

Monthly Policy Review

November 2014

Highlights of this Issue

[Winter session of Parliament begins with 37 Bills on the agenda \(p. 2\)](#)

The session started on November 24 and will consist of 22 sittings. There are 17 Bills listed for introduction, 15 Bills for consideration and passing, and 5 Bills for withdrawal.

[GDP grows by 5.3% in second quarter of 2014-15 \(p. 2\)](#)

Growth slowed down a bit from 5.7% in the last quarter. Manufacturing growth dipped to 0.1% while agriculture and services grew at 3.2% and 7.1% respectively.

[Draft Rules under Coal Mines \(Special Provisions\) Ordinance, 2014 released \(p. 3\)](#)

The Rules specify details of the allocation, auction, and allotment process for the coal mines that were declared illegal by a Supreme Court judgment, earlier this year.

[High Level Committee on environmental laws submits its Report \(p. 4\)](#)

The Committee has suggested amendments to certain environmental laws including the Wild Life (Protection) Act, 1972, Forest (Conservation) Act, 1980, and Environment (Protection) Act, 1986.

[WTO approves food security agreement and signs Protocol of Amendment on TFA \(p. 4\)](#)

The WTO signed the Protocol of Amendment on the Trade Facilitation Agreement and approved India's agreement with the US of providing farm subsidies indefinitely until a permanent solution to food security is arrived at.

[Parliament passes DSPE\(Amendment\) Bill, 2014 and two labour Bills \(p. 5, 6\)](#)

The Delhi Special Police Establishment (Amendment) Bill, 2014 related to appointment of CBI director, The Labour Laws (Amendment) Bill, 2011 and The Apprentices (Amendment) Bill, 2014 were passed by Parliament.

[IIT Bill, 2014, Central Universities \(Amendment\) Bill, 2014 passed by Lok Sabha \(p. 7\)](#)

The Bills seek to provide four existing Indian Institutes of Information Technology with an independent and statutory status, and to set up a central university in Bihar called the Mahatma Gandhi Central University.

[Bill to modify the list of Scheduled Castes in certain states passed by Lok Sabha \(p. 7\)](#)

The Bill includes certain communities in the list of Scheduled Castes in Kerala, Madhya Pradesh, Odisha, and Tripura. The Bill also removes a community from the list of Scheduled Castes in Sikkim.

[Ministry constitutes All India Council for Technical Education Review Committee \(p. 7\)](#)

The committee will suggest ways of restructuring and strengthening the technical education sector. It is expected to suggest amendments to the AICTE Act, 1987.

[Standing Committee presents report on Delhi High Court \(Amendment\) Bill, 2014 \(p. 6\)](#)

The Committee endorsed the introduction of the amendment Bill which seeks to raise the pecuniary jurisdiction of the Delhi High Court and district courts.

December 1, 2014

Parliament

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Winter session of Parliament begins

The winter session of Parliament began on November 24 and will have 22 sittings until December 23. There are 37 Bills on the agenda, with 17 Bills listed for introduction, 15 Bills for consideration and passing, and 5 Bills for withdrawal.

The Insurance Laws Amendment Bill, 2008, The Real Estate (Regulation and Development) Bill, 2013 and the Indian Institutes of Information Technology Bill, 2014 are amongst those listed for consideration and passing. The Bills listed for introduction, consideration and passage include two Bills which will replace the coal blocks allocation and the textile undertaking ordinances.

Bills to be introduced in Parliament include The Assisted Reproductive Technology (Regulation) Bill, 2014, The Biomedical and Health Research Regulation Bill, 2014 and The Constitution (115th) Amendment Bill, 2014. The Bills to be withdrawn include The Higher Education and Research Bill, 2011 and The Indian Medicine Central Council (Amendment) Bill, 2005.

For more information on the winter session of Parliament, please see [here](#).

Macroeconomic Developments

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Domestic Product grows by 5.3%

India's real Gross Domestic Product (GDP) at factor cost grew at 5.3% in the first quarter (July to September) of 2014-15 over the corresponding period of 2013-14.¹ As can be seen from Table 1, growth in the last quarter (April to June) of 2014-15 was 5.7%. The growth rate of manufacturing was at 0.1%, compared to 3.5% in the last quarter, and growth rates of agriculture and services were at 3.2% and 7.1% respectively.

