliers, the Directorate General of Civil Aviation has capped ticket cancellation charges and barred airlines from levying additional amount for refund process. In the new rules effective from August 1, the regulator said airlines cannot levy cancellation charges of more than the basic fare plus fuel surcharge.

Airlines have also been mandated to refund all statutory taxes and user development fee (UDF)/airport development fee (ADF)/passenger service fee (PSF) to the passengers in case of “cancellation/non-utilisation of tickets or no show”.

“This provision (of refunding statutory taxes) shall also be applicable for all types of fares offered including promos/special fares and where the basic fare is non-refundable,” the DGCA said. As per the existing rules, carriers were required to refund only PSF collected by them in case of cancellation.

CIVIL SERVICE

ASIAN AGE, JUL 14, 2016

Pull up the bureaucracy

As the new I&B minister, M. Venkaiah Naidu did well to run an unannounced punctuality check, the findings of which surprised even such a senior member of the Narendra Modi government. Of course, the minister need not be present himself every day as systems like biometric scanners can do the job more efficiently while spitting out information on a real-time basis. As India's single biggest employer, with about 47 lakh active civil servants to take care of, the Centre has a right to demand minimum performance standards, beginning with punctuality, cleanliness and maintenance of office infrastructure. Having just granted substantial pay hikes that might see the government leave succeeding generations the onerous task of servicing a huge debt, it has even greater reason to pull up the behemoth that is the Indian bureaucracy.

Generous as the raise, which entails additional expense of a trillion rupees annually for the Centre, seemed, there is already talk of government officials striking work for more pay and benefits. The growth of government over the years has only extended its reach and the current dispensation, which famously promised "more governance, less government", has reason to worry over what its minister found in just one office. The minister spoke of the information the ministry is in charge of gathering and disseminating. There again, the point is whether the bureaucracy is capable of delivering what is useful towards driving government welfare schemes and if it can ever present an empathetic face to public concerns when its officials don't even have the discipline to come to office on time.

BUSINESS LINE, JUL 12, 2016

Pay panel: Centre to use savings to bridge Rs. 20,000-crore gap

SURABHI

Funds likely to be raised from internal savings

The Centre may need to dip into its internal saving to meet the Rs. 20,000-crore gap of the total estimated Rs. 85,000 crore in 2016-17 to pay the hike in salaries and pensions following the government decision to implement the recommendations of the Seventh Pay Commission.

"About Rs. 20,000 crore will be required. This is exceeding our Budget allocation. But, it is unlikely that we will need to borrow for it. The amount will be raised through internal savings," said an official privy with the development.

Sources indicated that the government's decision to pay out all the arrears in the current fiscal is one of the reasons for the requirement of additional funds. In the past, payment of arrears was done in two instalments spread over two financial years.

The Union Cabinet had on June 29 accepted most of the recommendations of the Seventh Pay Commission on salaries and pensions, while setting a separate committee to review its suggestions on allowances.

In effect, it had resulted in an average hike of 14.29 per cent in the basic pay of Central government employees.

“Excluding the payment on allowances, the total outgo on salaries and pensions including arrears will be Rs. 84,933 crore in 2016-17,” Finance Minister Arun Jaitley had said at the time, adding that it would not impact the fiscal deficit due to adequate provisions in the Budget for the pay panel.

The Union Budget 2016-17 had allocated about Rs. 1 lakh crore for higher salaries and pensions through the implementation of the One Rank One Pension (OROP) scheme for defence personnel and the Seventh Pay Commission report. Of this, about Rs. 20,000 crore has been provisioned for OROP and another Rs. 70,000 crore for implementation of the Seventh Pay Commission report.

HINDUSTAN TIMES, JUL 10, 2016

Govt staff draw Rs 1.5 lakh for taking calls, paying bills

Jeevan Prakash Sharma

Even as central employees threaten to go on a nationwide strike to protest the Seventh Pay Commission hikes, about 3,000 to 4,000 Group A officers continue to do odd jobs at the grade and pay of mid-level bureaucrats.

These employees — belonging to the Central Secretariat Stenographer Services (CSSS), Railway Board Services, Armed Forces Headquarter Services and the Ministry of External Affairs — serve as principal private secretaries (PPS), senior PPS and principal staff officers (PSO). Their job profile requires them to attend phone calls, arrange files, pay office bills and even perform personal tasks for the officials they are attached to.

The service has its roots in the administrative reforms brought in by the British empire in 1919, and continued till the 1990s. Though computers replaced typewriters around then, they were still recruited through a competitive examination conducted by the Staff Selection Commission.

These stenographers or personal assistants are upgraded to the post of private secretary either through a limited departmental examination or a departmental promotion. After PS, they are promoted to the posts of PPS, senior PPS and, finally, the PSO.

However, they just continue doing the same job at different pay grades. For instance, a PSO takes home Rs 1.5 lakh per month for doing the same job as a steno — who earns Rs 30,000.

The problem was taken into account by the Sixth Pay Commission in 2006. “There is no justification for maintaining a distinct stenographer’s cadre in any government office,” the report said. It also recommended that the Central Secretariat Services (CSS) and the CSSS cadres be merged, and begin recruiting multi-skilled personnel at the assistant or steno level to “act as designated executive assistants who will discharge the functions of present-day assistants, besides performing all stenographic functions”.

Ten years have passed, but the government is yet to arrive at a decision on the matter. The Seventh Pay Commission has also made no recommendation in this regard. “A PSO of CSSS cadre is equivalent to a director in the CSS cadre in terms of remuneration, but the (PSO) does the same job as that of a stenographer or a PA. This is because the work profile does not change with the upgradation of posts,” said a PPS on the condition of anonymity.

“While many experienced government officials in the middle and lower bureaucracy are sitting idle, officials in other departments – such as Income Tax – are facing a severe staff crunch,” a senior PPS said.

Sanjay Kothari, who has just retired as the secretary of DoPT, refused to comment on the issue. “The Seventh Pay Commission’s recommendations for 2006 are yet to be implemented because it takes time to lay down rules and procedures,” said KS Datawalia, DoPT spokesperson.

“The prime minister is always talking about minimum government, maximum governance. The government has also constituted a task force for the optimisation of human recourse in various ministries, as stated by the finance minister in his budget speech. It is hoped that the DoPT will implement the decision at least now,” says a senior officer.

FINANCIAL EXPRESS, JUL 8. 2016

7th Pay Commission report: Who will be the loser?

By: [Rajesh Shukla](#) and [Adite Banerjee](#)

7th Pay Commission: Urban households are likely to absorb 64% of the increased amount which will come from the Seventh Pay Commission award, while rural households will get only 36%

The decision of the government to implement the recommendations of the Seventh Pay Commission and announce a hike of 23.5% in salaries and pensions of government employees has brought much cheer. The reactions have been swift, with the Sensex gaining 475 points and industry welcoming the move. It is expected to trigger a spurt in consumer demand, particularly in urban areas, and provide a fillip to sluggish economic recovery. Media reports confirm that the government will be spending an additional R1.02 lakh crore annually.

So, what could be the likely impact of this massive injection of cash on household income? Which segments of households are likely to benefit from this and who are going to lose out?

In order to analyse this, we, at the People Research on India's Consumer Economy (PRICE), decided to crunch some numbers and came up with some interesting insights.

Given that the target of the pay hike is salaried households, we decided to take a closer look at these. According to the PRICE 360 study (2014), there are 270 million households in India, with 90 million such units in urban India and twice that (180 million) in rural India. Nearly 61 million (23%) Indian households report salaries to be a source of income—it may or may not be the major source—and the rural-urban split is 27 million (15%) and 35 million (38%), respectively. Significantly, less than half of all salaried households (47%) across India have some form of employment contract which one can consider formal.

It will perhaps come as no surprise that a slightly higher percentage (50%) of all salaried income earners in urban India have job contracts, compared to those in rural India (44%). Similarly, the distribution of households by urban/rural clusters shows that metros have the highest share of salaried households (out of total 19.2 million households)—10.2 million, or 53% share. While

underdeveloped rural areas have the lowest (out of total 97.4 million households)—10.1 million, or 10%—share. Developed rural's share of 29% salaried households is almost on par with that of other urban towns: 29% versus 32%, even though other urban towns have significantly larger number of households (46 million) compared to developed rural's 29.2 million. The other interesting aspect of developed rural salaried households is that nearly 56% of these households have employment contracts, which is on par with those in metros.

Again, in terms of salaried households, there are nearly 71% households in urban India for which salaries are the only source of income, compared to just 41% in rural India. There is a higher percentage of households in rural areas (31%) which depend on a combination of salaried and self-employed (agriculture) income. It also has 8% households which earn income from salaries as well as self-employed (non-agriculture) activities. The percentage of such households is 11%. The lower dependency on salaries in rural households suggests more stability of income, as the impact of a sudden job loss and the consequent drop in income from salaries can be cushioned by other sources of income.

Given these basics, how does the pay hike impact incomes of these households? Our calculations show that the average annual salaried household income in urban India—which is currently at R4,97,805—would go up by R1,16,984 (roughly a 27% increase) to R6,14,789.

In contrast, the average annual salaried household's income in rural India would increase by R84,503—from the current R3,59,586—to R4,44,089.

Therefore, in terms of distribution, urban households are likely to absorb 64% of the increased amount, compared to 36% for rural households. In other words, the net effect of the Pay

Commission move is that it will further increase the rural-urban divide, particularly salaried segments. The biggest gainers will be salaried households in the metros, followed by boom towns (population between 2.5 million and 5 million) and niche cities (population between 1 million and 2.5 million), and other urban towns (clusters with population size of less than 1 million). The share of distribution for rural salaried households would be highest for developed rural households, followed by emerging rural, and the lowest for underdeveloped rural.

A pay hike for salaried households will definitely lead to a spurt in consumer spending in urban areas, as experts have suggested. However, a more equitable distribution of the government's largesse needs to be undertaken to ensure that the benefits are reaped by rural households where opportunities for salaried employment continue to lag behind. A more focused approach to increasing income on a sustainable basis is what would ultimately help the economy reach greater heights.

Rajesh Shukla is director & CEO, Adite Banerjee is consultant, People Research on India's Consumer Economy (www.ice360.in)

FINANCIAL EXPRESS, JUL 8. 2016

Any danger in 7th Pay Commission? Find out here

The implementation of the 7th Pay Commission's recommendations will have no impact on the fiscal deficit in the current fiscal, as budgetary provisions are enough to meet the estimated outgo of Rs 60,400 crore in FY17, a senior official said.

