THE NATIONALIST
An Indian perspective

NITI Aayog: Cooperative Federalism in action

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Northeast India: Gateway to South Asia
हमारा लद्य

हमें किसी संप्रदाय या कर्म की सेवा का नहीं, बल्कि सम्पूर्ण राष्ट्र की सेवा का प्रत लिया है। सभी देशवासी हमारे बांधव है। जब तक हम इन सभी बंधुओं को भारतमाता के सपूत होने का सच्चा गौरव प्रदान नहीं कर देंगे, हम तुप नहीं बैठेंगे। हम भारत माता को सभी अर्थों में सुजला, सुफला बनाकर रहेंगे। यह दशप्रहरणप्रणारिणी दुर्गा बनकर असुरों का संहार करेगी; लक्ष्मी बनकर जन-जन को समृद्धि देगी और सरस्वती बनकर अज्ञानांधकार को दूर कर ज्ञान का प्रकाश पैलाएगी। हिंदुधार्मागर और हिमालय से परिचित भारतवंद में जब तक एकसत्ता, कर्मवांता, संप्रजनता, ज्ञानवत्ता, सुख और शरीर की सप्तजायत का पुष्पप्रवाह नहीं ला पाते, हमारा भागीरथ तप पूरा नहीं होगा। इस प्रयास में ब्रह्म, विष्णु और महेश सभी हमारे सहयोगी होंगे। विजय का विश्वास है। तपस्या का भिष्क्य लेकर वहें। बंदे मातर्मां।

- दीनदयाल उपाध्याय

(स्वामीजी भागवत, कालीकट अध्येतन, 1968)
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A lot is happening, a lot that is steadily, sturdily, with determination and farsightedness advancing India’s march towards self-reliance. The past fortnight has seen many such driving initiatives seeing light and gaining momentum.

The Prime Minister’s recent vision emphasizing the creation of a strong indigenous defence production capability in the country was a watershed and long awaited deviation from the established norm and habit. When Prime Minister Modi articulated that “as a Nation of one billion people, we also have huge requirements for managing internal security” and “a nation with a strong defence industry will not only be more secure but it will also reap rich economic benefits” and that his Government was “focusing on developing India’s defence industry with a sense of mission”, he was essentially making a strong pitch to work towards developing this sector. Such a promise and commitment has never been heard before in the past. It is such a commitment that has led the Prime Minister to place the creation of a varied and strong indigenous defence industry at the heart of his “Make in India” programme.

The ready acceptance of the 14th Finance Commission by the Modi Government, reflecting the Prime Minister's belief that strong states will make a strong India, has been seen by experts as a step that would “revolutionise the relationship between the Union and the States and make cooperative federalism a reality.” The promise of evolving a “Team India” that would have the States as vital constituents and members, the promise of working out the vision of ushering in an era of “cooperative federalism” in letter and spirit have been fulfilled by this one watershed move.

Not only has the march progressed in the above areas, even at the grassroots the difference and impact is gradually visible, for example, under the flagship mission of “Swacch Bharat”, such brass-tack issues as building of toilets have picked up, not only has over 60-65,000 toilets been built or repaired in schools but over 7.1 lakh individual household toilets have also been built in January 2015 alone. For the benefit of farmers the innovative Soil Health Card scheme has also been launched while electricity generation has already seen an unprecedented increase of 10% registering a double digit growth for the first time in the last two decades. Even the Economic Survey for this year (2015) has projected India’s growth at above 8%. The just presented Railway budget is also markedly innovative approach towards transforming the Railways
and turning it into the engine of the Indian growth story as articulated by the Prime Minister. It seeks to do this by eschewing false populism and yet being people friendly.

The Prime Minister’s commitment to the development and progress of the Northeast has seen him direct Union Ministers to embark on fortnightly tours of the region and to personally review and monitor the progress of various projects related to their departments being implemented in that part of the country. This is certainly a first in the history of post independent India.

Contrary to certain perceptions the proposed amendments in the Land Acquisition Act is not anti-farmer or anti-poor. While reiterating his commitment to the welfare and protection of farmers, Prime Minister himself has called upon all to point out whether there was a single anti-farmer stance in the amendments.

Some political formations and parties, who are most raucously opposing the Land Act today and showing false concern for the welfare of farmers, are the ones who, in the past, had not hesitated to fire upon and kill hapless farmers in their proletarian paradise in an attempt to grab land and suddenly kick-start a process of pseudo-industrialization. It is strange how 2007 Nandigram is forgotten and how so many opposing intellectuals now raising their voices were silent then.

While West Bengal bled, Gujarat, according to the Hon’ble Supreme Court, had succeeded in evolving a framework which saw land being acquired successfully without conflict and marginalization of farmers’ interests. The Apex Court in an observation in 2011 had complimented the then Narendra Modi led State Government for its land acquisition policy since there were “no complaints of any forcible acquisition”. The Apex Court had observed that “Gujarat is one state from where we do not receive any such complaints…They have the same officers of the same cadre as in the rest of the country, whereas complaints of farmers and the poor being uprooted were pouring in from many other States.”

While the Prime Minister has called for a dialogue, the BJP, unlike the CPIM which believes in firing upon its farmers, has set up a Committee of Experts mandated to talk to farmers, elicit their views and evolve a consensus over the issue.

Let us have trust and faith, it is after all a nationalist government in power, whose paramount interest is India’s national interest – as Prime Minister said, whose sole mantra is “India First.”

"Dr. Anirban Ganguly"
Life of Kuriakose Elias Chavara and Mother Euphrasia:

The life and deeds of Saint Chavara and Saint Euphrasia are an inspiration not only to the Christian community, but to humanity as a whole. They are shining examples of dedication to God through selfless service for the betterment of mankind. Saint Chavara was a man of prayer and also a social reformer. In an era when access to education was limited, he stressed that every church should have a school. He thus opened the doors of education to people from all sections of society. Few outside Kerala know that he started a Sanskrit school, and also a printing press. His contribution towards women's empowerment was also noteworthy. Saint Euphrasia was a mystic who dedicated her life to prayer and devotion to God. Both these saints dedicated their life to God through service of fellow beings. The ancient Indian saying: "आत्मानो मोक्षार्थम् जगत् हितायाय" - welfare of the world is the way to moksha (salvation) - explains their life.

Ancient Indian Philosophy is of Welcoming, Respecting and Honouring all Faiths:

Spiritualism is rooted in India's heritage. India's openness to new ideas is manifest in the Rig Veda: "अनोमयाणुः कलयोगन्तुविषव्यान्" Let noble thoughts come to us from all sides. This philosophy has guided our intellectual discourse since time immemorial. Mother India gave birth to many religious and spiritual streams. Some of them have even travelled beyond Indian borders. The tradition of welcoming, respecting and honouring all faiths is as old as India itself. As Swami Vivekananda said: We believe not only in universal toleration, but we accept all religions as true. What Swami Vivekananda had said a century ago holds good even today and will, for ever, not only for this nation but also for my government or for that matter any government in India, run by any political party. This principle of equal respect and
treatment for all faiths has been a part of India's ethos for thousands of years. And that is how it became integral to the Constitution of India. Our Constitution did not evolve in a vacuum. It has roots in the ancient cultural traditions of India. Gurudev Rabindranath Tagore had inspired us to dream of a land where the mind is without fear and the head is held high. It is that heaven of freedom we are duty bound to create and preserve. We believe that there is truth in every religion. एकम सत्व विन्द्र
बहुगुण वदन्ति. The world is increasingly witnessing division and hostility on religious lines. This has become a matter of global concern. In this context the ancient Indian plea of mutual respect for all faiths is now beginning to manifest in global discourse.

Freedom of Faith: Undeniable Right:

We consider the freedom to have, to retain, and to adopt, a religion or belief, is a personal choice of a citizen. The world is at cross roads which, if not crossed properly, can throw us back to the dark days of bigotry, fanaticism and bloodshed. This harmonious convergence among religions could not be achieved even when the world entered the third millennium. My government will ensure that there is complete freedom of faith and that everyone has the undeniable right to retain or adopt the religion of his or her choice without coercion or undue influence. My government will not allow any religious group, belonging to the majority or the minority, to incite hatred against others, overtly or covertly. Mine will be a government that gives equal respect to all religions. India is the land of Buddha and Gandhi. Equal respect for all religions must be in the DNA of every Indian. We cannot accept violence against any religion on any pretext and I strongly condemn such violence. My government will act strongly in this regard. With this commitment, I appeal to all religious groups to act with restraint, mutual respect, and tolerance in the true spirit of this ancient nation which is manifest in our Constitution.

Mantra of Development in simple terms:

I have a vision of a Modern India. I have embarked on a huge mission to convert that vision into reality. My mantra is Development - सबका साथ, सबका सिखारा. In simple terms it means food on every table, every child in school, a job for everybody and a house with toilet and electricity for every family. This will make India proud. We can achieve this through unity. Unity strengthens us. Division weakens us. I sincerely request all Indians to support me in this huge task.
India has the reputation as the largest importer of defence equipment in the world. That may be music to the ears of some of people but this is one area where we would not like to be Number One! Our security challenges are well known. Our international responsibilities are evident. We do need to increase our defence preparedness. We do have to modernize our defence forces. We have to equip ourselves for the needs of the future, where technology will play a major role. As a nation of one billion people, we also have huge requirements for managing internal security. A nation with a strong defence industry will not only be more secure but it will also reap rich economic benefits. It can boost investment, expand manufacturing, support enterprises, raise the technology level and increase economic growth in the country.

In India, the defence industry in the government sector alone employs nearly 200,000 workers and thousands of Engineers and Scientists. They produce an output of nearly 7 billion dollars annually. It also supports a very large pool of small and medium enterprises. Our defence industry in private sector is still small. But, it already employs thousands of people. This is despite the fact that nearly 60% of our defence equipment continues to be imported. There are studies that show that even a 20 to 25% reduction in imports could directly create an additional 100,000 to 120,000 highly skilled jobs in India. If we could raise the percentage of domestic procurement from 40% to 70% in the next five years, we would double the output in our defence industry. Imagine the impact in
terms of jobs created directly and in the related manufacturing and services sector! Think of the spin off benefits on other sectors in terms of advanced materials and technologies! That is why we are focusing on developing India’s defence industry with a sense of mission. This is why it is at the heart of our Make in India programme. We are expanding the role of private sector. Our goal is to provide a level playing field for all. We speak in terms of national capacity, not public sector or private sector.

Government's support for research and development is essential for defence sector and it should also be accompanied by a degree of assurance on purchase. Government has introduced a scheme to provide up to 80% of funding from the Government for development of a prototype in India. And, we are also launching a Technology Development Fund. For too long, our research and development has been confined to government laboratories. We must involve our scientists, soldiers, academia, industry and independent experts more closely in research and development. We must pay attention to developing supply chains, with emphasis on innovation. It is a market where buyers are mainly governments, the sophisticated manufacturing and engineering services sectors can help reduce costs. India can also be a base for export to third countries, especially because of India's growing defence partnerships in Asia and beyond. A strong Indian defence industry will not only make India more secure, it will also make India more prosperous.