Table 1: GDP growth

Item	Q2: 2013-14	Q1: 2014-15	Q2: 2014-15
Agriculture	5.0%	3.8%	3.2%
Mining	0.0%	2.1%	1.9%
Manufacturing	1.3%	3.5%	0.1%
Electricity	7.8%	10.2%	8.7%
Construction	4.4%	4.8%	4.6%
Services	6.3%	6.8%	7.1%
GDP	5.2%	5.7%	5.3%

Sources: MOSPI; PRS. Note: Figures in the table are for GDP at factor cost at constant prices.

Retail inflation decreases to 5.5% in October

The Consumer Price Index inflation decreased from 6.5% year-on-year in September to 5.5% in October 2014. This was on account of a fall in food inflation from 7.6% to 5.8%, primarily in cereals, fruits and vegetables.^{2,3} The Wholesale Price Index inflation fell from 2.4% in September to 1.8% in October, driven by a decrease in inflation of food articles, fuel and power, and non-manufactured goods.²

Fiscal deficit at 89.6% of budget estimate by October 2014

In the second quarter (July to September) of financial year 2014-15, the total receipts of the central government are 38.5% of the final budget estimates for the year, lower than 41.3% in the corresponding period in the previous year. Total expenditure has reached 53.6% of the annual target, lower than the 55.4% of last year.⁴

Table 2: Union government accounts as of end of October 2014 (in Rs crore)

Item	BE 2014-15	Up to October 2014	% of BE	COPPY
Total receipts	12,63,715	4,86,337	38.5%	41.3%
Total expenditure	17,94,892	9,62,088	53.6%	55.4%
Fiscal deficit	5,31,177	4,75,751	89.6%	84.4%
Revenue deficit	3,78,348	3,72,634	98.5%	92.9%

Sources: Controller General of Accounts; PRS.

Note: COPPY-corresponding period of previous year, i.e. July to September 2013-14; BE is Budget Estimate.

As of October 2014, the central government has reached 98.5% of its budgeted revenue deficit and 89.6% of its budgeted fiscal deficit for this financial year, higher than in the previous year.

The central government targets to have the fiscal deficit at 4.1% of the GDP in 2014-15.

IIP increases by 2.5% in September 2014

The Index of Industrial Production (IIP) increased by 2.5% in September 2014 (year-on-year), significantly higher than the increase of 0.4% in August 2014.⁵ This was largely due to an increase of 2.5% in manufacturing production (weight 75%) in September.

Energy

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Draft Rules under Coal Mines (Special Provisions) Ordinance, 2014 released

The Ministry of Coal released the draft Coal Mines (Special Provisions) Rules, 2014 for public comments on November 19, 2014.⁶ The Coal Mines (Special Provisions) Ordinance, 2014 was notified on October 21, 2014.

Key features of the Rules include:

- **Authorities:** The Rules specify the appointment, conditions of service, powers and duties of the nominated authority who will be appointed by the central government and manage the overall process of auction and allocation of coal blocks.
- **Allocation process:** The central government shall issue an order to the nominated authority specifying the manner of allocation for Schedule I mines for public auction and for allotment to government companies. It will also specify the specified end-use for Schedule II and III mines and the broad parameters for the auction and allotment process. Schedule I coal mines consist of all 204 coal blocks cancelled by the Supreme Court judgment. Schedule II is a subset of Schedule I and consists of coal blocks where production has started. Schedule III is also a subset of Schedule I and consists of coal blocks earmarked for specific end-use by the government.
- **Auction:** The auction shall be conducted through electronic auction. The tender process shall have two bid stages: technical and financial.
- **Eligibility:** Eligibility to bid shall be dependent on the status of the end-use plant. The company should have spent 80% and 60% of total project cost on the specified end-use plant for Schedule II and Schedule III mines respectively.
- **Allotment:** The nominated authority shall prepare an Allotment Document, which will specify norms for allotment. Some of the norms include: (i) financial and technical details of the applicant, (ii) status of preparedness of the end-use plant, (iii) assessment of current and future requirement of the state. The successful allottee shall be required to provide a performance bank guarantee. The nominated authority may also specify the maximum number of mines that may be allocated.
- **Additional levy:** The additional levy on the coal extracted from Schedule II mines till September 24, 2014 shall be deposited by December 31, 2014. Additional levy for coal extracted after that date shall be deposited by March 31, 2015.