By: [Prasanta Sahu](#)

The implementation of the 7th Pay Commission's recommendations will have no impact on the fiscal deficit in the current fiscal, as budgetary provisions are enough to meet the estimated outgo of Rs 60,400 crore in FY17, a senior official said.

With the government broadly accepting the pay- and pension-related recommendations of the Pay panel, over one crore central government staffers and pensioners will get an additional Rs 84,933 crore as recompense in FY17.

A finance ministry official on condition of anonymity said that while Budget FY17 did not provide any explicit provision for the Pay panel, some Rs 53,500 crore was built into the allocations to various ministries and Rs 20,500 crore in the rail budget.

“Most of the outgo related to general budget has been provided for in the Budget. Only a small amount (Rs 6,900 crore) will be required, which would be met from savings during the year from budget allocations (for various departments),” the official said. He, however, did not specify if these savings meant cuts in capital spending.

Every year, the government makes some savings due to the inability of many departments to spend their allocated budget. These savings are often reallocated to needy departments. The total spending budget for FY17 is Rs 19.78 lakh crore.

The Centre has set a target to bring down fiscal deficit to 3.5% of GDP in FY17, from 3.9% in FY16. Sources indicated that the tax revenue increase due to Pay panel award had been factored in when the Budget was made.

Separately, the railways will have to find another Rs 4,000 crore to meet the gap in budget provision for pay and salary revisions in FY17. It has provided for Rs 20,500 crore in this year’s rail budget for salary hike.

The total impact on account of revision in pay, allowances and pension would have been more, had the Centre accepted the recommendations related to allowances along with pay and pension in one go.

The Pay Commission's recommendation for a 63% rise in allowances (which would have inflated the Centre's and railways' outgo by Rs 29,300 crore) has been put on hold until a finance secretary-led committee reviews this along with the commission's suggestions for an overhaul of the 196-odd such benefits.

The committee will submit its report in four months (by October). Officials don't anticipate any significant additional outgo on account of allowances this year as the revised benefits are likely to be paid prospectively from next year.

Of the Rs 84,933-crore hit on the exchequer this year, a recurring expenditure of Rs 72,800 crore is due to pay and pension while Rs 12,133 crore is earmarked to pay arrears from last financial year (the panel's award will take effect from January 2016).

On June 29, the Cabinet accepted the Pay Commission's recommendations on pay and pension.

The minimum pay for the lowest level staff will now be Rs 18,000 per month (Rs 7,000 earlier); while the real increase pay/pension is 14.3%.

BUSINESS LINE, JUL 8, 2016

Change agents in government

CHITRA NARAYANAN

What are the bureaucrats there for?

The Delhi government has been advertising for 30 urban change agents. It has instituted a fellowship programme to which 30 young leaders under the age of 35 can apply and expect a salary of up to Rs. 1.25 lakh a month to suggest solutions for Delhi's most pressing urban challenges. Great idea, you would imagine. But what exactly is the bureaucracy doing? Isn't it its job to solve our problems? Delhi is reportedly facing an acute shortage of senior bureaucrats. Delhi's deputy CM claims that while there are 309 posts for DANICS (Delhi, Andamans and Nicobar islands civil service) officials in Delhi, the city government has only 165. Apparently IAS officers of the AGMUT (Arunachal Pradesh, Goa, Mizoram Union Territories) cadre do not want a Delhi posting. They don't want to get caught in the crossfire between the AAP government and the Centre.

Given this situation, Arvind Kejriwal clearly has no choice but to come up with unorthodox ways to get his radical ideas implemented. While the Delhi case is publicised, shortage of officials is a common problem across States and quite a few of them including Andhra Pradesh, Sikkim are hiring consultants. Even central ministries are doing so. A new fad is to hire researchers (mostly US-returned) and compensate them generously.

The trend has also set in because many in power do not believe IAS officers have the skills to come up with ideas and deliver on them. But if it's ideas that they want, what's stopping the Government from crowdsourcing them from the lay public? Besides, there are several NGOs in the development sector funded by government that generate research reports. Why duplicate work? If there is an ideas deficit, shouldn't the bureaucracy be overhauled, instead of burdening an already overburdened nation by dipping into government coffers?

Chitra Narayanan Editorial Consultant

TRIBUNE, JUL 14, 2016

Fresh LTC norms listed: Central depts told to act sternly against staff indulging in malpractices

Checking inflated bills

- To detect cases where government servants collude with private travel agents to submit LTC claims showing inflated airfare for "clandestinely" obtaining undue benefits
- The authorities have been asked to conduct random checks with airlines whether the tickets were booked at the lowest fare available on that date

Detecting instances of government servants colluding with private travel agents to submit leave travel concession (LTC) claims showing inflated airfare for “clandestinely” obtaining undue benefits like free boarding, lodging, transport or cash refunds, the central government has issued fresh guidelines on availing LTC.

Directing administrative ministries and departments to undertake, from time to time, random checks from airlines whether the tickets were booked at the lowest fare available on that date, the Department of Personnel and Training has, in a communiqué issued on July 12, stressed that they should not hesitate to take severe action against employees guilty of deliberate malpractices, particularly in collusion with travel agents and associated agencies.

Inviting attention to Rule 3(1)(i) of the Central Civil Services (Conduct) Rules that require government servants to maintain absolute integrity at all times, the communiqué states that in addition, cheating or fraud also attract various sections of the IPC.

Pointing out that in accordance with rules in all cases of LTC claims, government servants are required to book air tickets either directly through the airlines or through authorised travel agents, the DoPT observed that proposals from different ministries and departments for relaxation continues to be received on the plea that the employees were not aware of this requirement, the communiqué states that the plea of ignorance of the instructions cannot be used by government servants.

The nodal ministries controlling authorised travel agencies have also been directed to issue instructions to these agencies for ensuring compliance of the instructions pertaining to LTC travel and any violations would invite blacklisting.

Government servants are mandated to purchase tickets at the lowest rate available at the time of booking for the date and time of the scheduled journey. They will be required to submit the print out of the tickets showing date and time of booking in addition to the fare charged.

While submitting LTC claims, they will be required to submit a self-certificate on plain paper certifying that the airfare claimed does not include any charges for any facility or undue benefit including boarding, lodging, local transport and also that the ticket has been booked at the lowest fare available for the destination at the time of booking. They will also be required to certify that they are aware that suppression of any information or furnishing wrong information will render them liable to disciplinary action.

CORRUPTION

ECONOMIC TIMES, JUL 11, 2016

Government nod to prosecute another IAS officer

NEW DELHI: Rajnath Singh-led Union Home Ministry has given a nod for prosecution of UT cadre IAS officer Sanjay Pratap Singh, who was raided and arrested by the Central Bureau of Investigation (CBI) in December last year on corruption charges. Singh is the second IAS officer after Delhi Chief Minister Arvind Kejriwal's former principal secretary Rajendra Kumar to be named by the CBI in a corruption scandal. Under Section 19 of the Prevention of Corruption Act, CBI needs to have prior sanction from the central government for launching prosecution against a public servant from All India Services. According to CBI, they are probing two cases against Singh, including an FIR registered after his arrest for disproportionate assets to the tune of Rs 6.14 crore. The first case pertains to demand of bribe of Rs 2.20 lakh and was registered on the complaint of the owner of a private firm from whom Singh demanded the bribe for clearing pending bills related to supply of security guards and other manpower. Singh was arrested by CBI and the agency later sought sanction for prosecution from MHA, which is the cadre controlling authority for the officers of Arunachal Pradesh, Goa, Mizoram and Union Territory (AGMUT). After MHA clearance, the request has been sent to Department of Personnel and Training (DoPT), which will convey its decision to CBI, said an official on the condition of anonymity. A 1984 batch IAS officer Singh was posted as the principal secretary in the Department of SC, ST and Minorities. During the raids, CBI claimed to have recovered 31 gold bars, weighing 3.20kg and worth over Rs 82 lakh from one of the five lockers of Singh. The agency also seized 300 bottles of high-end liquor brands and expensive watches from his residence along with the documents related to eight properties in posh areas such as Safdarjung Enclave in New Delhi, Sector 56 in Gurgaon, Sector 44 and Sector 50 of Noida and high-end construction in Greater Noida. The value of the property is estimated to be Rs 21 crore. According to CBI, Singh was arrested following a complaint from Delhi government. Kejriwal's office had complained against Singh to CBI after they received it from the owner of private firm who was asked by Singh to pay the bribe money for clearance of his pending bills.

EDUCATION

STATESMAN, JUL 11, 2016

'Accountability for teachers will be introduced'

Asserting that the role of teachers is crucial in nation building and transformation of education, Union Minister for Human Resource Development Prakash Javadekar on Sunday said "accountability" will be introduced in the education system for the teachers.

In his first public programme after assuming charge as the HRD minister, Javadekar felicitated educationists during a function held at Ferguson College here.

"There are issues and there are challenges, however we have to work as a team to address the issues in education field to improve the quality of education system and in this process, teachers have to play a crucial role in the transformation of education system," Javadekar said.

Teachers should encourage the students to dream big and give them life skills, technical skills and high values, he said.

"I know there are issues with teachers' training, there are issues with quality of education, but teachers are the ones who can give the right solution, so I appeal all the teachers to work positively."

"Teachers will be appreciated for their good work and we will use accountability for teachers in the education system as teachers should be answerable and accountable," he added.

He felicitated former director general of CSIR Dr Raghunath Mashelkar, noted writer and retired professor of Marathi D M Mirasdar, P L Gavade, Sharad Wagh, B P Vani, Vasant Puntambekar and others on the occasion.

BUSINESS LINE, JUL 8, 2016

'Team HRD will facilitate access to quality education'

Employment is not the only objective of education, building life skills and personality development are also important, said Prakash Javadekar, the new Union Human Resources Development Minister.

"There are 12-13 crore children in primary and secondary level. I, along with the two Ministers of State, will work like a team to provide good quality education to all," Javadekar, who took charge on Thursday, told reporters here.

Remembering his stint in the State Planning board, he assured collaboration with all the States to ensure the success of the education system in India. Team HRD will address all the issues and great opportunities will be unlocked for the education sector in India, he added.

On the issue of doing away with the 'no detention policy' in the upcoming new education policy, he said he will look into the matter and hold discussions.

Before assuming the new office, he was serving as Minister of State for Environment, Forest and Climate Change as independent Charge. Prior to that, he served as Minister of State for Information and Broadcasting as independent charge as well as Parliamentary Affairs.

STATESMAN, JUL 15, 2016

HRD ministry brings loan scheme for IIT students

The HRD ministry has come out with a subvention scheme to ensure that students of IITs, whose fees were hiked recently, can secure interest-free loans.