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(Report prepared by Siddharth Singh based on PM’s Speech at AERO INDIA SHOW 2015)
प्रधानमंत्री मोदी का छात्रों के लिए संदेश

आपकी परीक्षा कैसी जाएगी यह इस पर निर्भर करता है की आप परीक्षा को कैसे लें है। अधिकांश लोगों को माने देखा है कि यो इसे आपने जीवन की एक बढ़त बढ़त महत्वपूर्ण मददना मानते हैं और उनको लगता है कि नहीं, ये गया तो सारी दुनिया जब्ल जायेगी। दोस्तों,

दुनिया ऐसी नहीं है। और इसलिए कभी भी इतना तनाव मत पालिये। ही, अच्छा परिणाम लाने का इरादा होना चाहिये। पक्का इरादा होना चाहिये, हौसला भी बुलंद होना चाहिये। लेकिन परीक्षा बोझ नहीं होनी चाहिये।

हम हमेशा अपनी प्रगति किसी और की तुलना में ही नापने के आदी होते हैं। हमारी पूरी शक्ति प्रतिस्पर्धा में खप जाती है। जीवन के कुल क्षेत्र होंगे, जिनमें शायद प्रतिस्पर्धा जरूरी होगी, लेकिन स्वयं के विकास के लिए तो प्रतिस्पर्धा उन्नति प्रेरणा नहीं देती है, जितनी कि खूब के साथ हर दिन स्पर्धा करते रहना। खूब के साथ ही स्पर्धा कीजिये, अच्छा करने की स्पर्धा, तेज़ गति से करने की स्पर्धा, और ज्ञान करने की स्पर्धा, और नयी ऊंचाइयों पर पहुँचने की स्पर्धा आप खूब से कीजिये, बीते हुए कल से आप ज्ञान अच्छा हो इस पर मन लगाई ए। और आप देखिये ये स्पर्धा की ताकत आपको इतना संतोष देगी, इतना आनंद देगी जिसकी आप कल्पना नहीं कर सकते। हम लोग बड़े गर्व के साथ एथलीट सरोगें का समर्पण करते हैं। इस एथलीट ने पैरैट्स बार खूब का ही रीकोर्ड तोड़ा था। वह खूब ही अपने एजेंज लेता था। खूब ही अपने आप को कसोटी पर कसता था और नए संकल्पों को सिद्ध करता था। आप भी उसी तिलकाज से आगे बढ़े तो आप देखिये आपको प्रगति के साथ पर कोई नहीं रोक सकता है। इच्छा एं घर पहीं चाहिये और जब इच्छा एं घर होती है, तभी तो संकल्प बनती है और संकल्प बोझ नहीं हो सकते। संकल्प के साथ पुरुषार्थ जुड़ता है और जब पुरुषार्थ जुड़ता है तब संकल्प सिद्ध हो जाता है और इसलिए तो मैं कहता हूँ कि –

इच्छा + स्थिरता = संकल्प

संकल्प + पुरुषार्थ = सिद्ध

अपने आप को अपने संकल्प के लिए खपा दीजिये और संकल्प सकारात्मक रहिये। किसी से आप्य जाने की मत सोचिये। खूब जहां थे वहां से आप्य जाने के लिए सोचिये। हर दिन हर पल अपने आपको कसोटी पर कसते रहिये। आपके भीतर जो प्रकाश है उसको पहचानिए, आपके भीतर जो सामर्थ्य है, उसको पहचानिए और जो खूब को बार-बार कसोटी पर कसता है वो नई-नई ऊंचाइयों को पार करता ही जाता है।

मुझे पहले कविताएं लिखने का शौक था, भुज्जाली में मैंने एक कविता लिखी थी, पूरी कविता तो याद नहीं, लेकिन मैंने उसमें लिखा था, सफल हुए तो ईर्ष्या पात्र, विफल हुए तो दिका पात्र, तो ये तो दुनिया का चक्र है, भलता रहता है, सफल हो, किसी को पराजित करने के लिए नहीं, सफल हो, अपने संकल्पों को पार करने के लिए, सफल हो अपने खूब के आनंद के लिए, सफल हो अपने लिए जो लोग जी रहे हैं, उनके जीवन में खुशियाँ बरने के लिए।
‘मेक इन इंडिया’— भारत को एक विनिर्माण केन्द्र के रूप में विकसित कर रोजगार के नये अवसर पैदा करना

• सिद्धार्थ सिंह

भारत सरकार के द्वारा पिछले साल शुरु किये गये ‘मेक इन इंडिया’ अभियान का मुख्य उद्देश्य परेलू और विदेशी निवेशकों को मूल रूप से एक अनुकूल माहौल उपलब्ध कराना है जिससे 125 करोड़ की आबादी वाले मजबूत भारत को एक विनिर्माण केंद्र के रूप में परिवर्तित करके रोजगार के अवसर पैदा किये जा सके। इससे व्यापार में व्यापक प्रमाव पड़ेगा। ‘मेक इन इंडिया’ कार्यक्रम ने देश के उद्योग जगत में एक नये उत्साह का संचार किया है। जिन कम्पनियों ने विभिन्न कारणों से अपनी निवेश योजनाओं को स्थगित रखा था, उन्होंने भी अब अपनी योजनाएँ को अमली जामा पहनने की घोषणाएँ की हैं। ‘मेक इन इंडिया’ पहले वास्तव में आर्थिक विवेक एवं प्रशासनिक सुधार के न्यायसंगत मिश्रण के रूप में देखी जाती है। ‘मेक इन इंडिया’ नीति कार्यक्रम यह भी स्पष्ट करता है कि भारत किस प्रकार निवेशकों से संबंध रखना चाहता है। सरकार केवल अनुमति प्रदान करने वाला प्राधिकारी नहीं बल्कि एक सच्चे व्यापारिक भागीदार के रूप में हो और सरकार को तभी हरस्तक्षेप करना चाहिए अगर कुछ खामियां हों।
प्रधानमंत्री श्री नरेंद्र मोदी ने स्वतंत्रता दिवस के अवसर पर लाल किले की प्राचीर से अपने पहले भाषण के दौरान ‘में इंडिया’ की भूमिका तैयार करते हुए कहा था कि अगर हमें शिशु और सुविधाओं की क्षमताओं का उपयोग करना है तो हम विनिमय क्षेत्र को अपनाना होगा और इसके लिए हिंदुस्तान को अपनी पूरी ताकत लगानी होगी तथा विनिमय क्षेत्र में जड़ें निमित्त को सुविधा जनक बनकर पुरुष विश्व की अग्रणी कंपनियों को भारत में विनिमय हेतु आकर्षित करना होगा। इसलिए प्रधानमंत्री ने लाल किले की प्राचीर से पूरी दुनिया के लोगों से अपील की थी कि आप, भारत में निर्माण करो, आओ, भारत में उत्पादन करो और विश्व के किसी भी देश में बिक्री करो लेकिन उत्पादन यहां करो।

वेबसाइट www.makeinindia.gov.in का विज्ञापन वर्तमान अंतर्राष्ट्रीय राष्ट्रों के साथ-साथ विनिमय क्षेत्र में महायवज्ञ में 12-14 प्रतिशत वृद्धि दर प्रतिवर्ष तथा देश के सकल घरेलू, उत्तरार्द्ध विनिमय की हिस्सेदारी 16-25 प्रतिशत तक बढ़ाने और मुख्य रूप से अकंते विनिमय क्षेत्र में भी 2022 तक 100 मिलियन अतिरिक्त नौकरियाँ सुधार करने के लिए प्रतिबद्ध है।

एक ऐसे समय में जब हमारे पड़ोसी चीन का उत्पादन क्षेत्र दबाव में आ चुका है तब भारत समस्त में बहुत फायदा उठा सकता है। ऐसी स्थिति है कि चीन में कार्यवाह पवित्र देशों के कई उत्पाद ऐसे हैं जो विश्व के सबसे विकसित विनिमय केंद्र से निफ्टकर दुनिया के किसी अन्य हिस्से में जाना चाहते हैं। विश्लेषकों का कहना है कि चीन में वेतन बहुत तेजी से बढ़ रहा है और श्रम बाजार छोटीसीर्फी हो रहा है। इससे निवेशक ने पलायन शुरू कर दिया है और चीन की कंपनियों के अन्य क्षेत्रों के विकल्प पर विचार करने लगी है।

भारतीय विनिमय क्षेत्र में कई सकारात्मक तत्व हैं। इनमें जनसंख्या संबंधी बात सबसे महत्वपूर्ण है और यह अगले दो तीन दशकों तक महत्वपूर्ण बनी रहेगी। जनशक्ति की गुणवत्ता एक अन्य लाभदायक बात होगी। यह भी महत्वपूर्ण है कि भारत में जनशक्ति अन्य देशों के मुकाबले सस्ती है। हमारे देश में लोकतात्त्विक व्यवस्था है, जहां कामन का शासन है और घरेलू बाजार में उपभोक्तावाद के बढ़ते काफी मजबूत व्यवस्था है। इस देश में तकनीकी और इंजीनियरिंग क्षमताएं मौजूद हैं और उनकी चैनाईक और तकनीकी संस्थाओं का आह्वान है। विदेशी निवेशकों के लिए बाजार खुला हुआ है और यह काफी अच्छी तरह से विनियमित है। हमारा देश दुनिया की सबसे तेजी से बढ़ते बाली तीन अर्थव्यवस्थाओं में से एक है।

जनशक्ति प्रशिक्षण:
कोई भी उत्पादन क्षेत्र बिना कुशल जनशक्ति के सफल नहीं हो सकता। इसी सिद्धांत के तहत हमारा उच्च शिक्षा के लिए नये उपाय किये हैं। इनमें से शिशुओं द्वारा रोजनार्थक तलवार लगाने की लाभशाला में शहरी की ओर पलायन चक्कर और शहरी गर्ल्स का अधिक समावेशी विकास रखा जा रहा है। यह उत्पादन क्षेत्र को मजबूत बनाने की दिशा में एक महत्वपूर्ण कदम होगा।
मोदी सरकार ने ग्रामीण विकास मंत्रालय के तहत एक नया कार्यक्रम शुरू कर दिया है। यह कार्यक्रम का नाम भारतीय जनसंघ के नायक पंडित दीनदयाल उपाध्याय के नाम पर रखा गया है। नये प्रशिक्षण कार्यक्रम के अंतर्गत देशमंडल में 1500 से 2000 तक प्रशिक्षण केंद्र खोले जाएंगे। यहां विभिन्न निजी भारतीय विभिन्नरूप में संचालित की जाएगी।
अत: भारत को आत्मनिर्भर, सक्षम, मजबूत तथा विश्व महाशक्ति बनाने के लिए उन इंडिया अभियान चलाने जाना समय की मांग एवं आवश्यकता है।
Achiving self-reliance and reducing dependence on foreign countries in defence is a necessity today rather than a choice, both for strategic and economic reasons. The Government in the past has created production capabilities in defence in form of Ordnance Factories and Public Sector Undertakings to cater to the requirements of our Armed Forces. However, there is a need to enlarge the role of Indian private sector as well to develop capabilities and capacities for production of various defence equipments.

Our Prime Minister has taken a very important initiative in form of 'Make in India' to promote and encourage domestic manufacturing of various items. The requirement for domestic production of defence equipment is more than for any other sector because it will not only save precious foreign exchange but will also address the national security concerns.

Government being the only consumer, 'Make in India' in defence sector will be driven by our procurement policy. The Government policy of promoting domestic defence industry is adequately reflected in the Defence Procurement Policy, wherein preferential treatment is given to 'Buy (Indian)' and 'Buy and Make (Indian)' categories of acquisition over 'Buy (Global)'. In the days to come, import is going to be the rarest of the rare option and first opportunity would be given to the Indian Industry to develop and manufacture the required systems. As Indian companies presently may not have adequate capabilities in terms of technology, they are encouraged to partner with foreign companies for joint ventures, technology transfer arrangements and tie-ups.

If we look at the profile of Acceptance of Necessity (AONs) granted by Defence Acquisition Council (DAC) in the last couple of months after the new Government has come to power, proposals worth more than Rs.65,000 crores have been categorized under 'Buy (Indian)' and 'Buy and Make (Indian)'. The process of further orienting the Defence Procurement Procedure towards procurement from domestic industry will continue in future as well. The procurement process would be made more efficient, time bound and predictable so that the industry
can plan its investment and R & D well in advance to meet the requirement of our armed forces.

Till now, there were many entry barriers for the domestic industry to enter into defence sector in terms of licensing, FDI policy restrictions etc. In the last six months, the Government has taken several policy initiatives to ease the process of entry into defence manufacturing. The most important is the liberalization of the FDI policy regime for Defence sector to encourage foreign investment in the sector. FDI up to 49% is allowed through Government route (with FIPB approval). FDI above 49% is also allowed on a case-to-case basis with the approval of Cabinet Committee on Security wherever the proposal is likely to result in access to modern and state-of-the-art technology in the country. Restrictions in earlier policy related to Foreign Institutional Investment (FII) and majority shareholding to be held by single Indian shareholder have been removed.