For a detailed summary of the Coal Mines (Special Provisions) Ordinance, 2014, see [here](#).

Comments invited on Draft Mines and Minerals (Development and Regulation) (Amendment) Bill, 2014

The Ministry of Mines released the Draft Mines and Minerals (Development and Regulation) (Amendment) Bill, 2014 on November 21, 2014.^{7,8} The Draft Bill seeks to amend the Mines and Minerals (Development and Regulation) Act, 1957. Public comments on the Draft Bill are invited till December 10, 2014.

The Draft Bill seeks to do the following:

- Define notified minerals to include bulk minerals such as iron-ore, manganese ore, bauxite, and limestone.
- Prescribe auction by competitive bidding for allocation of mining leases for notified minerals. A mining lease is granted for undertaking mining operations.
- For non-notified minerals, grant a combined prospecting license-cum-mining lease through auction by competitive bidding. A prospecting license is granted for exploring, locating or proving mineral deposits.
- Enable transfer of mining lease (for notified minerals) and prospecting license-cum-

mining lease (for non-notified minerals) granted through auction to eligible persons.

- Empower the central government to prescribe the terms and conditions for auctions for both notified and non-notified minerals. It also authorises the central government to revise a state government's orders, or pass orders when a state government fails to do so within the prescribed timeline.
- Increase the maximum area allowed to a person: (i) from 25 sq km to 500 sq km. for prospecting license, and (ii) from 10 sq km to 100 sq km for mining lease.
- Set up a District Mineral Foundation in every district affected by mining to help people affected by mining operations.
- Make illegal mining of notified minerals punishable with up to five years imprisonment and/or fine up to Rs five lakh.

Environment

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High Level Committee submits Report on six environmental laws

The Ministry of Environment, Forests and Climate Change constituted a High Level Committee (Chair: Mr. T.S.R. Subramanian) in August 2014 to review six environmental laws and suggest amendments to them.⁹

The Committee was to review the following laws: (i) Indian Forests Act, 1927, (ii) Wild Life (Protection) Act, 1972 (iii) Water (Prevention and Control of Pollution) Act, 1974, (iv) Forest (Conservation) Act, 1980, (v) Air (Prevention and Control of Pollution) Act, 1981, (vi) Environment (Protection) Act, 1986.¹⁰

For a brief description of each of these Acts, please see the Monthly Policy Review for September 2014, [here](#).

The Committee submitted its Report on November 18, 2014.¹¹ The Report of the Committee has not been placed in the public domain as yet. According to news reports, key recommendations of the Committee relate to:¹²

- Formulating an overarching law to regulate environmental clearances.
- Creating a National Environmental Management Authority at the central level,

and State Environmental Management Authorities at the state level.

- Creating an appellate court for those industries aggrieved by penalties and the appraisal process.
- Revising the compensatory afforestation policy to provide for 2:1 afforestation in revenue areas, and 3:1 afforestation in degraded forest areas as against the current policy of 1:1 afforestation.

Trade

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WTO approves India-US agreement on food security

The WTO adopted the Agreement that aims to ease the movement of goods between member countries; thereby reducing transaction costs¹³ Member countries are now free to accept the Agreement.

The General Council approved the peace clause that will enable India to continue providing farm subsidies indefinitely, and set a deadline to complete the Bali Package. Details of the events that transpired over the last year are given below:

December 2013

The Trade Facilitation Agreement was to be added to the WTO Agreement at the Ninth WTO Ministerial Conference. An interim solution on the food grains stockholding issue was agreed upon at the conference. The WTO sets a limit on the support that governments can provide to farmers, at 10% of the total value of production of food grains. Developing members, like India, with large populations that need to be ensured food security, would be protected from being challenged in WTO on grounds of exceeding the 10% limit.

July 2014

At the WTO meeting, India did not support the adoption of the Protocol of Amendment for the Agreement. It held that the adoption of the protocol must be postponed until a permanent solution on food security is reached, since they are both part of the Bali decisions from December 2013.¹⁴ The General Council could not find a solution and was declared closed without adopting the Agreement protocol.