According to an order issued by the Prakash Javadekar-led ministry, the facility will be made available to all the students whose household income does not exceed Rs.9 lakh per annum.

Officials said that the scheme shall only cover the tuition fee and the subvention of interest will be applicable maximum for a period of five years.

They said while the fee for these institutes was hiked recently, the government also wants that students and their parents do not face any hardship.

"The ministry has planned the subvention scheme which will ensure that the interest part on loans is taken care of by it," an official said.

Under Javadekar's predecessor in the HRD ministry Smriti Irani, the fee was increased from Rs 90,000 to Rs 2 lakh per annum. However SC, ST, the differently abled and economically backward sections were provided waivers.

Officials said that the scheme will help those who do not come under the categories but still may need assistance to pay increased fee.

When the IIT fee was hiked, it was mentioned that students would be able to get interest-free loans under the 'Vidyalakshmi' scheme.

However, according officials, there has been some feedback regarding difficulties prospective students are facing in securing interest free loans and the ministry is trying to ensure that these are addressed.

The fee hike comes into effect from this academic year, when the new batch joins.

STATESMAN, JUL 13, 2016

Govt forms committee to frame common syllabi for all colleges

Engineering colleges will have the first common syllabus in the state, said state education minister Partha Chatterjee on Tuesday. Kicking off their initiative to frame a common syllabi for all colleges and universities of Bengal, the state education department has appointed a syllabus committee that has been granted the charge of formulating this common syllabus for different universities in the state.

The state education department had expressed concern over the fact that some universities are following “outdated syllabi” and do not even cover the core subjects taught at the national level. Several complaints from experts had indicated that this outdated pattern of syllabus proves to be a severe drawback for them in the job market.

“We have started with the process of ensuring that the different universities follow a common syllabus pattern. This uniformity will give students from the state, an equal opportunity in competitive examinations and job interviews,” Partha Chatterjee, talking to the Press, informed. The state education minister held a meeting on Tuesday with the officers of different departments regarding this and they had come to decide that the process of implementing this modification should start with engineering. Regarding the TET issue, the education minister informed that his department has decided to take their case to High Court and seek judgment in this matter.

“We know there have been certain complexities, but we are trying to solve these issues with immediate effect. So we have decided to take this matter to the court,” the minister said. Meanwhile, the colleges have already started appointing professors, and the names of approximately 1700 teachers have been enlisted in the merit list for appointment in different colleges for around 30 subjects, the minister informed.

INDIAN EXPRESS, JUL 13, 2016

PM Modi rejects Smriti Irani’s choice of CBSE chief, HRD to have no say

The Appointments Committee of the Cabinet (ACC), of which the Prime Minister is the deciding authority, rejected the name of Dr Sarvendra Vikram Bahadur Singh as the next CBSE chief.

Written by [Amitav Ranjan](#)

Smt. Smriti Zubin Irani During Launch of Vidyanjali School Volunteer Programme by Ministry of Human Resource Development, Department of School and Literacy, Government of India at Stein Auditorium, India Habitat Centre, Lodhi Road, New Delhi.on Thursday.Express Photo By Amit Mehra 16 June 2016

A week after moving out [Smriti Irani](#) from the Ministry of Human Resource Development, Prime Minister [Narendra Modi](#) has rejected her selection of the chairman of the Central Board of Secondary Education (CBSE) and taken the entire process out of the ministry's realm.

The Appointments Committee of the Cabinet (ACC), of which the Prime Minister is the deciding authority, rejected the name of Dr Sarvendra Vikram Bahadur Singh as the next CBSE chief.

A letter received by the HRD Ministry Tuesday from the Department of Personnel & Training (DoPT) stated: "While considering the proposal, the competent authority in the ACC has conveyed that the post be filled under Central Staffing Scheme (CSS) by keeping the recruitment rules in abeyance."

The CBSE has been without a regular full-time chairman since December 2014. The post requires an officer of the rank of a Joint Secretary with recruitment rules specifying that he/she must have at least three years experience in educational administration.

However, under CSS, names are sought from states and the cadre controlling authority for posts that require officers of the rank of Deputy Secretary and above. An 'offer list' is prepared out of these names which is then considered by the Civil Services Board (CSB) headed by the Cabinet Secretary for a particular post.

The name selected by the CSB is sent to the ACC for approval.

Though last in the panel of three names suggested by a search-cum-selection which interviewed the candidates on March 15, Singh was Irani's top choice in the letter sent to DoPT on June 15. Currently, director of State Council of Educational Research & Training, Singh belongs to the Uttar Pradesh Education Service.

The first two in the panel were Kamalakanta Biswal, professor at National University of Educational Planning and Administration, and Khurram Shahzad Noor, additional principal director in the education wing of the Indian Navy.

This is the second instance of Irani's choice of CBSE chief being rejected. In August 2015, the ACC rejected her pick of Satbir Bedi from the search-cum-selection committee's panel on grounds that she did not fulfil the basic qualification of having been education administrator for three years.

The ACC scrapped the entire panel recommended by the committee and directed the ministry to complete the selection process within two months and submit its proposal to the ACC for consideration before October 31.

The ACC in August 2015 entrusted Y S K Seshu Kumar, a Joint Secretary in the ministry, with additional charge of CBSE chairman. He was recently given an extension of six months.

DECCAN HERALD, JUL 11, 2016

A rotting system

Rohit Dhankar

The report of the Committee for Evolution of the New Education Policy (NEP) headed by T S R Subramanian is finally in the public domain in spite of hesitation of the then Human Resource Development Minister Smriti Irani, thanks to the former cabinet secretary himself. One should perhaps take it only as a report that will be an important input in the final policy formulation.

The report, however, claims to be the policy itself at many places. For example, after listing eight challenges to Indian education, it declares "The New Education Policy has addressed all these challenges", which implies this document itself is the policy. There are many such assertions. In spite of it, though, we should consider it only as a report.

There is much in this report that should be discussed, and immediately, before the policy is

finalised. This article, however, is only to note a bold admission of problems at the national level institutions directly under the HRD Ministry. In Chapter VIII, the report comments on six of them: All India Council for Technical Education (AICTE), National Council for Educational Research and Training (NCERT), University Grants Commission (UGC), Indira Gandhi National Open University (Ignou), National Institute of Open Schooling (NIOS) and National University of Educational Planning and Administration (NUEPA).

The report does not include National Council of Teacher Education (NCTE) in this chapter, perhaps because its status is different as a constitutional body. However, it does have comments on functioning of NCTE elsewhere. Overall, the report gives very useful information which can be turned into insight into understanding these institutions.

If one believes the assessment of the report, then all these apex institutions have failed in fulfilling their mandate, though some may claim partial success. The AICTE, as per the report, “has largely failed to act as a regulator” which is its mandate. It has allowed proliferation of substandard and high capitation fee charging institutions; as a result, only “20% of our engineering graduates are employable”.

While the UGC is credited for issuing “a series of regulations for achieving better quality and efficient management,” the report has noted that the commission has not been able “to ensure effective enforcement of those regulations.” It recommends that “When the new National Higher Education Act is enacted, the UGC Act should be allowed to lapse”, meaning scrapping the body, perhaps justifiably.

The Ignou while has done some good work, has also failed in regulating long distance teacher education programmes. As “in teacher-education field,” there is a “proliferation of long distance teaching shops, offering degrees or diplomas basically in exchange of money, with minimal assurance of quality or teaching-learning standards”.

The report envisages an important role for open learning at school level as it recommends creation of “two new national level examination systems to certify Class X and Class XII

equivalent achievement”. However, it is quite clear that NIOS could not be proposed to be a nodal agency for that job “in view of its doubtful record of performance, and inability to establish itself as a credible agency”.

The NUEPA is normally considered an efficient institution, but the committee thinks otherwise. The committee expected NUEPA to provide some research done on important educational issues, but “Put simply, the Committee found very little serious examination of fundamental issues facing school/higher education in India undertaken by the University.” Actually the report says that private organisations have done a better and more relevant job.

The report notes some successes of NCERT in teacher education like four year integrated BA/B Ed etc, but also thinks that “the institution has been unable to cope with the massive volume of changes around it”. The NCTE as per the report is, guilty of proliferation of substandard teacher education institutions. And thinks that “State governments and the NCTE were partners in approving such institutions, most of which were nothing better than degree shops.” The six apex institutions of the country which are supposed to guide and support education, then, are nothing but largely failed white elephants. Of course, the country knew this, but corroboration by an MHRD appointed committee is important. This should make the government wake up and look into its own functioning.

Lack of capable staff

The report notes lack of capable staff in adequate numbers in these institutions. Working of many of them has never been assessed by any independent agency. They lack autonomy and seriousness to work. And some, like NCTE, have serious irregularities. When we want to improve quality of education, which according to the report is the main thrust of the NEP, lack of adequate expertise in various segments of education in these bodies indicates a national level intellectual deficiency. The report says nothing regarding how this deficiency can be removed, or how to prepare good quality experts.

The situation of the apex institutions by this account seems to be no better than the schools. And

before one blames the schools, may be one can say that the rot spread from the top. However, when the report talks of low quality and indifferent functioning of elementary education, there is frequent reference to teacher capabilities, attitudes, commitment, accountability and political interference. This is instructive to note that in regard to apex institutions though capabilities and shortage of staff is mentioned, attitude, commitment and accountability are not seen as problems. In fact, the report sees lack of autonomy as a problem there, but not lack of commitment!

It is common knowledge that the heads of most of the institutions mentioned above are political appointees and that should have an impact on their functioning as well as the capabilities of the people. But the report prefers to be silent on that. It also seems to assume that the right attitude to implement the mandate of the institution and accountability in these institutions is no problem, it is a problem only in the case of teachers. One wonders whether a rotting head can diagnose its own ailment!

(The writer is Professor of Philosophy of Education, Azim Premji University, Bengaluru)

ELECTIONS

STATESMAN, JUL 12, 2016

Simultaneous election

Much can be said on both sides on whether or not India should hold election to the Lok Sabha and the State Assemblies simultaneously. Chief Election Commissioner Nasim Zaidi has expressed his preparedness to hold simultaneous elections provided there is consensus among political parties.

The concept of simultaneous elections is not new to the country. In the early years of independence Lok Sabha and Assembly elections were held together. They got decoupled when some State Assemblies were dissolved prematurely in 1968 and 1969 and the Lok Sabha was dissolved in 1970, two years ahead of its term. Though the idea is good in principle, it is fraught with constitutional issues and administrative problems.