Even though private sector industry was allowed to enter in defence manufacturing since 2001, after obtaining industrial licence under IDR Act, the process of obtaining industrial licence was very cumbersome and used to act as a major road block for the industry, particularly small and medium industry, who were in the business of making part, components, sub systems and sub-assemblies. The Government liberalized the licensing policy and now most of the components, parts, raw materials, testing equipments, production machinery, castings, forgings etc. have been taken out from the purview of licensing. The companies desirous of manufacturing such items no longer require industrial licence and will also not be subjected to FDI ceiling of 49%. A comprehensive Security Manual indicating the security architecture to be followed by various class of industries has been put in public domain, so that companies could easily access the same and follow it accordingly. The initial validity of industrial licence has been increased from two to three years.

For the first time, a Defence Export Strategy has been formulated and has been put in public domain. The strategy outlines specific initiatives to be taken by the Government for encouraging the export of defence items. It is aimed at making the domestic industry more sustainable in the long run as the industry cannot sustain purely on domestic demand. A Standard Operating Procedure (SOP) for issue of NOC for export of military stores
has been finalised and has also been put in public domain. Requirement of End User Certificate (EUC) to be signed and stamped by Government authorities has been dispensed with for most of the defence items, particularly parts, components, sub-systems and sub-assemblies. This will largely ease out the export by the domestic industry. A web-based online system to receive applications for NOC for export of military stores has been developed and has been put in place.

There is a big opportunity in the defence sector for both domestic and foreign investors. We have the third largest armed force in the world with an annual budget of about US$ 38 billion and 40% of this is used for capital acquisition. In the next 7-8 years, we would be investing more than US$ 130 billion in modernization of our armed forces and with the present policy of MAKE IN INDIA, the onus is now on the industry to make best use of this opportunity for the benefit of both the business as well as the nation. Besides, under offset more than Rs. 25000 crore obligations are to be discharged in next 7-8 years.

While on the one hand, Government is making necessary policy changes with regard to procurement, investment including FDI, licensing, export etc., the industry also needs to come up and accept the challenge of up-gradation in terms of technology and required investments. Defence is the sector which requires huge investments and technology and is driven by innovation. The industry, therefore, has also to change its mindset and think for long term rather than temporary gains. We need to focus more on Research and Development and state of the art manufacturing capabilities. The Government is fully committed to create an eco-system for the domestic industry to rise and to provide a level-playing field to all sectors of industry, both public and private.

- Courtesy: PIB Feature
(Writer is Defence Minister of India)
Sceptics of the decision to set up the NITI Aayog, who criticised the Prime Minister for either hurting the interest of the states by abolishing the Planning Commission, or simply packaging 'old wine in new bottle' have been proved completely wrong. The decision to accept the recommendations of the Fourteenth Finance Commission (FFC) would revolutionise the relationship between the Union and the States and make cooperative federalism a reality. Narendra Modi has shown that he is not only a person who means what he says but also is someone who understands that States must be empowered if India is to grow strongly, abolish poverty and take its rightful place in the comity of nations.

As we argued in the past, the Planning Commission had hijacked the fiscal devolution process laid down in the Constitution, which envisaged a role only for the Finance Commission in determining how this would be done. The founding fathers of the Constitution realised that in a vast developing country like India which was in the process of initiating, generating and sustaining economic growth, governments, both Union and in the States, would evolve. Government would take on new responsibilities, the balance between the Union and the States would undergo changes across time and sectors. Therefore to lay down a definitive formula would be to restrict the flexibility that the governance structure and processes would require along the way. They also had in mind that though the States would have the major responsibilities in meeting social and economic challenges, it was administratively and politically more convenient to collect revenues through agencies of the Union government. Sensibly they mandated the establishment of a finance commission that would give its recommendations to guide fiscal devolution every five years. No permanent body meant no baggage and successive finance commissions have exercised both independence and pragmatism while making their recommendations.

What has changed is that the FFC has moved beyond incrementalism when it recommended that 42% of
tax revenues devolve to the States, from the existing 32%. To put it in perspective, the two previous finance commissions had devolution numbers going up by 1% and 1.5% respectively. A number of commentators have expressed themselves that all previous finance commissions had seen their recommendations accepted by the executive. Paradoxically, this made successive finance commissions cautious as none wanted to be the first commission whose recommendations would be rejected. The FFC has been bold and must be commended. And much more the Modi sarkar is to be complimented that it accepted this revolutionary change but even more that the FFC had the confidence that the present government genuinely believed in cooperative federalism and it would accept such a bold approach. The FFC has also removed the false dichotomy between Plan and Non-Plan revenue expenditures are concerned and looked at them holistically. A special provision to 11 states has been made who had structural revenue deficits into which all erstwhile special category states are placed with others like Bengal.

The new fiscal devolution package is very much in sync with the thinking behind the abolition of the Planning Commission and the establishment of the NITI Aayog. One, that all fiscal transfers would be formula driven as envisaged by the Constitution. Two, since the concept of Central Assistance to State Plans (CAS) that had come into play and had moved beyond its own formulae (Gadgil, revised Gadgil, Gadgil-Mukherjee etc) and become fairly discretionary in the hands of government of India exercised through the Planning Commission, the latter would no more be able to dangle carrot and sticks before State governments. No doubt, PM Modi’s own experience as Chief Minister convinced that this was a perversion of the Constitution and acted as a brake on the ability of progressive States to forge ahead with their own initiatives. Accepting the recommendations of the FFC has made this control and check function a thing of the past and makes the NITI Aayog a completely different body from the Planning Commission.

However, an even more perverse practise has almost been eliminated but not entirely, as will be clear from the following narrative, in the interest of being non-disruptive. A substantial portion of fiscal flows from the Union to the States was through the implementation of centrally sponsored schemes (CSS), like Rashtriya Krishi Yojana, Sarva
Shiksha Abhiyaan (SSA), MNREGA and a host of others. (At one time there were over 200 CSSs, though it has come down to 66, a not insignificant number.) In effect Government of India devised and part-funded development programmes in sectors that were the responsibility of States under the Constitution. The basis for allocation to States was non-transparent and not consistent across CSSs. Worse, States had to commit to a certain share of the expenses which they had to first spend before central funds would flow. This had the two perverse ramifications. The first that since these programmes had uniform design, they did not take into consideration state/region specific circumstances. States had no role to play in their design. And two, in effect it pre-empted States' own priorities and resources. Most States being cash-strapped could not resist signing up for additional flow of resources even though many of them were not a priority for them, nor did it contribute to the building capacity in the States.

The net effect of this structure of fiscal transfers was that the amount of devolution which was around 38% (Finance Commission, CAS, CSS) which would go up now to 45%, a very substantial hike. The implicit understanding, which can be confirmed only when the budget is presented and its allocations known, is that other than very major CSSs like MNERGA and SSA, all others would fold into the devolution package. The finding pattern of these two programmes cannot be abruptly changed but government would have to develop a phasing-off schedule to make it consistent with the logic of FFC recommendations.

But what of the NITI Aayog itself? It can safely be said that it is gathering steam even as it sorts out its priorities, realign the personnel it inherited from the Planning Commission and obtained directions from its governing council on its immediate tasks. The NITI Aayog is multi-faceted in its roles. It is a platform that bring the Union and the States to determine national priorities; it is to champion the interests of States by having the latter nominate an officer who would work with the Aayog; bring about greater coherence and coordination between ministries in GOI; form time-bound action-oriented sub-groups of States with common interests, problems and regional projects; a think tank for Union and State governments using in-house expertise and pool of external domain experts; monitor implementation of development programmes and projects; assist States in preparing development plans for villages upwards and
aggregate them; and collect and disseminate best practise that would lead to greater development effectiveness.

Prior to the first meeting of the governing council held on February 8th, the Prime Minister held a meeting of the NITI Aayog a couple of days earlier. In addition to its members and permanent invitees, a number of distinguished economists were also present. This meeting helped identify key issues. Accordingly the first meeting of the NITI Aayog deliberated on these and formed sub-groups of Chief Ministers that would suggest further rationalisation of CSSs; promote skill development and creation of skilled manpower within states; and evolve institutional mechanisms and identify technological inputs to make Swach Bharat a long-term commitment. These sub-groups are to deliver on their tasks in a time-bound manner and then dissolve. True to form many Congress Chief Ministers wanted the Planning Commission to be revived, particularly for determining the size of Annual State Plans. A particular Chief Minister in her inimitable style boycotted the meeting though it passed unnoticed. Little did these critics know that in less than three weeks, they would get a fiscal bonanza, that henceforth they would not be required to kow-tow to the Planning Commission or anybody else for allocation of fiscal resources, that they were free to decide their own priorities and programmes consistent with their needs and circumstances.

Prime Minister Modi by rallying all States under the banner of Team India, making the NITI Aayog a body where the Union and States are partners in development planning & policy making, and making a revolutionary break in fiscal devolution that would empower States has demonstrated that cooperative federalism is not just a slogan but a guiding principal of the NDA government. The NITI Aayog has become a valuable platform in this partnership to ensure "sabka saath sabka vikas."

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For far too long was India’s security apparatus directionless, bereft of energy and wayward in focus. National security is a complex domain involving clarity in vision, identification of threats, capability development (including matching capability to threats) and perception management. It is not easy to identify the specifics in any of these four domains. However, the arrival of Prime Minister Narendra Modi at the center stage has spelt considerable retrieval of ground lost in recent years in the domain of National security. In reality, nine months is too short a time to pass judgment on effectiveness of policy but the enthusiastic response of the strategic and technical communities along with the armed forces appears to indicate that a retrieval of focus and purpose is underway. This essay focuses primarily on military security as a sub set of comprehensive security. The understanding of comprehensive security is well reflected by the Modi Government’s immediate measures in the field of foreign policy and economic revival. Symbolically, even the evacuation of the 40 odd nurses from Iraq’s new conflict zone proved robust involvement and commitment. The ‘Make in India’ programme is a larger long term economic and technological concept which has its largest spin off effects on military security.

Military security is first all about threats. Identification of threats is still easy but prioritization is more difficult. The Government’s thrust on maritime security as a counter to China’s increasingly robust testing of waters is a welcome break from the past. Reading the signals from the underlying strategy of the New Maritime Silk Route the Government has adequately stepped up engagement with the IOR’s littoral states. At the same time it has not allowed itself to be painted in a corner and has kept up high power engagement with China, including the establishment of a party to party relationship between the BJP and the Communist Party of China. The brief crisis on the LAC in 2014, which was much about brinkmanship, was played to the wire with an incremental response strategy. This is both pragmatism and realism at its best.

On the Pakistan front, the message has been loud and clear after the initial bonhomie at the Inauguration. Whatever be the detail it is the message which has conveyed it all; that comprehensive dialogue at the government to gov-
ernment level can only be a serious consideration once Pakistan displays its sincerity about withdrawing proxy support to various anti-India elements. In the military sphere, a strong response at the LoC in retaliation to attempts to up the ante by Pakistan's security establishment, has met the short term military diplomatic objectives. A new move towards exploiting channels open through the SAARC route is helping in keeping the initiative without promising too much on it. Other institutional parleys, such as those of ICRIER, to improve economic ties are ensuring the broadening of the contact. This is neither an obstinate approach of 'no engagement until.....' nor a capitulation to international pressure. It should again be labeled smart pragmatism. A nation must exercise its voice at different decibels and the current approach towards external threats is doing just that.