November 2014

India and the US reached an agreement on subsidies resulting from the public stockholding of food grains on November 13, 2014.¹⁵ The India-US agreement implied that the US supported India's demand of being allowed to give subsidies to its farmers indefinitely, without breaching WTO's limit.¹⁶

The peace clause can be used by India if it can meet the following conditions:

- To ensure that the public stockholding programme does not distort global trade and similar programmes by other countries.
- To notify the WTO if it has crossed or is likely to cross the limit on subsidies provided to farmers.
- New food stockholding programmes that may be launched in the future will have to abide by the 10% limit set by the WTO.¹⁷

The peace clause was approved by the WTO.

Labour

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Parliament passes Labour Laws (Exemptions from Returns) Bill, 2011

The Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Amendment and Miscellaneous Provisions Bill, 2011 was passed by Rajya Sabha on November 25, 2014 and by the Lok Sabha on November 28, 2014.

The Bill seeks to amend to the Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by certain Establishments) Act, 1988.

The Bill was earlier introduced in Rajya Sabha on March 23, 2011.¹⁸ It was referred to the Standing Committee on Labour, which submitted its report on December 20, 2011.

The government circulated following amendments to the Bill on August 7, 2014, accepting some of the Standing Committee recommendations¹⁹. The Rajya Sabha passed the Bill on November 25, 2014 with the following changes.

- **Nomenclature:** The name of the Act will be changed to 'The Labour Laws (Simplification of Procedure for Furnishing

Returns and Maintaining Registers by certain Establishments) Act, 1988".

- **Electronic maintenance and furnishing of records:** Small and very small establishments will be allowed to maintain and furnish records/returns either in electronic or physical form.
- **Annual return:** An annexure for providing the names and addresses of the employees/workers will be added to the annual return form. The date of submission of annual returns will be changed to April 31 of every year versus from January 31 as specified in the Bill.

For more information on the Bill, please refer to the PRS Bill page [here](#).

Parliament passes Apprentices (Amendment) Bill, 2014

The Apprentices (Amendment) Bill, 2014 was passed in Rajya Sabha on November 26, 2014 without amendments. It had earlier been passed by Lok Sabha on August 14, 2014.

The Bill proposes to amend the Apprentices Act, 1961. The Act regulates the training of apprentices in the industry.

The Bill amends the definition of appropriate government so that any establishment which is operating in four or more states will be regulated by the central government. It also permits the central government to prescribe the number of apprentices to be engaged by an employer for designated and optional trades.

For more information on the Bill, please refer to the PRS Bill page [here](#).

Law and Justice

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Parliament passes Delhi Special Police Establishment (Amendment) Bill, 2014

The Delhi Special Police Establishment (Amendment) Bill, 2014 was passed by Lok Sabha on November 26, 2014 and by Rajya Sabha on November 27, 2014. The Bill was introduced on November 25, 2014.²⁰

The Bill amends the Delhi Special Police Establishment Act, 1946. The Act constitutes a special police force to be called the Delhi Special

Police Establishment (also known as the Central Bureau of Investigation or CBI). The Bill makes the following two amendments:

- **Composition of the Committee:** The Act provides for a three member committee to make recommendations to the central government for appointment of the Director of the CBI. The Committee comprises the Prime Minister (Chairperson), the Chief Justice of India or a Supreme Court judge nominated by him, and the Leader of Opposition in the Lok Sabha. The Bill amends this provision in relation to the Leader of Opposition. It states that where there is no Leader of Opposition, the Leader of the single largest Opposition Party in that House would be part of the committee.
- **Vacancy Committee:** The Bill introduces a provision that states that the appointment of a Director would not be invalid on the grounds of any vacancy or absence of a member of the Committee.

Standing Committee Report on the Delhi High Court (Amendment) Bill, 2014 presented to Rajya Sabha

The Standing Committee on Personnel, Public Grievances, Law and Justice presented its report on the Delhi High Court (Amendment) Bill, 2014 on November 28, 2014.²¹

The Bill seeks to amend the Delhi High Court Act, 1966 and the Punjab Courts Act, 1918 to raise the original pecuniary jurisdiction of the Delhi High Court and 11 district courts in the National Capital Territory of Delhi from Rs 20 lakh to Rs 2 crore.

The Committee endorsed the enhancement of pecuniary jurisdiction of the Delhi High Court and district courts. It further observed that there is a need to bring in uniformity in the pecuniary jurisdiction of High Courts across the country.

It observed that following such amendments, around 12,211 cases which are pending in the High Court of Delhi would be distributed amongst eleven district courts. This would facilitate speedier disposal of cases.