The government will have to amend the Constitution to either curtail or extend the term of some State Assemblies to enable the Election Commission to draw up a common poll schedule. Holding elections simultaneously will require a large number of electronic voting machines and voter verifiable paper audit trail machines. According to the EC, procurement of these machines would cost Rs.93 billion.

Average life span of these machines is 15 years. There will be a recurring cost of replacing them periodically, not to mention the additional cost of storage. The EC will also need more Central forces for deployment at separate polling booths meant for the Lok Sabha and the Assembly polls. By holding simultaneous elections, the imposition of the Model Code of Conduct at regular intervals which puts many activities of the government on hold and affects governance can be avoided. Senior BJP leader LK Advani mooted the idea in 2012 saying an impending election even in a remote corner of the country used to influence decision making by that government. To avoid recurring periods of policy paralysis, he proposed a fixed tenure for the Lok Sabha and the Assemblies and to hold simultaneous elections to them every five years.

The BJP incorporated the idea in its 2014 election manifesto. After coming to power, Prime Minister Narendra Modi pushed for it. The Standing Committee of Parliament on Personnel, Public Grievances, Law and Justice undertook a feasibility study and found it may not be possible to hold simultaneous elections to the Lok Sabha and the Assemblies even by 2019. However, the committee suggested holding of elections in two phases instead of one. Election to State Assemblies whose terms end within six months to one year could be clubbed together in November 2016 and election to the other Assemblies could be held along with the Lok Sabha in 2019.

Empirical evidence shows the BJP stands to gain by holding elections simultaneously. In the 2014 election, the BJP won all the seven Lok Sabha seats in Delhi and established a lead in 60 of the 70 Assembly segments, but in the Assembly election that followed it could win only three seats. In Bihar, the BJP won 22 Lok Sabha seats and established a lead in 122 of the 243 Assembly segments.

In the subsequent Assembly election it was left with just 53 seats. In the first four general elections held simultaneously in 1951-52, 1957, 1962 and 1967 the Congress not only got a majority in the Lok Sabha but also in most of the States. Any wonder why Modi is pressing for simultaneous polls?

EMPLOYMENT

ECONOMIC TIMES, JUL 13, 2016

Modi government set to unveil employment generation strategy to counter 'jobless growth'

BJP-led NDA government is likely to soon come out with an employment generation strategy to counter the criticism of jobless growth in the country. NITI Aayog, government's premier think-tank, has been tasked with the role of formulating a comprehensive strategy that can create enough jobs in the country to absorb the 10 million youth that enter the workforce every year. NITI Aayog's vice chairman Arvind Pangariya on Tuesday chaired the first meeting with trade union and employers to discuss the employment strategy prevailing elsewhere and what needs to be done in India to create more jobs. A senior NITI Aayog official, who was part of the meeting said, that the government is considering various options to boost employment in the country. "These include, extending special package for employment generation in labour intensive sectors like leather, gems and jewellery and electronics," the official said. The other proposals include setting up of coastal economic zones that would enable labour intensive sectors to set shops in most hassle free manner. "This in turn will help to create millions of jobs," the official added. The five trade union representatives at the meeting included the RSS affiliate Bhartiya Mazdoor Sangh, the Centre of Indian Trade Unions, the Indian National Trade Union Congress, the All India Trade Union Congress and the Hind Mazdoor Sabha. "We are open to the idea of creating coastal zones for labour intensive sectors but all labour laws should be adhered to in these zones," DL Sachdev of AITUC said. Stay on top of business news with

EUROPEAN UNION

TELEGRAPH, JUL 12, 2016

A time to watch and wait - It's not just Britain that is angry and divided - so is Europe

Timothy Garton Ash

Brexit is a nightmare from which we are trying to awake. What a weird week this has been. On trips to the Netherlands and Portugal, where I am now, continental friends hug me as if there has been a tragic death in the family. A long-time Serbian friend says, "Now you know what it felt like to be us, explaining that not all Serbs think that way..." Nothing has changed and everything has changed. I still go through the European Union passport-holders queue. But when I stand next to a Scottish family in the airport bus, I find myself thinking: someday soon they might be foreigners, citizens of a small independent country inside the EU, like Slovakia or Slovenia. But England, my England, where will you be?

Briefly back in London, I'm stopped in Oxford Circus tube station by a complete stranger who says he liked my last *Guardian* article and he's on his way to a demonstration for Britain to remain in the EU. He just heard about it on Facebook. I follow his lead and catch a glimpse of something almost unheard of in England: a passionate pro-EU demonstration. Finally, when it may already be too late, people have discovered how much they value what the EU has done for them. "Lithuania, my fatherland, thou art like health," begins one of the most famous Polish poems. "How much we should value you, he alone knows, who has lost you." Substitute the word Europe for Lithuania, and you have the feelings of half of Britain today.

Children and parents shed tears. Family history is revisited as other citizenships are contemplated: French, Polish, Irish. Group emails fly around, charged with dismay, fury at that cynical, narcissistic, opportunist Boris, and desperate proposals. Can't there be a legal challenge to the referendum result? What about the second referendum for which a petition has collected more than four million signatures? Can't our sovereign Parliament block the beginning of Article 50 withdrawal proceedings by a vote? After all, the referendum was won in the name of bringing back parliamentary sovereignty. I can't remember a time when there was so much anger so close to the surface in British life. The Leave vote was itself fuelled by the anger of all those in England and Wales who felt left behind, losing out, ignored. Now the anger is surging, like an adrenaline rush, through those who voted for Remain. The generation of my sons cries: how dare you rob us of our future?

But if Britain is dismayed, angry and divided, so is the rest of the EU. Broadly speaking, there are two positions among our European partners. A minority position, articulated by the European Commission president, Jean-Claude Juncker, the French president, François Hollande, and the Belgian prime minister, Charles Michel, says in effect, "Goodbye and good riddance. The British people have spoken. The UK should leave as soon as possible and let us move ahead to build Europe around its original Carolingian core." In Michel's own words: "Only the Belgian and European interests count for me now - not the British ones. There is no way back."

At a meeting of the European Council on Foreign Relations in The Hague, I experienced at first

hand the anger this neo-Carolingian gambit provoked from many other member states, including most east and north European ones. The former Finnish foreign minister, Alexander Stubb, fiercely criticized a meeting of the six founding member states, hastily called as a response to the Brexit vote. Estonia's gloriously outspoken president, Toomas Ilves calls Juncker's behaviour "abominable". Finland and Estonia belong to the majority of EU member states, led by Angela Merkel, who want to give Britain some time to try to sort this out.

Broadly speaking, they believe that the strategic objective must be to keep as much as possible of the United Kingdom - or will it be the Former United Kingdom (FUK), like the Former Yugoslavia? - as closely associated as possible with the EU. This is not only because they value what Britain has to offer, from free-market economics to foreign and security policy, but also because they fear the domino effect of a British withdrawal. At the same time, and precisely to avoid that domino effect, they insist that Britain cannot be offered any special favours in the negotiations, for that would encourage Frexiters like Marine le Pen and Nexiteers like Geert Wilders to try their luck. So: no access to the single market without free movement of people.

Yet their anger is also directed at Britain and, more specifically, at England. The most devastating comment comes from the Dutch prime minister, Mark Rutte, a great Anglophile and erstwhile ally of David Cameron. "England," he says, "has collapsed politically, monetarily, constitutionally and economically." Ouch. The reproach of disappointed friends is more painful than the *Schadenfreude* of gloating Belgians.

So what should Brexiteers on both sides of the Channel do now? I would counsel against any hasty actions from either side. If we on the Remain side of the British argument had won this referendum, we would expect the Brexiteers to respect the result. We can't just say: we lost, so retrospectively change the rules of the game. (Then England will beat Iceland after all.) There would be a justified outcry. But in time, the negative consequences of this decision will become clear. I suspect even a general election this autumn, to confirm as prime minister the new leader of the Conservative Party, would be too soon for buyer's remorse to have worked its way through. Apart from anything else, the new leader that Labour badly needs would scarcely be in place.

So many large pieces of the British-European moving jigsaw are in motion; above all, Scotland. Back in 2014, when Scotland was proposing to secede from the UK and rejoin the EU, Spain feared the encouragement this would give to separatist Catalonia, and European lawyers insisted it must be a new application. But talking to European politicians and experts here, it becomes clear that Scotland seeking to remain in the EU as, in effect, a successor state to the UK, might be treated very differently. Much as I don't want Scotland to separate from England, I don't see why the Scots should be taken out of the EU against their will. And what about Ireland? And re-thinking of the European project across the continent?

No major new alignment can be expected until after the French and German elections next year. By 2018, the likely result of an Article 50 exit negotiation, Scotland's intentions and any changes that may be made on the continent will all be clearer - and a new Labour leader should be firmly in the saddle. That is likely to be a better moment to ask the British people if they really want to

commit this act of self-harm. Or maybe the right moment will come a little sooner, or later.

The strategic goal is clear: to keep as much as possible of our disunited kingdom as fully engaged as possible in the affairs of our continent. But sometimes in politics it is wisest to watch and wait, playing for time and keeping your options open. This is such a time.

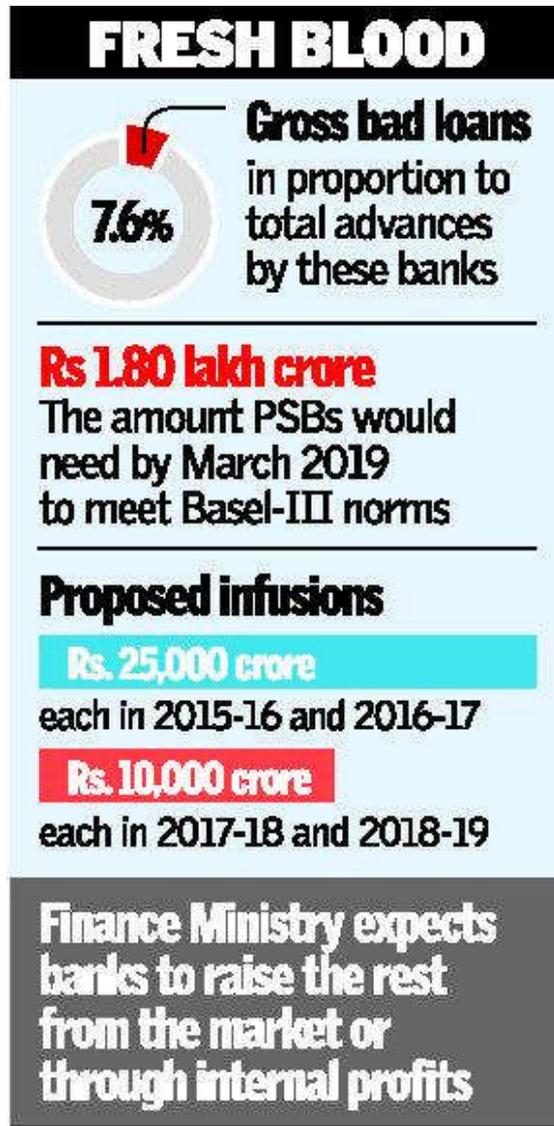
The author is professor of European Studies at Oxford University, and a senior fellow at the Hoover Institution, Stanford University. His new book, *Free Speech: Ten Principles for a Connected World*, has just been published

FINANCIAL INSTITUTIONS

HINDU, JUL 11, 2016

Govt. to announce recapitalisation of public sector banks

PUJA MEHRA



As early as Monday, the Centre is likely to announce the first tranche of the Rs 25,000 crore capital infusion for public sector banks (PSBs), planned for this financial year (2016-17). The first tranches could add up to about Rs.10,000 crore, said a source at the Finance Ministry.