In the physical realm of capability development a couple of things indicate the right approach. Firstly, Raksha Mantri (RM) Manohar Parrikar has infused technology orientation and fast track decision making to replace endless analysis and procrastination for which India's defense establishment had become infamous the world over. With more than 100 bn USD as the ball park figure of acquisitions over the next few years competition for compatible high end technology both off the shelf and under the Make in India label is likely to be high. Observers who may point towards the lack of deliverables in the short term need to be reminded that capability development through acquisitions is a slow process. The initiation is the important thing while ensuring that bureaucratic procedures are cut to the minimum. It is encouraging to learn that the RM is in direct touch with Principal Staff Officers (PSOs) at the Service HQ. It is important to cut red tape and establish more informal understanding with the major stakeholders and players in the Services. The Service Chiefs are often out of Delhi and would not always have information at the finger tips. The RM's outreach to the PSOs builds confidence and informality without bypassing channels and contributes faster clarifications which otherwise take weeks on file.

The RM's accessibility to the ESM/veteran community is something which needs recognition. The opinion across the board is that he is a man of his word and human in approach towards problem solving of the veterans. While it is the officer veteran community which is usually in the limelight it should not be forgotten that they carry through them the aspirations of the largest
segment of veterans from any professional group. The motivation of the veteran JCOs and other ranks reflects in society. The One Rank One Pension (OROP) issue is at its final leg and hopefully will see delivery in the very near future – a remarkable achievement by any standards, cutting through the layers of statistical misinformation about the financial numbers involved. In the same breath another aspect of veteran HR management is the numerous cases of disability pension challenged by the MoD in various courts without ascertaining the effect that this is having on morale. The RM’s demarche to withdraw these cases and not challenge any more of these in courts of law was a message from the leadership long awaited by the Services.

India's defense management is complex and challenging. It needs dynamism and spirit of commitment to resolve over a period of time. The initial indicators evident from the last few months augur well and are sending positive messages in the environment. Perhaps, the Government may consider one recommendation to add value to its ongoing efforts. This is in the field of management of the senior leadership. The Army and Air Force systems of promotion have created a situation where officers at the two and three star ranks remain in service for a mere 6-7 years; hardly sufficient to deliver on the challenges through the lessons they have learnt over 30 or more years. It leads to very short tenures in crucial appointments resulting in insufficient experience to handle National security challenges. There are enough management techniques to overcome the problem if a serious effort is made. That will ensure the best talent is available for higher responsibility for a sustained period. In the current system, too much talent is wasted because of constraints of age and artificial methodologies of senior management. The RM is sure to fully appreciate this issue and find solutions to it.

As we near the one year mark in the tenure of the current government it can look back with enough satisfaction to the fact that it has been a good start. The energy is back in the practitioners of military security and problem solving is receiving more dynamic attention. With the base built and the understanding of complexities far clearer the next stage should kick start even more deliverables for which the nation awaits.

(The writer is former GOC of the Srinagar-based 15 Corps)
Amendments in Land Acquisition Act by NDA: Pro Development, Pro Farmer, and Pro Growth

Siddharth Singh

The growth of the Indian economy stagnated during the previous UPA Government due to an inordinate delay in pushing forward reforms and because of introducing changes that were impediments to growth. One of such acts was the Land Acquisition Act. The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act (LARR) had been pushed through by UPA in its dying days. It had many detractors. Most State governments, including several Congress-led ones, thought it was unworkable. The UPA Government brought such Land Acquisition Act which severely failed to strike a balance between protecting farmers' interests and industrial growth. This necessitated a fresh initiative on part of the NDA Government, which was voted to power in May last year over the issue of development, to make the Land Acquisition Act more plausible and pro-development.

Last year, the then Rural Development Minister Nitin Gadkari had convened a meeting of the State governments in which some States had raised their reservation against the UPA’s Act. The key issues among them were the Centre’s role in land acquisition, consent clause in PPP projects and the need for impact assessment studies. States at that time wanted the consent clause to be removed from PPP projects, the definition of affected family to be re-examined and autonomy for state governments to be re-established. The NDA Government can cite the example of the red flags raised by some of the congress ruled States to justify the amendments which it has proposed.

Finance Minister Arun Jaitley recently said, "NDA has tried to achieve a balance between development and just compensation." He added that the 2013 UPA Act put up barriers that are holding up projects worth almost $300 billion, or 18 lac crores.

The State needs land for any form of development. Land is required for housing, townships, urbanization, sub-urbanization, industrialization, infrastructure, both urban and rural, irrigation and defence of India. A larger public interest always prevails over private inter-
Arun Jaitley's speech on amendments in Land Acquisition Act in Rajya Sabha

Activating a strong defense of the government's proposed amendments in Land Acquisition Act, Finance Minister Arun Jaitley said in Parliament that:

- "The amendments are in the interest of the people and that acquiring land for rural infrastructure is not being pro-corporate."

- "Please do not create an atmosphere where 'industry' and 'infrastructure' become bad words." I appeal to the Congress. Please don't create an environment where infrastructure and industry become bad words”.

- "There are voices saying that the bill is anti-farmer and corporate friendly. Is working for Indian farmers being pro-corporate? How are we going to acquire land for the millions of migrants moving to cities? Are we reaching a stage where the word industry becomes a bad word?” he asked.

- The entire misguided debate on land bill should end. Do we want investment to divert to other countries or we want it to come that in India.

Arun Jaitley accused congress leader Anand Sharma of "double standards" on the basis of a 2012 letter in which Mr. Sharma appears to support the same views he is currently objecting to. Mr. Sharma, who was Commerce Minister in the previous Congress-led government, had written to Manmohan Singh, the Prime Minister at that time, that the need to take the consent of farmers for land acquisition would seriously hamper infrastructure projects and slow down urbanization. Mr. Sharma wrote in the letter dated May 25, 2012 that "Insistence of consent of 80% affected families will seriously delay land acquisition...And in many cases halt essential infrastructure projects.”. Mr. Anand Sharma had also written in the letter that the restriction will have adverse long term implications for manufacturing and industrialization and will make land prices high and acquisition impossible. The letter was held up in Parliament by Finance Minister Arun Jaitley on 26th Feb 2015 as proof of the Congress leader's hypocrisy.

est. However, the land owner who loses the land has to be more than adequately compensated. A highly complicated process of acquisition which renders it difficult or almost impossible to acquire land can hurt India's development. When the 1894 law is amended in the 21st century, it must provide for a 21st century compensation and cater to the developmental needs of the 21st century. It cannot completely ignore
the developmental needs of the society. Those who are opposing the changes today may do well to remember that the 1894 land acquisition act remained intact in this country for about 66 years after independence. The 1894 Land Act begins imperiously with, "Whenever it appears to the Government the land in any locality is needed or is likely to be needed for any public purpose or for a company, a notification to that effect shall be published in the Official Gazette."

That draconian Land Act was neither expunged during the socialist government of Jawaharlal Nehru or Indira Gandhi or Morarji Desai, nor during the period when the Communists wielded great influence over India's politics and policies in the mid-1990s.

**NDA Govt's amendments focuses on the land-loser as well as on land-acquirer**

For the land-loser, the proposed amendments not only retains all forms of compensation and rehabilitation, but also increases the number of those eligible for lucrative pay-offs by bringing into the ambit of LARR, 13 categories of acquisition that had been excluded earlier. These include the Land Acquisition (Mines) Act, the Atomic Energy Act, the Railways Act, the National Highways Act, and the Metro Railways (Construction of Works) Act.

For the land-acquirer, the amendments proposed by NDA Govt in the land act tries to lessen the indirect price of acquisition and transaction by diluting requirements for social impact assessments and referenda. The amendments try to lessen the indirect price of acquisition, the transaction and opportunity costs that have been listed. This it does by weakening or removing the requirements for social impact assessments and referenda. For the land-acquiring interest - be it the private or public sector - reducing the time for acquisition by several years, and thereby reducing the opportunity cost, is a huge benefit. When this is topped up with the reduction or removal of the cash cost of social impact assessments and referenda, it becomes a windfall for the acquirers too. LARR had placed an impossible double-burden on land acquirers: pay double or quadruple the highest prices in the world, and wait for several years to begin work on the ground.

**New amendments attempt to improve previous unworkable law:**

LARR was meant to make the acquisition process just. But LARR was purely political and fundamentally bureaucratic in approach based on little or no recognition of
some simple economic principles - on land markets and on transaction and opportunity costs. LARR raised the price of land acquisition to unsustainable levels. This price is not simply the money paid for acquisition and rehabilitation and resettlement. That is just one component of price, its direct component. There is a second component, an indirect price. This includes (a) transaction costs, which include the cost of doing social impact assessments, conducting referenda, running the massive new multilayered acquisition bureaucracy, etc. and (b) opportunity costs, which arise from the time taken to conclude an acquisition - doing social impact assessments, conducting referenda, etc. - time during which capital is not invested, infrastructure is not created, and production does not take place. If all the steps defined in LARR were accomplished in the allotted time, each acquisition would have required about five years; in practice, it could take a lot longer.

The Modi government's proposed amendments in the land acquisition act is based on the principle that price matters to both the land-acquirer and the land-loser. So, how does the ordinance solve this problem? Quite simply, by splitting the direct and indirect prices for acquisition and keeping the direct prices unchanged while attacking the indirect prices.

**Analysis of Amendments proposed by Modi Govt:**

If we analyze one by one all the contentious clauses that have created the confrontational situation between Government and opposition parties then the whole myth of the Modi Govt being anti-poor, anti-farmer as propagated by the opposition, gets busted:

*(Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 will be hereinafter referred to as the principal Act)*

**Amendment 1.** In the principal Act, in section 2 -

*(I) in sub-section (1), in clause (b), in sub-clause (i), the words "private hospitals; private educational institutions and" shall be omitted.*

**UPA:** In the UPA Land Act, sub-clause (i) of clause (b) of sub-section (1) of section 2 says the government can acquire land for infrastructure projects excluding private hospitals, private educational institutions and private hotels.

**NDA:** The NDA Act has amended this clause so that now the government can acquire land for private hospitals and private educational institutions. The government cannot however acquire land for private
hotels.

**Amendment 2.** In the principal Act, in section 2 -

(ii) in sub-section (2), after the second proviso, the following proviso shall be inserted, namely: - "Provided also that the acquisition of land for the projects listed in section 10A and the purposes specified therein, shall be exempted from the provisions of the first proviso to this sub-section".

**UPA:** The first proviso of sub-section (2) of section 2 in the UPA Act says that private companies would require the prior consent of at least 80% of those affected families before acquiring land. For public-private partnership projects (PPP), prior consent has to be of at least 70% of those affected families.
**NDA:** The NDA amendment means that for projects relating to national security or defence, including preparation for defence, defence production; rural infrastructure including electrification; affordable housing and housing for the poor people; industrial corridors; infrastructure, social infrastructure and PPP projects where government holds the land, there is no longer any need to obtain prior consent of 80% (for private projects) or 70% (for PPP projects). This is a major new change. These projects are usually massive in scale - industrial corridors alone would require an investment of tens of billions of dollars.

**Amendment 3:** In the principal Act, after Chapter III, the following Chapter shall be inserted namely -

"CHAPTER III A PROVISIONS OF CHAPTER II AND CHAPTER III NOT TO APPLY TO CERTAIN PROJECTS"

10 A. the appropriate Government may, in the public interest, by notification, exempt any of the following projects from the application of the provisions of Chapter II and Chapter III of this Act, namely -

(a) Such projects vital to national security or defence of India and every part thereof, including preparation for defence; or defence production;

(b) Rural infrastructure including electrification;

(c) Affordable housing and housing for the poor people;

(d) Industrial corridors; and

(e) Infrastructure and social infrastructure projects including projects under public private partnership where the ownership of land continues to vest with the Government,"

**UPA:** Chapters II and III of the UPA Act are concerned with Social Impact & Public Purpose, and Food Security respectively. Chapter II talks of consultations with panchayats and municipal corporations, conducting preliminary investigations for determining social impact, and appraisal of social impact assessment report by an expert group. Chapter III, on the other hand, talks of food security and irrigable, multi-cropped land. It specifically says that, save as otherwise provided in sub-section (2), no irrigated multi-cropped land shall be acquired under this Act. And sub-section (2) says: Such [irrigated multi-cropped] land may be acquired subject to the condition that it is being done under exceptional circumstances, as a demonstrable last resort. So, even though the UPA Act also put in clauses through which irrigable land could
be acquired, it was strict and measured in its order - "under exceptional circumstances; as a demonstrable last resort".