Law Commission submits third and fourth interim Reports on obsolete laws that warrant immediate repeal

The Law Commission submitted its third and fourth interim Reports on ‘Obsolete Laws:

Warranting Immediate Repeal’ to the Law Ministry on October 29²² and November 14, 2014 respectively.²³ Earlier, it had submitted its first Report on September 12, 2014 and second Report on October 13, 2014.

For the purposes of the third interim Report, the Law Commission examined 158 laws, and recommended the repeal of 73 laws in entirety. Of those recommended for repeal, 11 were pre independence Acts, and 20 pre dated the Constitution.

The Report also contains a note on the Mica Mines labour Welfare Fund Act, 1946. It recommended that the central government review the functioning of the Mica Mines Welfare Fund and other legislation related to welfare funds.

In its fourth interim Report, the Law Commission examined 54 laws, of which 30 were recommended for complete repeal. Of these, one was a pre independence law, while two laws pre date the Constitution. Several laws recommended for repeal are no longer relevant, following the process of nationalisation. These include the Indian Copper Corporation (Acquisition of Undertaking) Act, 1972, Esso (Acquisition of Undertakings in India) Act, 1974, Indian Iron and Steel Company (Acquisition of Shares) Act, 1976 and Burmah Shell (Acquisition of Undertakings in India) Act, 1976.

Education

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The Indian Institutes of Information Technology Bill passed by Lok Sabha

The Indian Institutes of Information Technology (IIIT) Bill, 2014 was passed by the Lok Sabha on November 26, 2014.²⁴

The Bill seeks to provide four existing IIITs an independent statutory status. These are situated in Uttar Pradesh, Tamil Nadu and two in Madhya Pradesh. It proposes to declare them as institutes of national importance, to enable them to grant degrees to their students.

For a PRS summary of the Bill, please see [here](#).

The Central Universities (Amendment) Bill passed by Lok Sabha

The Central Universities (Amendment) Bill, 2014 was passed by the Lok Sabha on November 26, 2014.²⁵

The Bill proposes to amend the Central Universities Act, 2009 by setting up a central university in Bihar, in addition to the existing one.

The existing Central University of Bihar will be renamed Central University of South Bihar. The new university will be called Mahatma Gandhi Central University.

For a PRS summary of the Bill, please see [here](#).

All India Council for Technical Education Review Committee constituted

The Ministry of Human Resource Development constituted a committee to review the All India Council for Technical Education (AICTE) on October 22, 2014. The Committee has been set up to prepare a roadmap to restructure and strengthen the technical education sector.²⁶

The Committee is expected to suggest amendments to the AICTE Act, 1987 and ways to address other challenges in the sector. Some of these other issues include, (i) evaluating the performance of AICTE (ii) determining the balance between its regulatory function and that of disbursement of grants, (iii) setting up an accreditation system for technical education, (iv) methods of enhancing the quality of technical education, and (v) measures for streamlining the vocationalisation of technical education, etc.

The Committee will be chaired by a former secretary of the Ministry. Members will include the Vice-Chancellor of the Gujarat Technological University, the Director of IIT Hyderabad and a member from IIT Chennai. It is expected to submit its report within six months of being constituted.

In this context, the Cabinet recently gave its approval to withdraw the Higher Education and Research Bill, 2011 pending in the Rajya Sabha, on September 24, 2014.^{27, 28} The Bill seeks to establish a common regulator for higher education and research; the National Commission for Higher Education and Research (NCHER). It replaces the University Grants Commission, AICTE and the National Council for Teacher Education with the NCHER for streamlining maintenance of standards, etc.

Sector Skills Council (Education) set up

The Ministry of Human Resource Development set up the Sector Skills Council (Education) on October 15, 2014.²⁹ The Council mainly aims to do the following:

- Set up a Labour Market Information System to assist in planning and delivery of training;
- Identify skill development needs and prepare a catalogue of skill types;
- Develop a skill development plan and maintain a skills inventory; and
- Develop skill competency standards and qualifications.

The National Skill Development Corporation will provide the Council with assistance to prepare a plan proposal, along the guidelines specified above.

The composition of the Council's governing council has also been specified. The chairman shall be nominated by the Ministry and some of the members include the chairmen of the All India Council for Technical Education, University Grants Commission, National Council of Educational Research and Training and Vice-Chancellors of central universities.