The recapitalisation is aimed at shoring up the PSBs lending capacities that are restricted by poor asset quality and weak capitalisation.

Gross bad loans, as a proportion of the total advances by these banks, rose to 7.6 per cent, a 12-year high in March 2016, according to the Reserve Bank of India's latest financial stability report released on June 28.

Impaired assets

On the rise since 2012, impaired assets in the banking system are negatively affecting credit supply and are a factor dampening India's growth outlook, global rating agency Moody's Investors Service recently said.

PSBs account for about 70 per cent of the total banking system assets.

The banks requisitioned infusions after the finalisation of their fourth quarter results, in which, cumulatively, they had reported losses of Rs 18,000 crore in 2015-16.

GOVERNORS

ASIAN AGE, JUL 14, 2016

Governor can't be in political thicket: Supreme Court

J. Venkatesan

The Supreme Court on Wednesday rapped Arunachal Pradesh Governor J.P. Rajkhowa for his decision to advance the Assembly session on his own from January 14, 2016, to December 16, 2015, saying they were “violative” of the Constitution.

The bench held that it is not within the realm of the governor's powers to embroil himself in any "political thicket".

The Supreme Court unseated Kalikho Pul as chief minister of Arunachal Pradesh and ordered “status quo ante as on December 15, 2015”, thus restoring the Congress' Nabi Tuki government. Writing the main judgment, Justice Khehar, heading the five-judge Constitution bench, held that the Governor does not have power to pre-pone the Assembly session without the aid and advice of chief minister and his Council of Ministers. If the Governor had any doubt about the majority of Nabi Tuki government, the best course would have been to order a “floor test”, which he did not do. The court in its 331-page judgment strongly indicted Mr Rajkhowa and held the Governor's action as “illegal and unconstitutional”.

The Bench, quashing the Gauhati high court order that upheld the discretionary powers of the Governor Rajkhowa to summon or advance a sitting of the Arunachal Pradesh Assembly.

The Bench held that it is not within the realm of the Governor's powers to embroil himself in any “political thicket”. Defining the role of the Governor, it said the Governor must remain aloof from any disagreement, discord, disharmony, discontent or dissension within individual political parties. The activities within a political party, confirming turbulence, or unrest within its ranks, are beyond the concern of the Governor. The Governor must keep clear of any political horse-trading, and even unsavoury political manipulations, irrespective of the degree of their ethical repulsiveness. Who should or should not be a leader of a political party, is a political question, to be dealt with and resolved privately by the political party itself.

During the course of arguments in the court the Governor had, though his counsels, justified his decision to pre-pone the session saying he had exercised his legitimate discretion. He submitted that the chief minister claimed majority in the House, when 21 Congress MLAs had written to him saying that the CM had lost their confidence. What, he asked the court, should he have done when faced with a resolution to remove the Speaker.

Can the Governor be faulted for exercising discretion to pre-pone the Assembly session and asking that the resolution be taken as the first item on the agenda, he asked. The Governor claimed that he had information that there would be horse-trading and that prompted him to advance the session.

The judgment said that the Governor cannot direct the Speaker as to how the proceedings should be conducted and fix the agenda for the House.

On behalf of Mr Tuki and others it was submitted that the conspiracy to topple the Tuki government began when the Governor assumed charge on June 1, 2015. The Governor, without any reason, wrote a series of letters to the CM on one pretext or the other, making his intention clear that he wanted to remove the CM when he pre-poned the Assembly without any recommendation from the Cabinet.

The Bench was of the view that the provisions of the Constitution do not enjoin upon the Governor the authority to resolve disputes within a political party, or between rival political parties. The Governor, it said, cannot make such issues a matter of his concern.

Justices Khehar, Misra and Lokur gave three different but concurring verdicts. Justices P.C. Ghose and N.V. Ramana are the other judges in the bench.

In a separate judgment concurring with others in the five-judge bench, Justice Madan B. Lokur also set aside the order of the Assembly deputy speaker who had quashed the Speaker's decision to disqualify 14 rebel Congress MLAs on December 15 last year.

JUDICIARY

TELEGRAPH, JUL 8, 2016

Collegium snub to govt

July 7: The Supreme Court collegium, headed by Chief Justice T.S. Thakur, has rejected a government proposal for a "judicial commission" to narrow their differences over the appointment process for judges, a top judicial officer said.

A judges-only collegium (panel) now selects judges for appointment. The government wants the executive to have the right to reject a collegium recommendation on the ground of national security. It also wants the attorney-general and the state advocates-general to have a say in the appointment process.

The collegium had rejected both suggestions in April but the government suggested an independent review of the dispute by a committee of retired judges. Last week, the collegium turned this down at a meeting with ministers Sushma Swaraj and V. Sadananda Gowda, the source said.

LABOUR

BUSINESS LINE, JUL 15, 2016

EPFO eases UAN norms for PF claims, withdrawal

Employees who left EPFO membership before January 1, 2014, now do not need to furnish their UAN for settlement of PF claims or withdrawal.

“Claim forms may be accepted without UAN if the date of leaving/exit of the member is before 01.01.2014,” says a circular dated July 13, by the Employees Provident Fund Organisation (EPFO) sent to all zonal and regional offices.

Interestingly, the circular added that in “exceptional cases”, the officers-in-charge of a regional office may “at their discretion based on merits of the case allow acceptance of claim forms without UAN.”

With effect from January 1, 2016, the EPFO had made it mandatory for all members to furnish the Universal Account Number (UAN) for settlement of claims, such as PF withdrawal.

EPFO said the decision to relax norms was taken after instances of some difficulties for members who had ceased to be in employment before January 1, 2014 were brought to light, “given the fact that initially UAN was allotted to only members who were subscribers during January 2014 to June 2014.”

The retirement fund body has so far allotted over four crore UANs to its contributing subscribers.

Commenting on the move, Sonal Arora, Vice-President, TeamLease Services, said: “This relaxation for employees who have left the EPFO membership before 2014, was really required,” adding that though EPFO was trying to promote UAN that had its own merits, “for employees who exited the EPFO even before the UAN was rolled out, this mandatory requirement was rather unjustified.”

She said EPFO has about nine crore inoperative or dormant account, and at least 80 per cent of these accounts are in all likelihood of members who exited before 2014.

“Therefore, almost seven crore exited EPFO members can expect to benefit from this move, should they choose to withdraw their PF,” she added.

(This article was published in the Business Line print edition dated July 15, 2016)

ECONOMIC TIMES, JUL 11, 2016

Labour Ministry mulls pension scheme for highincome EPFO members

NEW DELHI: The labour ministry is considering a pension scheme for highincome working group as the BJP-led NDA government gears up its drive to create a pensioned society.

A senior labour ministry official, who is part of the conceptualisation process, told ET that the initial idea is to roll out the scheme under the retirement fund body Employees Provident Fund Organisation so as to get exemptexemptexempt (EEE) status even for pension fund.

This would also make the scheme more attractive than the National Pension System (NPS) that does not enjoy this kind of tax benefit.

Under the EPF & MP Act, out of the employers' 12 per cent contribution to provident fund for its employees, 8.33 per cent goes to the Employee Pension Scheme.

While this contribution from employer is mandatory for workers earning up to Rs 15000, the employee does not have to contribute. The new scheme, if approved, will be available to the high earning EPFO members on contributory basis.

"We are thinking of coming up with an allnew pension scheme for higher income group of people who do not otherwise save in any pension fund and therefore are often devoid of any retirement benefits after the age of 60 years," the official said on condition of anonymity.

It is not clear if the finance ministry will be open to the idea of another pension scheme. The government has been pushing the NPS to create a pensioned society. In the budget for this year, finance minister Arun Jaitley had made changes in tax treatment of EPF and other retirement savings scheme, reasoning tax rules should be the same for all pension plans.

"I propose to make withdrawal up to 40 per cent of the corpus at the time of retirement tax exempt in the case of NPS," he had said while simultaneously proposing tax on withdrawal from PF, which was withdrawn after hue and cry from all sectors, leaving NPS still less attractive than the EPF where withdrawals are not taxable.

According to the official who did not wish to be identified, the new scheme would have an edge over the existing scheme as deposits under the scheme may not attract any tax at any time.

POLICE

HINDU, JUL 11, 2016

It's time for an urban upgrade

R.K. RAGHAVAN

D. SIVANANDHAN

A rational, full-fledged review of policing the city is long overdue. To gain the citizens' confidence, it must also focus on the local police station

Policing can probably be regarded as ideal only in places that are themselves idyllic and untroubled.

— Late Prof James J. Fyfe, Temple University (U.S.)

An ideal policeman is a myth. You come across him only in crime fiction. Equally elusive is 'good policing', an idea that even the best of criminal justice thinkers have found it difficult to define. This is why, in what is a chaotic world, we have to reluctantly settle for an imperfect policeman and an inadequate system.

The Indian police have been the target of criticism from several quarters, some justified and others not. We (the two authors) should however admit that the police in our country has changed only marginally since Independence, so much so the average member of the public views it as an unhelpful and insensitive body that has to be scrupulously avoided if possible. Several police reform bodies have examined this intractable situation with only marginal success. What has been critical is the undoubted absence of political will to make the system professional and to insulate it from the caprice of the street-level politician.

A demographic shift

With the growing size of our cities and towns, India no longer lives in the villages. All the action and focus are in the cities, and the police are evaluated mainly on what they do there or fail to do. The recent Swathi murder case in Chennai is an instance in point. The initial public outrage was one that blamed the police for not giving enough security to working women. This lasted only for a few days, until the nearly blind case was successfully cracked. Criticism slowly yielded to admiration for the police.