**NDA:** By the amendment, the NDA government has expanded the list of projects that would not require Social impact assessment and prior consent of affected families for projects relating to national security or defence, including preparation for defence, defence production; rural infrastructure including electrification; affordable housing and housing for the poor people; industrial corridors; infrastructure, social infrastructure, and PPP projects - if the government so desires, there is no social impact assessment required, and no consultations required either with panchayats and municipal corporations.

**Amendment 4:** In the principal Act, in section 101, for the words, "a period of five years" the words "a period specified for setting up of any project or for five years, whichever is later," shall be substituted.

**UPA:** Section 101 of the UPA Act states that if the acquired land remains unutilised for a period of five years from the date of taking over the possession, the land shall be returned to the owners.

**NDA:** The NDA amendment has swapped a defined period - that of five years - with "a period specified for setting up of any project or for five years". For example if because of some reasons the project get delayed then should we abandon it all together? Should we abandon a Nuclear Power Project that is in National Interest if it is not completed in 5 years? What about Railway Track Projects that may take more than 5 years?

**Amendment 5:** In the principal Act, in section 105 -

(i) for sub-section (3), the following sub-section shall be substituted, namely-

"(3) The provisions of this Act relating to the determination of compensation in accordance with the First Schedule, rehabilitation and resettlement in accordance with the Second Schedule and infrastructure amenities in accordance with the Third Schedule shall apply to the enactments relating to land acquisition specified in the Fourth Schedule with effect from 1 January, 2015."

**UPA:** Sub-section (3) of section 105 in the UPA Act had made an exception for the 13 acts of Parliament from the compensation and rehabilitation provisions that are in accordance with the first, second, and third schedule.

**NDA:** The NDA amendment has removed the proviso shown above in quotes. The Fourth schedule lists
13 Acts of Parliament, like the Railways Act, the Electricity Act, the Atomic Energy Act, etc (see page 45 of the UPA Act) and so now if government proposes to acquire land under then the onus is on the government to pay the compensation under those 13 acts of parliament which were previously denied under UPA law.

In conclusion, would farmers not like such basic and defining facilities like colleges, hospitals or railways to develop and come up in their vicinity? Would farmers really want their children to travel long distances daily just for their studies? Would farmers not want a state of the art hospital with the latest facilities within an accessible distance? Do we expect farmers not to have access to enhanced electricity production and water to improve the productivity of their farms? Do we not want all parts of the country to join in a national development journey?

It is in National Interest to ensure that we come up with a Land Law that delivers on Critical Projects that provide a 360 degrees benefit to Farmers. The Apex Court in an observation in 2011 had complimented the then Narendra Modi led State Government in Gujarat for its land acquisition policy since there were "no complaints of any forcible acquisition". The apex court said "Gujarat is one state from where we do not receive any such complaints. Look at Ahmedabad which is developing but there are no complaints from that place. They have the same officers of the same cadre as in the rest of the country, whereas complaints of farmers and the poor being uprooted were pouring in from many other States."

Past records in Gujarat have shown the successful implementation of a very balanced and finely regulated land acquisition method, why should one not trust the Prime Minister to do the same at a national level now in taking forward the objectives of overall national progress?

*(Siddharth Singh is Research Associate at SPMRF)*
Decoding the "breakthrough" in US-India Civil Nuclear Deal

After US President Barack Obama and Prime Minister Narendra Modi met in New Delhi on 25 January 2015, four key deliverables from the summit meeting were identified in the areas of nuclear energy, defence, climate change and the economy. However the centrepiece of the visit was the breakthrough on the civil nuclear deal which was proving to be a major impediment to cooperation between the two countries. The Indo-US nuclear deal basically allows India access to nuclear technology and fuel without giving up its nuclear weapons programme.

The Breakthrough

At the joint press conference, Prime Minister Modi said, with reference to the nuclear deal, "I am pleased that six years after we signed our bilateral agreement, we are moving towards commercial cooperation, consistent with our laws and international legal obligations."

The road to the resolution of the log-jam passed through three rounds of dialogue (last of which was held in London recently) by a bilateral contact group, constituted after Prime Minister Modi’s visit to the US in September 2014. The sticking points had been the US’s insistence on tracking of fissile material being used in the nuclear plants and liability of the nuclear equipments supplier of these nuclear plants in case of an accident.

Nuclear Liability

The two countries had in 2008 signed the landmark US-India Civil Nuclear Agreement however its operationalisation was held up due to US’s concerns over India’s Civil Liability for Nuclear Damage Act (CLNDA) passed in 2010. The concerns of the international suppliers that arose from provisions were in Section 17 (b) and Section 46 of the CLNDA.

The liability (under section 17) is capped, as is the case in all nuclear liability regimes, as per Section 6 of CLNDA at Rs 1500 crores (subject to review). Section 17 states that the operator shall have a right of recourse. While it provides a substantive right to the operator, it is not a mandatory but an enabling provision. In other words it permits but does not require an operator to include in the contract or exercise a right of recourse. However, even though there is no mandatory legal requirement under the CLND Act to provide for a right of recourse in a contract, there may be policy reasons for having a risk sharing mechanism including a right of recourse. As a
matter of policy, NPCIL, which is a public sector undertaking, would insist that the nuclear supply contracts contain provisions that provide for a right of recourse consistent with Rule 24 of CLND Rules of 2011.

India will set up an insurance pool (a risk transfer mechanism) led by General Insurance Co and four other insurance companies of a total amount of Rs 750 Crore to indemnify companies that build reactors in the country against liabilities in case of a nuclear accident under CLNDA. The remaining Rs 750 Crore of the total Rs 1,500 Crore to offset liabilities will be provided by the government of India. This will address US concerns over section 17.

Section 46 on the other hand had been seen to expose the nuclear suppliers to potentially unlimited amounts of liability under ordinary principles of tort law. Section 46 exclusively covers the remedies that are available against the operator. The CLND Act channels all legal liability for nuclear damage exclusively to the operator and Section 46 does not provide a basis for bringing claims for compensation for nuclear damage under other Acts. This section applies exclusively to the operator and does not extend to the supplier.

**Tracking Clause**

USA's insistence on acquiring tracking rights perpetually over nuclear material, even which was sourced from third countries for use in reactors supplied by its companies, over and above inspections by the International Atomic Energy Agency (IAEA) was the second major sticking point in the deal. India's stand was the US demand was intrusive, specifically since India had acceded to IAEA safeguards. Post negotiations it has been agreed upon that the US will no longer insist on "flagging" or tracking the nuclear material supplies to India and in this regard the US will instead follow the international norms where the tracking of nuclear material supplies to India will be done by neutral observer from IAEA.

**Strategic Context**

The ultimate aim of India is to become a full member of the four technology-control regimes i.e. Nuclear Suppliers Group (NSG), the Missile Technology Control Regime (MTCR), the Wassenaar Arrangement and the Australia Group. Therefore alongside progressing with their nuclear deal, India and the US, during the last two summit meetings have committed to continue to work towards India's phased entry into these four technology-control regimes.

The US President has best described the agreement on the nuclear deal as a "new and perhaps unprecedented opportunity" for deepening of Indo-US ties.

*(SPMRF Desk)*
"India will not develop till the Northeast develops. We are committed to realising the potential of the Northeast & accelerating its progress", tweeted Prime Minister Narendra Modi before embarking on his maiden visit to the region in December 2014. Under Prime Minister Narendra Modi's leadership Northeast India has witnessed increased impetus as it remains India's pivot to her pragmatic and realistic policy of 'Act East'.

The significance which the Northeastern region assumes amongst the Indian leadership is discernible in the recent bilateral meeting between the heads of Singapore and India. During the meeting between Prime Minister Narendra Modi and visiting Singaporean President Tony Tan Keng Yam, PM Modi sought Singaporean expertise to set up a skill development centre in Northeast India. Reportage which has emerged post the bilateral meeting, has excerpts of quotes from officials who have stated, "It is rare for north-eastern India to figure so prominently in foreign policy deliberations," This perhaps shows the determination with which Government of India (GoI) is seeking to ensure all round sustainable development of the region. In his meeting with the Singapore President, PM Modi is also reported to have spoken in favour of greater air connectivity for the Northeastern region.

However, seeking Singapore's expertise has in no way been a one-off initiative on the part of GoI or PM Modi; whereas on the other hand consistent and decisive steps have been taken by GoI under PM Modi's leadership to facilitate an ecosystem which will ensure all round sustainable development of the region. Taking cue from then Prime Minister Atal Bihari Vajpayee's decision of allocating 10% of the country's budget towards Northeast's development; in its first budget, GoI had made a provision of Rs. 53,000 crores for the development of the eight north-eastern states. Among the 5Ts which were outlined by PM Modi as priorities, Tourism in one among them. Thus, in order to help the region script success in tourism, GoI has also taken substantive initiatives. Prominent among them being, to boost connectivity in the region, the GoI has made an allocation of Rs.28,000 crores for starting 14 new railway lines. Plans
are also in the pipeline to have a dedicated brand ambassador for the region and inviting film makers to extensively shoot in the region.

98% of the Northeastern states also share their borders with some of India's South Asian neighbours such as China, Myanmar, Thailand, Bangladesh etc. In view of this, another vital aspect, which the GoI is keen to improve, is its border infrastructure. Basic requirements such as road, power, and schools along the border in the region are being carefully paid attention to, for betterment. This is in all certainty part of PM Modi's visionary strategy of reorienting India's foreign policy towards stronger ties with Southeast and East Asia.

GoI has also advanced its plans for the Northeast in terms of better relations with Bangladesh and Myanmar. During his visit to Tripura, PM Modi envisioned an economic corridor that would be established using Northeast India, Myanmar, and the adjoining regions. GoI has also signed an agreement with Japan to open an economic corridor with Myanmar. Key transit initiatives between Northeast India and Myanmar - the Kaladan Multi-Modal Transport Project and the India-Myanmar-Thailand trilateral highway are also on track to be completed by 2016. This too is part of GoI's long term initiative to favour greater economic linkages between Northeastern states and adjoining countries such as Thailand, Myanmar and Bangladesh to ensure greater economic development in the Northeastern region. Japan too has been roped in to be a major infrastructure development partner, PM Modi's visit to Japan in September 2014 affirmed his commitment to joint projects for the region in a variety of sectors.

Furthering the cause of development of the region, in September 2014, the Prime Minister's Office had directed the Project Monitoring Group (PMG) to fast track development projects in the Northeast region. Towards this, GoI had already identified 21 such key projects worth over Rs1 lakh crore for ensuring faster clearances to them. Of 21 projects, nine projects are from Arunachal Pradesh, seven from Assam, three from Tripura and one each from Myanmar, Meghalaya and Manipur. More than 50 per cent of these projects are power projects including that of transmission lines followed by five railway projects, four related to petroleum and natural gas and one related to cement plant. In addition, to ensure speedy implementation of the GoI's social and economic
programmes, eight union ministers will visit one of the eight northeastern states every fortnight.

GoI has also set out on a vital task to prepare India for a knowledge future. To improve power and digital connectivity, Rs. 5,000 crores had been earmarked for North-eastern states to strengthen intra-state power transmission and distribution systems. A similar amount had also been allocated for boosting 2G mobile connectivity for the eight states.

"North-eastern region can be the capital of India's organic agriculture." said PM Modi during his visit to the region, towards this GoI had also earmarked Rs. 100 crores as part of its push to encourage organic farming in the region. It was during his visit to Arunachal Pradesh during the campaign for Lok Sabha elections, PM Modi coined 3Hs: Herbal, Horticulture and Handicraft. Recognising that 40% horticulture produce in the Northeast gets wasted due to non-availability of proper storage, GoI is also planning to rope in some food processing industries to set up their units in the region and avail the benefits of horticulture products. Education and youth led development have also emerged as priorities. As part of student and teacher exchange programmes, GoI has also introduced the Ishan Uday special scholarships for 10,000 students, and the Ishan Vikas scheme for 2000 students and 500 faculty members from colleges of the Northeast to visit other parts of the country every year.