Social Justice

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The Constitution (Scheduled Castes) Orders (Amendment) Bill, 2014 passed by Lok Sabha

The Constitution (Scheduled Castes) Orders (Amendment) Bill, 2014 was passed by Lok Sabha on November 28, 2014.³⁰ It is now pending in the Rajya Sabha. It was introduced in the Lok Sabha in August 2014.

The Bill seeks to amend the Constitution (Scheduled Castes) Order, 1950 and the Constitution (Sikkim) Scheduled Castes Order, 1978 to modify the list of Scheduled Castes in certain states.

The Bill includes the following communities in the list of Scheduled Castes:

- Kerala: Pulluvan, Thachar (other than 'Carpenter')
- Madhya Pradesh: Dahiya

- Odisha: Amata, Amath, Bajia, Jaggili, Jagli, Buna Pano
- Tripura: Chamar-Rohidas, Chamar-Ravidas, Dhobi, Jhalo-Malo

The Bill removes the Majhi (Nepali) community from the list of Scheduled Castes in Sikkim.

For a PRS Summary of the Bill, please see [here](#).

Transport

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Cabinet approves amendments to the Merchant Shipping (Amendment) Bill, 2013 and Merchant Shipping (Second Amendment) Bill, 2013

The Cabinet approved amendments to the Merchant Shipping (Amendment) Bill, 2013 and the Merchant Shipping (Second Amendment) Bill, 2013 on November 5, 2014.^{31, 32} The government press release states that the amendments incorporate the recommendations of the Standing Committee that examined the Bill. The details of the amendments approved by the cabinet are not available in the public domain.

The Merchant Shipping (Amendment) Bill, 2013

The Merchant Shipping (Amendment) Bill, 2013 Bill seeks to amend the Merchant Shipping Act, 1958, to ensure compliance with the International Convention for the Control of Harmful Anti-Fouling Systems (AFS) on Ships, 2001 of the International Maritime Organization.

The AFS Convention aims to protect the environment and human health from adverse effects of anti-fouling systems used in ships. By acceding to the AFS Convention, Indian ships with gross tonnage of 400 or more shall be required to obtain an International Anti-Fouling Certificate from the Directorate General of Shipping (DGS) to undertake an international voyage. This will enable them to engage in international shipping activities without contacting other governments, who have ratified the convention, for such certificates.

The Standing Committee examining the Bill had recommended that adequate safeguards be built into the system to prevent misuse of the provisions related to inspection, control and detention of ships. The Committee also felt that

the paint approval and certification mechanism envisaged in the Bill is weak and had recommended that the Bill provide for making rules in this regard.

The Merchant Shipping (Second Amendment) Bill, 2013

The Merchant Shipping (Second Amendment) Bill, 2013 seeks to amend the Merchant Shipping Act, 1958, to bring it in conformity with the International Labour Organisation's Maritime Labour (ML) Convention, 2006.

The ML Convention lays down standards for the living and working conditions of seafarers, including their food, accommodation, medical care, social security, and recruitment. About 1.25 lakh Indian sea farers will benefit from the ratification of the ML Convention.

The Standing Committee examining the Bill had recommended that trade unions should be recognised as important stakeholders in decisions regarding payment, leave, compensation, etc., to the seafarers. The Committee desired that the benefits from the adoption of the Convention reach the maximum number of seafarers, including those working on ships with gross tonnage below 500.

For details on the Merchant Shipping (Amendment) Bill, 2013 and the Merchant Shipping (Second Amendment) Bill, 2013, see [here](#) and [here](#).

Draft Civil Aviation Policy released

The Ministry of Civil Aviation put up a draft Civil Aviation Policy on November 10, 2014.³³ Comments on the draft are invited by December 1, 2014.

Key features of the policy include:

- **Airport development:** This includes (i) designing airports as integrated multi-modal hubs which involves connectivity for other modes of transport such as rail, metro, bus, etc., (ii) developing the six metropolitan airports of Delhi, Mumbai, Chennai, Kolkata, Bengaluru and Hyderabad as major international hubs as well as cargo hubs, and (iii) developing more airports in the Public Private Partnership mode.
- **Aviation Turbine Fuel:** Rationalizing the rate of taxes in order to reduce the cost of Aviation Turbine Fuel.