Another key area is traffic enforcement amidst gross indiscipline on the part of the road user. Increased technology and flawless identification of offenders and harsh penalties on violators of traffic rules alone can save the situation. This is a challenge to which the urban police has responded with only marginal success. The citizen expects drastic results, forgetting the fact that it is he who will make the difference through dissemination of the message that submitting oneself to traffic rules alone will reduce chaos on the streets.

When he set up the world's first urban police force in Dublin and London in the 19th century, Sir Robert Peel, the legendary British Home Secretary (from whom was derived the common appellation 'Bobby' for a policeman), would hardly have dreamt that so much would be required of a policeman on patrol. From a purely preventive role that Peel contemplated for the constable on the beat, we have come a long way to assign to him a set of functions that seem enormous, complex and too forensic to discharge to the satisfaction of society. The net result is an all-round harsh assessment of the police.

A valid cynicism

Again, the Swathi case triggered a debate on the responsibility and capability of the police in preventing such a dastardly crime. The victim and her parents have been blamed by some insensitive persons for their failure to alert the police about the stalker, who is believed to have done away with her. There is the other view which the two of us and many other former colleagues in the police share — that assuming the victim's family had approached the local police station, the latter would just have ignored their complaint. This is the cynicism that marks all appraisals of the police, and it is this challenge that police leaders will have to cope with in their daily work.

We believe a rational and full-fledged debate, some kind of national consultation, over limits to policing in an urban setting is long overdue. Otherwise we will be stuck with what Peel thought of policing more than a century ago. Any system that does not constantly review the manner in which it does business is doomed to perdition. Innovation is the key to upgrading quality. In the case of policing, this could be in the areas of patrolling the streets, receipt and registration of public grievances and identification of law-breakers. Technology can help, but it is the sensitivity and dedication of policemen at the cutting edge that would eventually make the difference between an admired and an alienated police force.

Going by the rising graph of bodily crime and traffic accidents, our cities and towns appear to be fast going beyond redemption. Policing would collapse not long from now because of two factors. The first is the growing geographic sprawl of our cities. Chennai Corporation has now a jurisdiction of more than 400 sq.km, twice what it had a decade ago. This expansion has not been accompanied by a commensurate increase in police strength. The second is the disappointing lack of consensus on what the police can do, and what it cannot or should not attempt to do.

We believe that there are implications here for a concept such as the Smart City that Central government in New Delhi has conceived. Any Smart City would thrive and flourish only if it is turned into a "safe city" first. This possibly resonates with the stand that Prof. David Bayley, an eminent police thinker and genuine Indophile, took when he said that policing was necessarily to be "smart", rather than big and flamboyant.

Ultimately, all discussion of urban policing would lead us to the important issue: how much money can a government invest in policing? India has approximately a little more than two

million policemen (both armed and unarmed). There are about 12,000 police stations. In the absence of scientifically determined yardsticks, the question whether this is adequate for a country as large as India is debatable.

The growing tentacles of terrorism have resulted in a certain disarray in police thinking, something for which the police were untrained or insufficiently trained. An almost whole-time attention on countering monstrous outfits such as al-Qaida, Islamic State, Taliban, Lashkar-e-Toiba and a host of others, including our very own Indian Mujahideen, has robbed the common man of police services to which he is entitled as a tax-paying citizen.

Any evaluation of the police will be grievously wrong if it did not factor in this development. Also, an attempt to divest the police station of its responsibility in this area by raising an exclusive counter-terror outfit is ill-advised, because thwarting the terrorist depends on intelligence collection at the grass-root, and this can be done only with the help of a police station on the ground. The latest arrest in far away West Bengal of a suspected IS organiser and propagandist, who had made Tirupur in Tamil Nadu his home, would indicate how growing towns in the country could provide shelter to anti-social elements and need more intensive policing than before.

This is the complexity of urban policing today. Mechanical law enforcement, not backed by an alert intelligence apparatus, can result in disasters of the kind that happened recently in Dhaka, Amsterdam, Brussels and Paris.

In the ultimate analysis, it is the consumer of the police service, the average citizen, who has the critical role of giving a continual feedback to the police on how well the latter are performing. Without this, no community will get the police it demands, and possibly deserves.

Broken windows

We are here reminded of a classic essay 'Broken Windows' written by two eminent social scientists, James Q. Wilson and George L. Kelling, that first appeared in the *Atlantic Monthly* (March 1982), and which pointed out how a citizen's neglect of order around him provides the ambience in which crime flourishes. A broken window in a house or a public facility that remains unattended for months sends out the message that no one in the locality cares, and that crime could be committed there with impunity. Many U.S. police departments, including the NYPD under legendary Police Commissioner William Bratton, have benefited from this essay. Our civic authorities and the police should draw similar lessons for action from this remarkable formulation.

R.K. Raghavan is a former CBI Director, and D. Sivanandhan is a former Commissioner of Police and a former DGP Maharashtra.

The Swathi murder case in Chennai has triggered a debate on the responsibility of the police in preventing such a dastardly crime

ECONOMIC TIMES, JUL 8, 2016

Modi government sacks two IPS probationers

NEW DELHI: In a stern message to young officers, Modi government for the first time after coming to power sacked two IPS probationers for not completing their training despite given multiple chances. Home Minister Rajnath Singh recently signed termination order of 2010 batch Jharkhand cadre Kushum Puniya and 2011 batch West Bengal cadre Kumar Gautam, said officials. The communication was sent to the chief secretaries of Jharkhand and West Bengal directing them to relieve the two of their duties. Gautam is presently posted as additional DC (East) at AsansolDurgapur commissionerate. When contacted, Gautam told ET over phone, "I am unwell and yet to receive any orders from MHA." He also claimed that he had completed training and was only required to give one more paper. All IPS officers are required to undergo training at Hyderabad based Sardar Vallabh Bhai Patel (SVBPNPA) national police academy and only after clearing their modules are confirmed as IPS. According to home ministry officials, Puniya was also given maximum opportunities but she failed to clear despite given three chances including reexamination and special reexamination Puniya is presently posted as SP, anti-corruption branch of Jharkhand vigilance bureau. Speaking to ET over phone, Puniya said, "I have not received any letter so far." MHA said Puniya did not clear her written papers at the NPA despite given ample opportunities. received any letter so far." MHA said Puniya did not clear her written papers at the NPA despite given ample opportunities.

POLITICAL PARTIES

STATESMAN, JUL 12, 2016

Marxists in disarray-I

Shyamal Dutta

The Communist Party of India (Marxist) is facing its most trying times since its split from the undivided Communist Party of India in 1964. Much to the embarrassment and discomfiture of the party, a political light weight Jagmati Sangwan, General Secretary of at the all-India women's wing, walked out from the Central Committee (CC) meeting (June 18-20), in protest against the Politburo (PB). This followed a stormy debate over the decision of the West Bengal CPI-M to forge an alliance' with the Congress ahead of the Assembly election. Sangwan claimed that the Politburo was blackmailed by the state unit to treat the jot not as "a violation of " but "not in consonance with" the party line of "strengthening the independent identity of the party", adopted at its 21st Plenum (Vishakhapatnam, April 14-18, 2015).

In a rare instance of defiance, Sangwan questioned the very intent of the PB to tone down the operational part of the resolution in utter disregard of more than twothird of the CC endorsing the "violation" line. It was alleged to be a ploy to avoid fixing of responsibility and taking disciplinary action for the violation of the party line, against the recalcitrant unit. It was nothing but an abject surrender by the PB, to the state leadership. From the sequence of events prior to the unseemly development, it is evident that the PB acquiesced in the forging of jot with the Congress, despite the fact that the Kerala leaders questioned the propriety of such an understanding, on the ground of its likely adverse impact on the prospect of the party in the Kerala Assembly election, close on the heels of West Bengal.

The PB got carried away by the local groundswell of support for the understanding and the 'go ahead', given for the same by the Congress High Command to its state unit. The PB in its political wisdom, might also have thought that it would not be prudent, on its part, to press for its diktat beyond a point, lest it undermined the authority of the state leadership and caused demoralisation in the rank and file just before the election. The current stand that the central leadership has taken to have no truck with the Congress has put the state CPI-M in a quandary. This would mean that the party has to burn the bridge it has been able to build with the state Congress, for a modus vivendi against the 'tyranny' of the Trinamul Congress. In such an eventuality, the party would have to plough a lonely political furrow while confronting the worst challenges of the time.

The state leadership is, therefore, still not inclined to hang up its gloves and concede the struggle. It is hopeful of a positive outcome resulting from the process of 'consultations' in progress, with

the central leadership. A miserable electoral performance of the CPI-M, in contrast to relatively better showing of the Congress (42) in the April-May 2016 Assembly elections confirms a continuing disconnect of the party with different segments of people. The lot failed to reap an advantage of its near equal vote shares (38%) with that of the TMC (39%). The lot not only failed to make any inroads into the domain of the ruling party, but also suffered serious reverses. In sharp contrast, the TMC secured an unprecedented increase of as high as 5% votes over and above what was obtained in 2014 parliamentary election in the state (44.9% against 39.79%).

The citadel of the mighty CPM is seen crumbling . The message of peace, atonement and human dignity which formed the very core of the Marxists' twin campaigns of "rectification and reconciliation", failed to make much of an impact on the psyche of people. In peoples' eyes, the campaigns lacked both conviction and credibility with no change in geriatric leaderships at different levels. Some of the leaders woefully lacked adequate understanding and appreciation of the mood and temper of the people for they never fought the election. They remained as arm-chair ideologues and stuck in the proverbial time warp. They failed to inspire and encourage young leaders to step in, take charge, and go up the ladder of party hierarchy. People perceived the aging leaderships to be generally, remiss in alertness and agility to deliver an effective response to the demands of fast changing dynamics of globalised world. No wonder that the results of the 2016 elections made it clear that it was going to be a long wait, before people could trust the Marxists once again, with the administration of the state and governance of their destiny. The unhappy memories of 34 years still scare and haunt. Meanwhile, a new development of concern to the CPI-M is the emergence of a new socio-cultural faultline, under TMC rule in West Bengal. It comprises the multitudes from different social strata, in both rural and semi urban areas, bound by the commonality of recent political history, backwardness, lack of proper education and other skills for employment, tolerance, propriety and responsible citizenship. Among them, Mamata Banerjee has carved out a niche as the most charismatic leader with a beacon of hope for their well-being. To them, what matters and appeals is the narrative that is driven by populism and that which addresses their socio economic needs more than repetitive hollow political rhetoric. In playing out the narrative, the TMC has seen to it that proper focus is made on time-bound implementation of projects, schemes, subsidies, freebies (mostly of the GoI) in order to speed up the delivery of goods and services as never before, under personal monitoring and supervision of none other than the party supremo herself. Its impact is seen in the creation of assets visible on the ground in sectors like education, health, road, power, irrigation, agriculture, SMEs etc., with a favourable impact on the quality of life.