Despite the presence of abundant natural resources in the region and huge investment opportunities, the region has been deprived of growth and development. This is precisely because there is no onus on the leadership in each state for a sense of ownership and responsibilities over development of the region as a whole. It is towards this that recently before the 1st NITI Aayog meeting with the state CMs, PM Modi held a brief meeting with all Northeastern state CMs which underscores the importance which GoI attaches to Cooperative Federalism, which in essence means, for India to develop, states must develop. A vital prerequisite in fulfilling India's renewed Act East Policy is to look and act towards Eastern India and that is precisely what is being actively pursued under PM Modi.

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In a major step towards building a formidable blue-water Navy for the future, the Modi Government has cleared the indigenous construction of seven stealth frigates and six nuclear-powered attack submarines, which together will cost well upwards of Rs 1 lakh crore. The Cabinet Committee on Security (CCS) took these decisions in tune with the "critical necessity" for India to bolster its "overall deterrence capability" in the entire Indian Ocean Region (IOR), especially its primary area of strategic interest stretching from the Persian Gulf to Malacca Strait. Under the 'Project-17A' for stealth frigates of over Rs 50,000 crore, four will be constructed at Mazagon Docks in Mumbai and three in Garden Reach Shipbuilders and Engineers in Kolkata. The new multi-mission frigates will be larger, faster and stealthier than the Shivaliks as well as packed with more weapons and sensors to operate in "a multi-threat environment". The nuclear-powered submarines (SSNs) are likely to be constructed at the secretive ship-building centre (SBC) in Vizag, where India's first three SSBNs (nuclear-powered submarines with nuclear ballistic missiles) are being built to complete the country's nuclear weapons triad. Nuclear-powered submarines are much resistant than diesel-electric submarines since they do not need to surface every few days to get oxygen to recharge their batteries. SSNs, which usually carry only conventional missiles, can swiftly and quietly undertake long-range patrols. They can run at high speeds like 30 knots for much longer distances, hunting for targets and gathering intelligence.
Selection of Smart Cities to be Competition Based

Cities will have to prove their worth to be the part of the Government's much ambitious schemes of 100 Smart Cities projects. A City Challenge campaign will be launched for selecting cities and towns for participation in the Smart Cities project. All cities and towns seeking to participate in these schemes will be profiled based on specific parameters that have a bearing on their ability to address issues of governance reforms, resource mobilisation, execution etc. While addressing the issue of geographical spread, only the deserving will be assisted. The urban civic bodies will have to perform and become credit worthy. The emerging opportunities could be used effectively only if necessary initiatives are taken in right earnest. There is a requirement for huge resources, as much as Rs. 40 lakh crore in investments for provision of infrastructure in urban areas besides another Rs. 20 lakh crore for operation and maintenance of urban assets and utilities over the next 20 years period. The desired resource mobilisation through lending and other means will depend on credit worthiness of urban local bodies. The States/UTs and urban local bodies will have to be proactive in the implementation of new initiatives.

10 Point Charter to be ensured for Each City:

1. City Master Plans wherever due and City Sanitation Plans.
2. Long Term Urban Development Plans for district headquarters focusing on an area of 25 km radius.
3. Long Term City Mobility Plans.
4. City specific strategies for promotion of renewable energy sources like solar and wind power waste to energy etc.
5. Regulatory bodies for pricing of utilities like water and power and assessment and revision of taxes from time to time to enhance resource base.
6. Taking necessary initiatives for assessing credit worthiness of each city to mobilise resources from appropriate sources.
7. Promotion of water harvesting and water recycling on a large scale through necessary provisions by revising Building Byelaws in line with emerging needs of cities and aspirations of people.
8. Promoting citizens in urban planning, decision making and management.
9. Capacity building in key disciplines.
10. Improving urban governance through adoption of ICT platforms to ensure accountability and transparency besides online delivery of various services.

(SPMRF Desk)
The success of auctions has proved that the coal scams were real and not an imagination of the Comptroller & Auditor General (CAG). The Modi government’s decision to conduct a "fair and transparent" bidding for coal mines has benefitted the country. The government has sold 15 coal blocks so far in the auction, ensuring a windfall of close to Rs 1 lakh crore, including royalties, for States and much more in terms of lower power tariffs. The 15 coal blocks that were auctioned fetched Rs 83,662 crore as e-auction proceeds, Rs 12,801 crore in expected royalty and Rs 37,050 crore in tariff reduction, taking the total value to states at Rs 1,33,513 crore.

In its findings in 2012 which dealt a severe blow to the Manmohan Singh-led UPA government, the CAG had noted that that lack of a transparent bidding process had caused a staggering loss of Rs 1.86 lakh-crore to the exchequer. The coal blocks were earlier allotted through a screening committee mechanism which was changed to the process of auction bidding by the Modi government after the Supreme Court cancelled allocation of 204 mines in September last year. The Government expects to raise Rs 15 lakh crore from the new bidding process. Most of the bids so far are beyond the expectations of analysts benchmarked against the prices of state-run Coal India.

In retrospect, if at all the CAG had erred in his estimates, it was in underestimating the loss, rather than in overestimating it. When the CAG claimed at that time that by handing over these mines virtually free to private and public parties, the state had suffered a huge loss, he was lambasted by the then powers that be. Even the then Prime Minister Dr. Manmohan Singh had also categorically denied that there was any scam.

The success of the auctions proves that the coal scam was not a figment of the then CAG Vinod Rai’s imagination. The success also knocks the bottom out of the claim that the auctions would scare away private bidders. Far from that, private parties have enthusiastically participated in the bidding.

*(SPMRF Desk)*
'Politics of Performance - A Comparative Study of Delivery of Good Governance by different Political Parties in India': a review

Shubhendu Anand

The Public Policy Research Centre, (PPRC) a New Delhi based think tank came out with a comprehensive report titled “Politics of Performance – A Comparative Study of Delivery of Good Governance by different Political Parties in India”. By and large, during the 67 years since Independence, India has experienced four major types of governance models: that of the Congress, BJP, Left Front and Regional Parties. The report compares the performances of these four governance models on the basis of various governance indicators and the resultant socio-economic outcomes.

In this study, the quality of governance at the state and national level under the rule of different parties was compared and analyzed. Data was collected from a variety of sources, for the years from 1991-2013, and for all states and Delhi (or as available) and on the national level. The data for each year were then analyzed against the party that was in power in the corresponding State and in the Centre for that year.

With this methodology the difference in quality of governance between BJP-rule, Congress-rule, Regional Party rule and Left Front-rule in the states and centre was compared and analyzed.

The objective of this study was to measure the performance of the major political parties in India based on their delivery of governance at both the national and state level. The quality of governance can be measured using internationally accepted indicators such as corruption and rule of law and their consequent social and economic effects.

Good governance is hardly abstract. The indicators of good governance listed above can be quantified and measured in the context of a state or country. The concept of ‘good governance’ is one wherein the process and outcomes of governance meet the standards mentioned above to the satisfaction

THE NATIONALIST

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of the citizens being governed. The United Nations Economic & Social Commission for Asia and the Pacific (UNESCAP) outlines 8 major characteristics as indicators of good governance within a nation. These are:

1. Participation
2. Rule of Law
3. Transparency
4. Responsiveness
5. Consensus Oriented
6. Equity and inclusiveness
7. Effectiveness and efficiency
8. Accountability

The report measured governance on the national level, between the two parties that have held office, and on the state level, between the four types of parties that have held office. This was to include and quantify the quality of governance on both levels of authority that affect the common citizen of this country as required by Mantino’s “Typologies of Governance”. The report then measured the social and economic outcomes of this governance on the state level because, given the diverse socio-economic make-up of the various states, aggregate socio-economic outcomes for the entire country were not very informative. The specific indicators used were:

The study, based on data collected from a variety of sources: the Census, Planning Commission Reports, International Indices (such as the World Bank’s Worldwide Governance Indicators)
and National Indices (such as CRISIL's Financial Inclusion Index) and from the analysis of the data on governance, social and economic indicators, across states and at the national level it was clear that the Bharatiya Janata Party's model of governance provides for effective, efficient, accountable, sustained growth and development. The examples of which are enumerated below:

**Responsive:** With its strong commitment towards a responsive government, The BJP's model of governance focuses on service delivery through legal mechanisms and application of e-governance. The Madhya Pradesh Public Service Delivery Guarantee Act, e-governance initiatives of BJP ruled states like Sakala (Karnataka) and Swagat (Gujarat) have been widely recognised and appreciated.

**Effective and Efficient:** The BJP's governance model has also proved its effectiveness and efficiency through time-bound completion of many infrastructural projects. The construction of the Mumbai-Pune Expressway (Maharashtra), which was built and became fully operational in 2002 when the BJP - Shiv Sena government was in power in Maharashtra and BRTS-Ahmedabad (Gujarat) when Mr. Narendra Modi was the Chief Minister of Gujarat, projects are case in point.

**Innovative:** Innovation is key to the BJP's governance model. BJP ruled states have initiated many innovative schemes, which were later replicated at the national level. Jyotigram (an initiative of the Government of Gujarat to ensure availability of 24-hour three phase quality power supply to rural areas of the state and to supply power to farmers residing in scattered farm houses through feeders having specially designed transformers) and Vanche Gujarat (which is aimed at inculcating a reading habit among the youth by building libraries in every village of Gujarat) schemes are cases in point. Besides, the BJP ruled states have used innovative strategies in implementation of schemes.

**Economic Growth:** All BJP ruled states have shown remarkable and consistent economic growth. As evident above, BJP ruled states have been consistently above 8% growth rate for Gross State Domestic Product (GSDP).

**Inclusive Development:** 'Inclusiveness' is also a hallmark of BJP's governance model. The agricultural growth rate is declining all over India while BJP ruled states have achieved double digit agricultural growth rates. Madhya Pradesh has achieved double-digit
agricultural growth rate consistently for three years by implementing comprehensive reforms in the agricultural sector. Besides, the BJP's model is also effective in providing jobs. Focus on skill development as well as efficient implementation of central schemes like MNREGA has ensured low unemployment rates in BJP ruled states.

**Equitable:** In the social sphere, the unique blend of information technology and good governance has made the Chhattisgarh PDS scheme a model for the entire nation. BJP ruled states are also at the forefront in finding solutions to social issues through a variety of social schemes like Chiranjeevi Yojana, Garib Kalyan Mela (Gujarat); Ladli Laxmi Yojana, Beti Bachao Yojana (Madhya Pradesh). These initiatives not only improved outcomes at the ground level but also have an impact on the approach that policy makers take towards such issues.

**Leadership:** BJP's model of governance is unique due to the style of leadership the party promotes. The leadership presents a unique blend of vision, compassion and decisiveness. In the BJP's model of governance, the Chief Ministers are empowered to actively participate in decision-making and implementation, as the CM is in-charge of all important policy issues.

**Re-defining Good Governance at Centre:** With the advent of the BJP government at the centre, Prime Minister Narendra Modi is re-defining good governance at the centre. The Modi administration has greatly emphasized participation, responsiveness, equitability and inclusivity as well as effectiveness and efficiency. Policies and initiatives under this administration are geared towards being effective and efficient mediums of development under the rule of law, with the development process itself being participatory, equitable and inclusive.

In conclusion the report argues that compared to the Congress, Left Front or Regional Parties' models of governance the BJP model has proved to be more responsive, equitable and inclusive. The BJP is unique in walking the talk of good governance and this report shows that it also walks the talk. The quantitative evidence for this, which is presented in the report, is evident of the same.

*(Shubhendu Anand a graduate of the Tata Institute of Social Sciences (TIISS), currently studying law at the University of Delhi, and is a Research Associate at SPMRF.)*
Freebies Don't Come For Free

Shivaji Sarkar

[The AamAadmi Party has lured Delhi with a laundry list of populist dole - from free water, electricity and Internet to new schools, hospitals and homes. But nobody knows how exactly it will finance these hairbrained plans and projects]

Delhi votes in a bizarre way. A high price-hit people, despite tasting a fall in inflation statistics, believed that the moon promised by the AamAdmi Party will be delivered to them. This will cost the exchequer severely. The promise of 20,000 litres of free water a month to all households, a 50 per cent cut in power supply, regulation of school fees, establishment of primary health centres, provision of free wi-fi, installation of 15 lakh close-circuit TVs for women's security and the building of pucca houses for shanty dwellers will cost the Delhi Government a minimum of Rs40,000 crore a year in addition to its annual Budget of about Rs40,000 crore.

With support from the Communist Party of India (Marxist), the AAP pandered to the desires of disen-chanted low-income groups, who constitute over 60 per cent of the city-State's population. Yet, even the CPI(M), when in power, was not able to do what the AAP has promised in Delhi. AAP's promise to reduce value added tax indicates that it may reject the goods and services tax. This was a move formulated by West Bengal's former Left Front Finance Minister Asim Das Gupta. How will the AAP led-Government fund welfare schemes with reduced revenue?

The AAP has calculated that in order to cut the price of electricity by half, the Delhi Government will have to shell out a subsidy of Rs13,000 crore, nearly Delhi's total development expenditure over the past year. This will benefit over 80 per cent of consumers. This is what Mr Arvind Kejriwal tried to do during his first 49-day rule. It will cost the Government Rs4,000 crore. MrKejriwal had paid Rs1,600 crore to the power distribution companies from the SC/ST welfare fund for about three months of electric supply.

The AAP's Rs4,000 crore subsidy may hit the construction of existing schools and hospitals. How will it then fund 500 new schools and colleges? The AAP says it will get land free of cost from Delhi villages. This is absurd given that Delhi landholders voted against the dilution of the consent clause in the land acqui-
sition Act.

Even assuming that the land does come free, the construction of primary structures for schools, at a modest rate of five crore rupees per school, will cost Rs2,500 crore. The salary of teachers, administrative staff will cost a minimum of seven lakh rupees per school - Rs35 crore a month, Rs17.5 lakh crore a year. The AAP says it has a different model, possibly that of a shikshamitra, low-paid, part-time contractual teachers appointed by many States. Even that would cost at least half of the estimates.

Each of the promised 900 primary health centers requires land. Each centre will need at least five people to man the place, including at least two doctors, a male and a female. The salary bill itself will be around five lakh rupees a month, and another five lakh rupees for other expenses - total Rs10 lakh a month, if the centre does not have to pay rent and give medicines. It will still cost Rs90 crore a month or Rs1,080 crore a year. Actual expenses will almost be triple or over Rs3,000 crore a year. The cost of adding 20,000 beds to hospitals, even at Rs1,000 a bed, will come to around Rs200 crore initially. The additional 40,000-strong manpower will cost at least Rs2,000 crore a year.

Water has been another poll plank which the AAP has sought to cash in. According to the 2011 census, about a quarter of Delhi’s 1.30 crore population does not get treated water through pipes. The party promises to provide 700 litres of free water daily to every household. Assuming a kilolitre of treated water costs five rupees to produce, it will require Rs94.5 lakh per day or Rs340 crore a year. Apart from the cost, Delhi has a perennial problem of scarcity of water. The Congress-led Government had created tensions between Haryana and Delhi. Besides, free water across the globe, estimates.

The party has an ambitious plan of setting up its a 6200MW power plant. Calculating at five crore rupees a MW, the plant will cost Rs31,000 crore. Plus there is a running cost of at least Rs200 crore a month, payable to staff and other administrative expenses. Since prices will be subsidised, 50 per cent of the expenses will have to be borne by the State. Also, where will this plant be set up?

Land is also needed if the incoming AAP Government wants to build pucca houses for people living in shanties. The Delhi Government does not own an inch of land. How will it do it? Also, a number of agencies will be involved. AAP will have to fight with the Union Urban Development Ministry to fulfil its
promise. Regularising unauthorised colonies, which allegedly mushroomed under the patronage of politicians, will be a daunting task for the AAP.

According to AAP estimates, a fully wi-fi-ed Delhi will require Rs150 crore. It will be done by a private company funded by the Government. In reality, wi-fi will be free for 30 minutes only. The 15 lakh CCTV cameras are to be linked to the wi-fi network. Each camera will cost Rs2,000, AAP says. It means another Rs300 crore will be required for installation. This will require 50,000 people. Assuming a basic Rs10,000 a month salary for each, the annual cost comes to Rs600 crore.

The cost of massive data servers and a huge control room for surveillance is not a part of the estimate. Monitoring and other administrative cost will add a minimum of Rs12,000 crore a year. There are also costs for additional street lights, proposed marshals to protect women in buses, over 50,000 toilets in public spaces and 1.5 lakh toilets in slums. It will be a burden of at least Rs20,000 crore. Recurring costs are not included in the estimate.

If the Delhi Police comes under the charge of the Delhi Government, as demanded by the AAP, an additional expense of Rs4,630 crore will have to be borne. This is currently borne by the Union Government.

Promises are easy to make. Fulfilling it requires hard cash which Delhi hardly has. Populism is fine but nobody has answered how it is to be financed. One hopes that AAP years ahead don't become a ding-dong political battle with the Centre.

*Courtesy: The Pioneer, 16 February 2015*
t is by now a well-worn cliché that India is a land of many paradoxes. Among the lesser explored of these is a curious inclination to be disparaging about intellectual pursuits and, at the same time, worship the 'intellectuals'. In the days when simplified Marxism guided protest, intellectuals were rubbished for reading too many books and sticking to their 'petit-bourgeois' roots. However, ever since the Left rediscovered the Italian communist icon Antonio Gramsci, intellectuals have acquired an elevated role as certifying authorities of public morality and national wisdom. Intellectuals, it has been deemed, have an autonomous standing and transcend their social origins and milieu.

A more daunting issue has, however, been left dangling. Who exactly is an intellectual? It is unlikely that the scientist working single-mindedly on isolating a less-known virus - the modern counterpart of the austere pundit in a seminar - would immediately spring to mind as the personification of the modern intellectual. No one to my mind has chosen to describe, say, either the mathematician Srinivasa Ramanujan or the classic Bimal Krishna Matilal as intellectuals. They are remembered as scholars of great distinction.

The point is driven home with reference to the redoubtable Noam Chomsky. When Chomsky is invoked in the context of his seminal studies in linguistics, he is described as a scholar. However, when Chomsky puts his name to a petition demanding that the Indian state keep away from activist Teesta Setalvad, recently in the news for alleged financial impropriety, he promptly becomes an intellectual and is heard with deep reverence by the commentariat and judiciary. In an earlier time the same could have been said for Bertrand Russell the extraordinary mathematician-philosopher, and Russell the intellectual, loftily extending an unwitting helping hand to the Soviet Union during the Cold War.

Chomsky, of course, is a case apart. Few intellectuals have been so pressed to lend their name to causes big or small in countries familiar and unknown. In the global protest industry, he is now a big brand. He may have begun his parallel career rubbing shoulders with liberals and long-haired hippies...
against the Vietnam war way back in the late 1960s. However, since then he has embraced protest on an industrial scale. From Palestine and Iraq to Nandigram, Binayak Sen and Teesta Setalvad covers an awesome span. Even India's habitual petitionists who began life as mere historians and then moved up the ladder to acquire intellectual status can't remotely rival the sheer range of Chomsky.

It is of course noble to be an internationalist in the age of global capitalism. How many individuals located in some agreeable American surrounding have the intellectual self-confidence to pronounce his views on a case involving fudgy accounting in India? The certitudes that govern professional intellectuals such as Chomsky are astonishingly robust. But, are these judgments sound and dispassionate?

In November 2007, it was claimed by 14 intellectuals that "News travels to us that events in West Bengal have overtaken the optimism that some of us have experienced during trips to the state." The reference was to the fracas in Nandigram and charges of CPM high-handedness in securing approval for a proposed chemical hub there. The petition, with Chomsky as the first signatory, expressed distress over "the rancour that has divided the public space (and) created... unbridgeable gaps between people who share similar values." However, instead of roundly denouncing an overbearing state as was the prevailing custom, Chomsky, et al, declared loftily: "The balance of forces in the world is such that it would be impetuous to split the Left... This is not the time for division."

The assertion was revealing. For the intellectuals, the sense of outrage is invariably selective. The Left, they are clear in their minds, can't be divided and weakened. And a situation cannot be judged in isolation but invariably linked to the "balance of forces in the world". In plain language, the Left is a treasured friend and others the enemy.

The intellectuals are entitled to their preferences. But it would be healthy if they accompanied their pious interventions with a full and frank disclosure of their larger political agenda. Even the pretence of saintliness could do with a statutory warning to the gullible.

_Courtesy: times of india_ February 22, 2015
The people of Assam reposed faith in the BJP in the recent Urban Local Bodies elections. Elections for 74 Municipal Boards and Town Committees were held of which BJP has won a majority in 38. Compared to 2009 elections where 61% voting took place, this time 72% voting had taken place showing the enthusiasm with which the people of Assam had voted.

The BJP's victory is phenomenal as with these results, it has been proved that the Party has emerged as the top choice for the people of the State for being governed at the local level.

With these results, it has been proved that the party has emerged as the top choice for governance of the people of Assam at the local level for the time being. The Congress is in power in the State for nearly 15 years and the BJP's victory is a clear indication of people's desire for change. This is also corroborated by the 2014 Lok Sabha elections when the BJP won 7 of 14 seats in the State. Issues like Bangladeshi migrants, unemployment and economic backwardness have been some of the issues which have largely made people disenchanted with the Congress while the BJP's agenda of growth and development have attracted the voters of the State.

The energetic and dynamic state team is reaching out to the grassroots and to the interior of the State and weaving a cohesive unity and generating aspiration for good governance, growth and peace.

( SP MRF Desk )
Focus on Northeast

Focusing on the Northeast and its growth and prosperity remains an article of faith for Prime Minister Modi’s Government. The Prime Minister has not only visited the region with specific projects and message but he has also kick-started a slew of beneficent initiatives that can further dynamise the growth of the region. We have consistently highlighted the rapid activities that are taking place and ideas that are being implemented in the region. Below is one more step that shall bring the region at the Centre of India's national growth vision.

8 Union Ministers to tour North-East every fortnight

Eight Union Ministers will tour North-East every fortnight, including Cabinet Ministers, Ministers of State with Independent Charge and Ministers of State. These tour programmes have been planned on the directions of Prime Minister Shri Narendra Modi who is keen for imparting a special focus on the Northeast. During these tours the visiting Minister will undertake a review of the works related to his/her Department and also participate in important events taking place in the region.

Focus on Education

The Human Resource Development Ministry has seen some of the most innovative and energetic initiatives in the recent past. It would be interesting to have a look at one such effort - which is vital to evolving a positive and healthy atmosphere and ambience in learning centres.

Swachh Vidyalaya programme

Swachh Vidyalaya programme, an offshoot of Swachh Bharat Mission propagates 'Clean India: Clean Schools', concept. A key feature of the campaign is to ensure that every school in India has a set of functioning and well maintained water, sanitation and hygiene facilities and activities
that promote conditions within the school and the practices of children that help in preventing water, hygiene and sanitation related diseases. The provision of water, sanitation and hygiene facilities in school secures a healthy school environment and protects children from illness. Children who are healthy and well-nourished can fully participate in school and encourage healthy behaviour in future generations of adults. It enables every child to become an agent of change for improving water, sanitation and hygiene practices in their families and within their community. Girls are particularly vulnerable to dropping out of school, partly because many are reluctant to continue their education when toilets and washing facilities are not private, not safe or simply not available. When schools have appropriate, gender-separated facilities, an obstacle to attendance is removed. The Swachh Vidyalaya is an effort towards achieving that crucial national objective.