STATESMAN, JUL 13, 2016

Marxists in disarray-II

Shyamal Datta

People drawn to the embrace and fold of the ruling party, have, thus, come to identify themselves with the dream that Mamata Banerjee has crafted for their socio- economic uplift. The TMC while extending political patronage to the ' new constituency' of the party, has tried to secure its emotional involvement in the electoral mechanism so that it is properly geared to electoral requirements and ensure return of the party to power from the Panchayats to Parliament.

The carefully nurtured, nursed and cultivated political base was responsible for nonTMC parties drawing a blank in 2016, in the entire jurisdiction of metropolis of Kolkata with as many as 11 seats.

The electoral massacre has brought about a sharpening of the divide between the middle and upper middle class, popularly branded as bhadrak, and known for its animosity towards Mamata Banerjee in cities and semi urban areas, on the one hand, and the ' new constituency' with loyalty and commitment to try and perpetuate the TMC rule, on the pattern of that of the Marxists, but with a difference, on the other.

In divergence with the new phenomenon, what has acted as a serious dampener to the growth of the CPI-M and other left political parties in the state and elsewhere, is the growing disenchantment of youth in general, with the left ideologies. Having been exposed to globalisation, market economy, 24x7 coverage by electronic media and democratisation of information technology, the youth do not get carried away any longer by the romanticism of socialism and communism with the same intensity as in the past. What concerns them more is the socio- economic and political model that equips them with education and skills for employment, security, stability and better quality of life, in general. In consequence, a severe drought stalks the political field with regard to the enrolment of youth into the CPM / Left political parties and their front organisations . This has set in motion a downward spiral in infusion of new blood, flow of funds, organisational growth and mobilization of the masses. The CPI-M central leadership which has been traditionally, dependent on the bounty of all types from states like West Bengal and Kerala in particular, is hard pressed.

On the political plane, the situation remains further compounded by the surge of the BJP and its elaborate plans for serious forays into the state of UP for a determined bid to capture power in 2017, and thereafter, in some other states where elections are slated for 2018, riding on the crest of its recent impressive electoral performance in Assam, as part of preparations to build a crescendo of support and tempo for the most crucial Lok Sabha elections in 2019. The impending political challenges make it incumbent on the Marxists to enlarge the platform of political alliance, galvanising with forces opposed to the BJP led NDA at the national level, and the TMC in West Bengal.

The electoral platform of the left alone is considered too frail and fragile to confront the BJP and the TMC at a time when both have become far stronger and more stable at the cost of the Congress and the CPM. It will be most imperative that the Marxists initiate massive efforts to restore the national political balance and bail the party out of its current decay and drift, on a war footing. The survival of Marxism will hinge on the revival of the CPM in West Bengal, the backbone of the organisation since its birth, by rallying left, democratic, secular and progressive elements, across the political spectrum. Without this, the simultaneous fight on the two battle fronts, will lack a sense of purpose.

The tasks are indeed formidable and stakes enormous for the central leadership of the CPI-M to commit another 'historical blunder' by conceding to the viewpoints of the likes of Sangwan. It is high time that the CPI-M, like China, responds to changes without being unduly conservative and dogmatic in its approach to party lines and principles. The party needs to be dynamic to changes, according to its political interests, conveniences, and imperatives of the time, place and situation. Prudence lies in the pursuit of a policy or party line that helps restore and revive the organisational strength, political relevance, clout and voice of the party, while inching towards the seat of power.

A failure to do so will only yield space to the BJP to try and emerge as a force to reckon with at the cost of the CPI-M, in the sensitive border state of West Bengal in 2021. The retention of power, if possible, by the BJP at the Centre in 2019, will impart a tremendous shot in the arm of the state leadership. For the moment, it is wake-up time for the Marxists to rise and confront the harsh reality and act resolutely.

POLITICS AND GOVERNMENT

STATESMAN, JUL 14, 2016

Certainty of May

Is Theresa May steps into 10 Downing on Wednesday as the second woman Prime Minister of Britain -- after Margaret Thatcher -- she has indicated the broad contours of the immigration policy that has convulsed the country and Europe and was a major factor that influenced the Brexit vote. She assumes charge at a direly critical juncture in the history of the country and the Continent; in the immediate perspective she will have to steer negotiations with the European Union on Britain's exit. She has been realistic enough to rule out a common immigration and asylum policy as "not in a thousand years".

Yet at the threshold she has signalled her intent to cut benefits claimed by immigrants and make it harder to claim asylum in Britain. She has refused all asylum claims advanced by nationals of other EU countries and intends to put in place a system to check on foreign students to make sure they leave the country when they finish their studies. Indeed, in matters domestic and public spending on the social sector, she sounded as much like a Labour politician as a Conservative one. She has called for more house-building and a proper industrial strategy, emphasised that workers and local communities have a stake in companies, and was unequivocal on the fact that "tax is the price we pay in a civilised society". For all that, her political and diplomatic acumen shall be on test at the high table in Brussels.

Unmistakable is the turmoil within. The withdrawal of Boris Johnson and then the other rival, Andrea Leadsom, from the Tory leadership contest doubtless facilitated her confirmation by the party's influential 1922 committee, so-called, and its board. In her hour of victory, Ms May was remarkably dignified in her reference to Ms Leadsom who had a few days ago hit below the belt, saying that she "would make a better PM as she was the mother of three children, rather than the 59-year-old Home secretary who has not been able to have any".

That sniper attack at the personal level cut no ice; Ms May's supporters within the party swiftly binned the remark as "vile", an index to the bickering within that arguably led to Ms Leadsom dropping off. In a brief statement at Westminster, Ms May has underscored the inbuilt dignity of her position, verily paying tribute to Ms Leadsom for the "dignity she has shown today". She was gracious as she complimented David Cameron, who has been consistently opposed to Britain leaving the European Union -- "He will provide strong proven leadership to steer us through what will be uncertain political times. Brexit means Brexit and we're going to make a success of it." Ms May has made it clear that hers' shall not be a journey without maps.

POSTAL SERVICES

ECONOMIC TIMES, JUL 11, 2016

Now, Indian Post to deliver 'Ganga '

PATNA: Now people can get "Gangajal" holy water from the Ganga at all post offices across the country and if they want, they can even get it delivered to their doorsteps. Union Ministers Ravi Shankar Prasad and Manoj Sinha on Sunday launched a new scheme here that makes "Gangajal" available at all post offices and enables Indian Post to deliver it to people's doorstep. "Now holy Gangajal from Gangotri and Rishikesh will be available at all the post offices," Prasad said. Sinha said that after the Ganga water in Bihar's Sultanganj will become clean, the postal department will send it to the people's doorstep. "Right now only holy Ganga water from Gangotri and Rishikesh will be delivered to the people across the country by Indian Post," he said.

PUBLIC FINANCE

DECCAN HERALD, JUL 8, 2016

India may shift to new financial year

The Centre may soon get rid of the British legacy of having April-March as the financial year and shift financial business to the calendar year.

It has set up a committee chaired by Shankar Acharya, former chief economic adviser, to look into a suitable financial year for India, taking into account the government's budget process, agricultural cycle and private business. The committee has been asked to submit its report by December 31.

The practice of having a financial year different from the calendar year came into being in the British era when the government formulated its annual budget on the basis of anticipated revenue receipts which would determine the planned expenditure and levy of new taxes and duties during the year.

In an agricultural country like India, the main annual income depended on the unpredictable outcome of the main crops which start getting ripe in February or March. This anticipated crop-year income thus became the forecast for the likely yearly revenue receipts to the government.

In case the committee suggests a change in financial year, it will also work out on appropriate timing of change, change in tax law during transition period and the amendments that may be required in laws for arriving at such a change, a top government official said.

India is not the only country which follows April-March as the financial year. Countries like Canada, the United Kingdom, New Zealand, Hong Kong and Japan also follow the trend. The United States, Australia and China are among the prominent countries which follow January-December as their financial year.

Changing time

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In case the committee suggests a change in financial year, it will also work out on appropriate timing of change, change in tax law during transition period and the amendments that may be required in laws for arriving at such a change

RAILWAYS

PIONEER, JUL 8, 2016

RLY PASSENGERS MAY GET INSURED FOR MINOR SUM

Madhusudan Sahoo1

All those who frequently travel by train have reason to smile as the Government is likely to implement its proposed long-distance passengers' optional insurance scheme in August.

Indian Railway Catering and Tourism Corporation (IRCTC), a subsidiary of the Railway Ministry is all set to float tenders soon for the scheme to provide insurance benefit for passengers who travel with valid reserved tickets in all classes, ranging from sleeper class to first-class AC categories.

The corporation has been asked by the Ministry to rope in some insurance firms or brokers to float tenders for the passenger-friendly scheme. Also, the corporation is in talks with Insurance Regulatory and Development Authority (IRDA) to insure the lives of lakhs of railway passengers who travel daily.

“As far as passengers' optional insurance scheme is concerned, the Railway Ministry communicated its consent for the programme to the IRCTC on May 15. The Ministry is in the process of floating the tenders after short listing some select insurance firms or brokers. We expect it to be completed soon and the passengers can avail the benefit by next month or so,” a senior official in the Finance Ministry told The Pioneer on Wednesday.

At present, there is already a mandatory insurance which Indian Railways offers to its passengers, but the proposed scheme is an optional insurance plan for passengers who want insurance over and above that.

When asked about the premium per ticket, the official added, “Premium would be very miniscule, ranging from Rs10 to Rs60 depending upon the distance and the class in which the passenger is travelling.”

However, insurance experts believe that the cost of such insurance premiums should not be too high and should be less than Rs5 per passenger per trip. “Given that it is a mass product, the premium should be lower than Rs5 per ticket,” said an insurance broker.

As per the scheme, IRCTC is expected to be a member of IRDA in order to float the scheme for providing coverage to passengers if any untoward incident happens during the journey. However, an IRDA member said, “It is not mandatory for IRCTC or any firm concerned to become a member of IRDA, rather IRCTC can tie up either with any broker or insurance company for its proposed scheme.”

Railway Minister Suresh Prabhu had announced in his rail budget in February this year that the people's carrier would come up with an optional insurance scheme soon. According to Indian

Railways, nearly 13 million passengers are served by the network daily, out of which nearly 12 million are unreserved passengers.

As per the coverage plan, around Rs 10 lakh will be provided in case of death and permanent disability, Rs 7.5 lakh for partial disability, Rs 5 lakh for hospitalisation and expense for injury and transportation of mortal remains will be Rs10,000 per passenger. The one-time insurance coverage will be valid from the actual departure to actual arrival of the train for passengers who opt for e-ticketing.

Over the period between March 2011 and February 2015, a total of 336 consequential train accidents, excluding incidents at unmanned level crossings, occurred resulting in injuries to 1,116 people and loss of 330 lives. The Indian Railways' request for a Rs1.19-trillion passenger safety fund is still pending with the Finance Ministry.

URBAN DEVELOPMENT

HINDUSTAN TIMES, JUL 13, 2016

Urbanisation can reduce poverty. This is how
Chinmay Tumble

Rapid urbanisation is a phrase used by many to describe the urban transformations taking place across India. However, this is far from the truth. While India has experienced rapid urban growth, its pace of urbanisation has been abysmally slow. To explain this conundrum, it is imperative to understand the difference between urbanisation and urban growth and the drivers behind these phenomena.

India's urbanisation rate or the proportion of people living in urban areas increased from around 20% in 1971 to 31% in 2011. India uses a conservative definition of urban areas compared to other countries and alternative definitions can raise this figure to 37% or 47% if one adds rural settlements with more than 10,000 people or 5,000 people respectively to the urban definition.

However, the change in urbanisation rates of 2-3 percentage points per decade is unaffected by definitions and are nearly half of those in many other countries with similar economic growth rates. Why has the pace of urbanisation in India been so slow? This is the question we address in a recent International Growth Centre research study.

The pace of urbanisation depends on both urban and rural population growth rates, which in turn depend on natural growth rates (birth rates minus death rates), migration and reclassification effects. Thus rapid urban growth does not necessarily lead to faster urbanisation if it is offset by equally rapid rural growth.

In the 1970s, natural growth rates in urban and rural India were identical. Since then, they have dramatically diverged with rural natural growth rates currently standing substantially higher than urban natural growth rates. This is mainly due to higher birth rates in rural areas as death rates have converged between rural and urban settings.

This 'demographic divergence' between rural and urban natural growth rates implies that in the absence of migration and reclassification effects, India has been de-urbanising. Such a demographic divergence has rarely been witnessed in other countries or for that matter in many

parts of India. The All-India demographic divergence is an outcome of divergence in the relatively poorer northern states - Bihar, Uttar Pradesh, Madhya Pradesh, Rajasthan and Assam.

In contrast, south India, Maharashtra, Gujarat and even Punjab did not experience the demographic divergence. Our district level analysis reveals that regions with low agricultural productivity per hectare and higher differences in rural-urban literacy levels exhibited higher degrees of this demographic divergence.

Thus, the pace of urbanisation in India could quicken by boosting agricultural productivity and rural literacy levels, reducing rural natural growth rates and reversing the demographic divergence.

In theory, these measures could also reduce migration from villages to cities and thus slow down the pace of urbanisation through the migration channel. In practice, longer duration rural-urban migration streams are positively associated with income and education levels in India as farm work becomes a less attractive proposition.

Gendered migration, however, is another reason that explains India's slow pace of urbanisation. The bulk of work related migration in India tends to be male-dominated and semi-permanent in nature. Male migrants often work their entire lives in cities but retire back in their native villages due to factors such as cultural norms about women's mobility and adverse housing conditions. As a result, in-coming cohorts of migrants are partially offset by out-going cohorts of older migrants in major Indian cities, and this dampens the pace of urbanisation.

Urban growth, as against urbanisation, has been fairly rapid but even here there are distinct signs of slowdown as fertility rates dip along the course of the demographic transition. Most Indian cities grew at a slower annual rate post-1991 than the period between 1951 and 1991 due to a decline in fertility rates.

The exceptional cases such as Surat and Tiruppur grew faster post-1991 because high in-migration rates linked with an industrial upswing compensated for the fertility decline. Our analysis reveals the significance of education in positively driving city growth rates through in-migration over the past five decades and investments in the Information & Technology (IT) sector as an important factor for growth in the past decade. In general though, northern cities

have grown faster than southern cities due to higher fertility rates and this trend will continue in the next decade.

India is thus witnessing a paradox of rapid urban growth and slower urbanisation in the north as compared to slower urban growth and faster urbanisation in the South.

Urbanisation is an important process through which poverty can be reduced, a point underscored by Prime Minister Narendra Modi in his recent speech at the launch of the Smart City projects.

Our analysis suggests that a boost to agricultural productivity in the poorer northern States will reduce India's demographic divergence and foster rapid urbanisation by changing the rural-urban fertility divide.

Rural prosperity is thus demographically linked with the process of urbanisation and the two phenomena can and should occur simultaneously.

Chinmay Tumble, department of economics, Indian Institute of Management

TIMES OF INDIA, JUL 12, 2016

Delhi dirtiest in new cleanliness study

New Delhi: Population criteria may have kept Alappuzha out of the Centre's ranking on cleanliness, Swachh Survekshan-2016, but this Kerala city, along with Panaji and Mysuru, have emerged the cleanest in India in another survey by the Centre for Science & Environment (CSE).

The Delhi-based think tank has ranked 14 cities on the basis of their management of solid municipal waste. Delhi fared the worst, along with Chandigarh and Bengaluru. Cities ranking the worst managed to remain clean, but only by sweeping garbage under the carpet, it found.

"Dumping waste in landfills is not a solution. These cities must learn to process waste," said CSE's report on waste management in Indian cities, 'Not In My Backyard', released here on Monday by Union urban development minister M Venkaiah Naidu.

The urban development ministry's January survey had considered the components of 'Swachh Bharat Mission', like construction of toilets, solid waste management and independent observation. Fifty-three cities with a population of above 10 lakh and 22 state capitals were selected for the survey. Mysuru, Chandigarh, Tiruchirapalli, New Delhi Municipal Council, Visakhapatnam, Surat, Rajkot, Gangtok, Pimpri Chindwad and Greater Mumbai had emerged the top 10 in terms of sanitation and hygiene in that study.

The CSE survey, however, tried to find what actually makes cities clean. "The problem is two-fold. One, houses and institutions are not responsible for management, through segregation or payment for their waste. Two, there is an absolute collapse of financial and institutional (human) capacity and accountability in our municipal systems," said Sunita Narain, director general, CSE. "The best option was found in Kerala, where municipalities have withdrawn from the waste business. People segregate and compost; informal recyclers collect and sell. Even if it cannot be emulated completely, it holds important lessons for other cities," she said.

WILDLIFE CONSERVATION

ECONOMIC TIMES, JUL 8, 2016

'Cow cess' on movies, weddings in Haryana?

CHANDIGARH: In a bid to create an independent corpus for the welfare of cows, the Haryana Gau Sewa Ayog has sent a proposal to the Manohar Lal Khattar government to impose 5% 'cow cess' on cinema tickets in addition to the 20% entertainment tax which is already levied. The commission also wants to charge 2,100 at the time of booking a banquet hall for a function. Besides, it wants 50% donations diverted from government-managed temples to protect cows. The commission also wants to levy 1 on each bag of wheat, paddy and other crops bought from the state's mandis. A senior officer told TOI that the mandi proposal alone could fetch 100 crore annually. If all the proposals of Haryana's cow commission are accepted, it could well emerge more powerful than a department headed by a cabinet rank minister in the state! All this is apart from the 300-strong task force of cops under an IPS officer that the government has recently created to protect the cows. The commission itself has two dozen members, including the state DGP and eight senior IAS officers. The government has already approved 20 crore annually to develop 'cow sanctuaries' or modern gaushalas with all facilities. Commission chairman Bani Ram Mangla (70), an old RSS hand, said the state manages rich temples like Mata Mansa Devi at Panchkula, Sheetala Mata Mandir at Gurgaon and the shrines under Kurukshetra development board. The Panchkula temple alone receives donations worth 18 crore annually. The commission had earlier proposed to levy 2 on every bottle of liquor sold in the state. This would have generated another 100 crore for cows. But the RSS did not like the idea of feeding cows with liquor money and the proposal was shot down. Justifying his tax proposals, Mangla said: "We want a wellstocked veterinary hospital with doctors and medicines in every gaushala. We have planned biogas and solar energy plants in the shelters as well. We will be able to make concrete plans once the proposals are implemented." Mangla said he had even written to the Tirupati temple management in Andhra, requesting them to "adopt some of the gaushalas in Haryana". The state has 425 gaushalas housing 3.12 lakh cows and bulls. Another 1.17 lakh cattle are stray according to a government estimate. "It's not difficult for temples to adopt gaushalas. Some of them have a massive stash of gold. Jhandewalan Temple of Delhi has already opened a gaushala in Manesar apart from donating 1015 lakh for a gaushala in Mewat," Mangla added. Haryana animal husbandry minister Om Prakash Dhankar said the government would focus on making

cows "economically viable for farmers so that they can keep them at home happily". OSD to Khattar, Amit Arya, said the government would consider the commission's suggestions. Stay on

WOMEN

STATESMAN, JUL 8, 2016

Women's participation less in labour market

The level of participation of women in India's job market is coming down, which is a matter of "some concern", International Labour Organisation (ILO) said on Thursday.

"One of the issues is the question of gender and that of women's participation in labour market. There is considerable difference between the level of men's participation in labour market and that of the women," ILO Director General Guy Ryder told reporters here after meeting Labour Minister Bandaru Dattatreya here.

He further said: "India is not the only country in that situation, but the international comparison is pretty big. Perhaps, more worryingly, the level of women's participation is going down rather than improving and I think that is a source of some concern."

According to a study by the International Monetary Fund in November last year, India's GDP can expand if the number of women workers increases to the same level as that of men.

The gender gap is around 50 per cent in India, compared with an average gap of 12 per cent in the Organisation for Economic Co-operation and Development (OECD) countries, the report had revealed.

Ryder said the 'World of Work' is fast changing due to globalisation, technological upgradation, geo-political situations for which collective responses and solutions need to be taken by all the stake holders.

"There is a clearly detectable convergence in priorities and ambitions of the Indian government with the objectives of ILO. Indian government is focussing on rural population and rural economy, which will help the country immensely," he noted.

Speaking of ILO's role he said, the ILO can bring three ingredients to these efforts -- international experience, international labour standards and social dialogue.

"ILO as a 100 year-old organisation looks forward to strong and practical India leading in achieving ILO objectives," he said.

Ryder is on a five day visit to India, which commenced on July 5, at the invitation of Dattatreya.
He is participating in high-level discussions with government officials and Social Partners.
Ryder also met Prime Minister Narendra Modi.