SPMRF Desk
Eleven Government Services Launched on E-Biz Portal

Easing the manner of doing business in India has been one of the promises that Prime Minister made and reiterated in various forums. He was determined to cut the red tape that has hitherto plagued the Indian system often deterring investments and resource generation. In his seminal speech at the Council for Foreign Relations (CFR) while discussing the change that he was initiating in India Prime Minister Modi said that he asked officers to change the system so that files could move quickly and to reduce the number of pages to be filled to one, "we are trying to move our system forward towards progress", he had emphatically said. The launching of the e-Biz portal is a major step towards fulfilling that promise.

The Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce & Industry has announced the launch of 11 Central Government Services on e-Biz portal. These services are required for starting a business in the country - four services from Ministry of Corporate Affairs, two services of Central Board of Direct Taxes, two services of Reserve Bank of India and one service each from Directorate General of Foreign Trade, Employees' Provident Fund Organisation and Petroleum & Explosives Safety Organisation.

With the integration of these services on e-Biz portal, business users can avail all these services 24*7 online end-to-end i.e., online submission of forms, attachments, payments, tracking of status and also obtain the license/permit from the e-Biz portal. Through the e-Biz portal, a business user can fill the e-Forms online/offline, upload the attachments, make payment online and submit the forms for processing to the Department. He will be provided with a copy of the challan, which he can save or print, acknowledgement of submission and tracking of status of the form besides receiving sms alerts on important notifications. The certificate/clearance can be downloaded from e-Biz.

The e-Biz platform, thus, enables a transformational shift in the Governments' service delivery approach from being department-centric to customer-centric as a single window portal. The integrated payment gateway, which
is also the first of its kind in the country, provides for debiting from and crediting to multiple sources in a completely automated manner. Such a gateway can serve as the universal gateway for all e-Governance applications. All that would be required is integration of the department or the particular service with the e-Biz portal. The e-Biz portal project is a paradigm shift in the Government's approach in providing G2B services for investor and business communities.

**List of 11 services**

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*SPMRF Desk*
In its pursuit of the idea of "smart cities" serving as business destinations, Gujarat has proposed yet another concept city in the diamond capital Surat. A 'Diamond Research and Mercantile (DREAM) City' is set to come up on Khajod Road, Surat, in four years with an eye on providing a facilitating business environment to complement its huge diamond cutting and polishing industry.

Taking forward Prime Minister Narendra Modi's concept of building 100 smart cities in the country, Gujarat Chief Minister Anandiben Patel laid the foundation stone for Diamond Research and Mercantile (DREAM) City, to be spread on an area of about 2,000 acres on the outskirts of the city. The proposed project will have a central business district, comprising a diamond bourse, residential, office and complexes, training schools and public and private sector banks. A slew of civic amenities such as "ultra modern" hospitals, sports complexes, five star hotels, convention centres, and education institutions are also on offer. The bourse will be built over 100 acres and is expected to house 10,000 offices of national and international traders. It can give a boost to the diamond industry and increase its annual turnover to Rs. 2 lakh crore. While the Surat Diamond Bourse promises 1.5 lakh new jobs, the employment potential of the DREAM City has been pegged at 10 lakh jobs. Currently, six lakh workers are employed in the diamond industry.

SPMRF Desk
Madhya Pradesh
At 750MW, Madhya Pradesh to get world's largest solar power plant

Next year on Independence Day, India will have the world's largest 750MW solar power plant in Rewa district of Madhya Pradesh. Acquisition of 1,500 hectares of land for the Rs 4000 crore project is close to completion and government agencies are likely to invite tenders from developers by April. The state government is setting up the plant in a joint venture with Solar Energy Corporation of India. The expected cost of power production is pegged at Rs 5 per/unit which would be lower than production costs in any solar project in the country. The plant will be developed in three segments of 250 MW each. There are no hiccups as the land is non-agricultural and barren. MP Govt will sign a joint venture agreement between state-run PSU UrjaVikas Nigam and Solar Energy Corporation of India. Work on laying transmission lines is under way. State government will help developers so as to get the project financed with easy loans and little paperwork. World Bank has given its nod to fund 49% of the cost at concessional rates. Developers who quote the lowest power tariff will bag the project and at least 20% cost of power production is pegged power produced from the solar plant will be for Madhya Pradesh. The plant is being set up in Gurh tehsil of Rewa district and will straddle five villages of Barseta.

SPMRF Desk
For the first time in 2 decades, Electricity Generation Growth Enters Double Digit

Power Sector Growth in India: A New Horizon

- Electricity is one of the key drivers for economic growth of any country.
- For the first time ever, electricity generation in the country is targeted to cross 1,000 billion units during 2014-15.
- For the first time ever, a double digit growth of 18.05% achieved in the year 2014-15 up to and December.
- Generation capacity addition expected to be over 18,000 MW in the current year.
- Having almost achieved self-sufficiency in installed generation capacity - focus now on transmission and distribution.
- With increased Private Sector participation, 15,349 circuit km of transmission lines commissioned in the current year till end December - a growth of 56% over the previous year.
- Electricity shortage of 7 to 11% in the last decade down to 3.9% in the current year.
- Peak power shortage of 10 to 16.6% in the last decade reduced to 4.7% in the current year.

E-visa Power: Tourism shot up by 400% in a year

Tourist arrivals in December last year soared by over 400% as compared to December 2013, because of the launch of tourist visa on arrival (TVoA) enabled by Electronic Travel Authorization (ETA) scheme in 44 countries. There has been a 421.6% jump in tourist arrivals in December 2014, with the Government having issued 14,083 ETAs as compared to just 2,700 visas in December 2013. As many as 65,000 ETAs were issued within 75 days of launching of the E-Visa facility, with the daily average being 1,000 ETAs.

SPMRF Desk
Discussion on
“Changing Paradigm Under the new
Regime: Tracking the Performance of the
Government in the Last 6 Months”: A Report

D r. S y a m a P r a s a d
Mookerjee Research
Foundation (SPMRF) in
association with India First, JNU,
organized a discussion on "Chang-
ing Paradigm Under the new
Regime: Tracking the Performance
of the Government in the Last 6
Months" on 3rd February, 2015 at
the School of International Studies,
Jawaharlal Nehru University, New
Delhi. The discussion focused
mainly on the deliverance of the
government in the last 8 months of
its functioning and the way it is
taking its various policies forward.
The panelists were Dr. J. K. Bajaj,
Director, Centre for Policy Studies,
Shri Shakti Sinha, Retd. IAS,
Former Power and Finance
Secretary, Govt. of Delhi, Shri
Sushant Sareen, Senior Strategic
Expert, and Mr. Hindol Sengupta,
Editor-at-Large, Fortune Magazine.
The session was moderated by Dr.
Anirban Ganguly, Director, Dr.
Syama Prasad Mookerjee Research
Foundation.

The discussion started with Shri
Shakti Sinha throwing light on the
importance of the newly constituted
NITI Aayog. Shri Sinha took the
audience to the history of Planning
Commission and how the then
government, while constituting the
Planning Commission, reduced the
role of Finance Commission which
is a constitutional body. He cited
many incidents and policy failures
that happened while the Planning
Commission was in action. With the
passage of time government struc-
tures, processes, policy develop-
ment approaches, role of states in
planning and implementation of
schemes, involvement of people in
governance etc needed substantial
transformation. NITI Aayog has
tried to address all these issues with
a refreshingly fresh perspective.
The establishment of the NITI Aayog is
possibly the most significant deci-
sion of the Modi Government that
has the potential to transform
India's growth story, and unleash
the very substantial potential of the
Indian people, which alone is the
raison d’être of the Indian State Shri
Sinha said.

Dr. J.K. Bajaj critiqued the
Nehruvian 'Idea of India'. He said
that Nehruvian India of India had
an antipathy towards India’s Cultural and Civilizational past. Dr. Bajaj also recollected how Nehru's government failed on the economic front and how during the green revolution the focus was on the input rather than the output. Dr. Bajaj also pointed out how the need to tackle the food issue was overlooked by previous governments and how this government has the strength and the potential to take our energy need and our food situation to greater heights. While referring to an affirmative approach to our indigenous and civilisational roots, Dr. Bajaj also said that it is for the first time that the people are not shy of their religious and cultural affiliation.

Shri Sushant Sareen focused on the performance of the government on the national security (internal as well as external), on diplomatic front and external affairs. With the recent developments in foreign affairs by the Modi government he was sure that the government is moving in the right direction. He commented on how Modi played a masterstroke by inviting all the SAARC leaders in his swearing-in ceremony and emerged as a strong leader of South Asia. He also talked about Modi’s visit to USA and Australia and meeting with world leaders at G-20 and United Nations General Assembly. He was positive about India's relations with China and said that India doesn't have a civilizational problem with China unlike other neighbours. He recalled how Mr. Modi cordially met the Chinese President even when there was a tension on the India-China border. About Afganistan he was critical of the past government which failed to establish a favourable relationship with Afganistan and suggested that the new government should wait till an apt time comes to work with Afganistan. About Pakistan he said that the government has taken a strong step and it should stick to it. On the issue of Kashmir, he endorsed the government’s policy which was that if Pakistan talks to separatists then India would deny any diplomatic talks with it. He reaffirmed that the Modi government should stick to this policy irrespective of the time it takes. In the meanwhile, any tension created by Pakistan on the border should be answered in the same manner as the Modi government has been responding in the last few months.

Shri Hindol Sengupta focused mainly on economic initiatives taken by the Modi government. He argued that the new government was focusing on enabling the poor so that poverty could be overcome.
Shri Sengupta said that to overcome the problems of poverty India must encourage entrepreneurship and that was being energetically done by this Government. He delineated how the so-called informal/unorganized sector contributes more than 50 percent to the GDP of India and also generates around 3-4 times the jobs generated by the organized corporate sector. He lauded the government’s new policy of 'Make in India' and said that this policy has the potential to strengthen the informal sector and the MSMEs. He also said that among other things entrepreneurship is an important weapon for OBCs and Dalits to break the caste barriers and be a part of the mainstream society.

In conclusion, all the panelists unanimously appreciated the Swachh Bharat Abhiyan initiated by the current Modi-led government and said that if properly followed, the initiative will go a long way in improving the healthcare scenario in the country and would lessen the burden of the government on healthcare and sanitation and promote healthy living.

The session ended with comments and question & answers session and a vote of thanks.

(Report prepared by Shubhendu Anand Research Associate with SPMRF).
The Bharatiya Janata Party is not only a party but a family said Shri Amit Shah in a program where many top corporate leaders joined the BJP. Addressing the business leaders, Shri Amit Shah said that he is confident that GST would be a reality from April, 2016. Elaborating on the steps taken by the BJP government like Make in India, Land Acquisition Ordinance, Mines Ordinance to change business climate and restore business confidence Shri Shah said that, the perception of country is fast changing in the globe and India will again ride on the high growth path in next couple of years. Shri Shah appealed all corporate leaders to take benefit of newly launched schemes of the government and create employment opportunities in the country. Shri Shah said that BJP has always given platform to people doing good work in all sections of the society be it corporate sector or film industry or cricketers or IT professionals.
"We do not wish it to be known that we are simply the torch-bearers of somebody else, because we have also our own philosophy and our ideology. The doctrine for which India has stood has been the doctrine of live and let live...there are certain fundamental and basic ideologies for which India has stood and even stands today. We stand for freedom of expression, for freedom of thought, for freedom of association and religion and our Constitution has been based on the sound principles of democracy...Today two things are vitally necessary. We have to strengthen our military position and if we cannot do it alone we shall have to do it in collaboration with others with whom we can stand on a common platform in defence of a common ideology. Then we shall have to strengthen internal strength and peace, and satisfactorily solve the economic problem...so that we can create that solidarity and stability which would be impregnable both from the national and international standpoints."

- Dr. Syama Prasad Mookerjee

(Discussion in Parliament on the International Situation, 6th December, 1950)