- **Institutional reforms:** These include (i) constituting an Expert Committee to develop a future road map for civil aviation in India, (ii) converting Airports Authority of India into a commercial company and listing it in the stock exchanges, and (iii) listing Pawan Hans Ltd. in the stock exchanges.
- **Regional connectivity:** This includes (i) reviewing Route Dispersal Guidelines to improve regional connectivity by using small aircrafts, and (ii) reviewing the 5/20 guidelines to encourage entry of new carriers.
- **Maintenance, Repair and Overhaul facilities:** Encouraging and attracting investment for developing maintenance and repair facilities by providing land, infrastructure and other incentives for taxes and duties.

Draft concept note on Sagar Mala Project released for comments

The Ministry of Shipping has put up a working draft note on ‘Sagar Mala Project’ on October 28, 2014.³⁴ The project seeks to improve economic development in the country through port led development. The project would bring development of all ports, connectivity through waterways and economic development of coastal regions under the ambit of a single project.

Key components of the project include:

- **Port modernization:** This includes (i) transforming existing ports into world class ports by modernization of port infrastructure and existing systems, and (ii) enhancing the capability of Port Community System.
- **Efficient evacuation systems:** These include (i) incentivising freight transport through coastal mode, and (ii) setting up a coastal shipping promotion fund for the development of coastal shipping.
- **Coastal economic development:** Encouraging economic activity in coastal regions by development of coastal economic regions and promotion of coastal tourism.

Achievement of the above components will be driven by two broad initiatives: (i) development of coastal economic regions, and (ii) policies to promote coastal shipping and operations in ports.

For the institutional framework, a Sagar Mala Company will be established at the national level and will be chaired by the Secretary (Ministry of Shipping). To develop each coastal economic

region, a Special Purpose Vehicle would be formed with equity participation from the concerned state government and the Sagar Mala Company.

¹ “Estimates of Gross Domestic Product for the Second Quarter (July to September) of 2014-15”, Ministry of Statistics and Programme Implementation, PIB Release, November 28, 2014.

² “Index Numbers of Wholesale Price in India (BASE: 2004-05=100), Review for the Month of October, 2014”, Press Information Bureau, Ministry of Commerce and Industry, November 14, 2014.

³ “Consumer Price Index Numbers on Base 2010=100 for Rural, Urban and Combined for the Month of October, 2014”, Press Information Bureau, Ministry of Statistics and Programme Implementation, November 12, 2014.

⁴ Monthly Union Government Accounts as on October 2014-15, Controller General of Accounts, November 28, 2014, <http://www.cga.nic.in/forms/List.aspx?Lid=3135&id=22>.

⁵ “Quick Estimates of Index of Industrial Production and Use-Based Index for the Month of September, 2014 (BASE: 2004-05=100)”, Press Information Bureau, Ministry of Statistics and Programme Implementation, November 12, 2014.

⁶ “Draft for Public Consultation: The Coal Mines (Special Provisions) Rules, 2014”, Ministry of Coal, November 19, 2014, <http://www.coal.nic.in/drafrules191114.pdf>.

⁷ “Notice inviting comments/suggestions on MMDR (Amendment) Bill, 2014”, Ministry of Mines, November 21, 2014, <http://mines.nic.in/writereaddata/Contentlinks/0168e9bca75a45bab373c3958f25f77a.pdf>.

⁸ “Mines and Minerals (Development and Regulation) (Amendment) Bill, 2014”, Ministry of Mines, November 21, 2014, <http://mines.gov.in/writereaddata%5CContentlinks%5C339d181935cf425094eb82d1f626fc93.pdf>.

⁹ No. 22-15/2014-IA.III, Ministry of Environment, Forests and Climate Change, August 29, 2014, <http://envfor.nic.in/sites/default/files/OM-dtd-25.08.14.pdf>.

¹⁰ Website of Ministry of Environment and Forests, <http://www.moef.nic.in/content/comments-invited-suggestionscomments-are-invited-high-level-committee-hlc-review-various-env>, visited November 20, 2014.

¹¹ “TSR Subramanian Committee Submits Report to Shri Prakash Javadekar”, Press Information Bureau, Ministry of Environment and Forests, November 18, 2014.

¹² “TSR Subramanian panel bats for new green norms”, Economic Times, November 24, 2014, “Faster clearance, tougher penalty is new thrust in environment law”, Indian Express, November 24, 2014.

¹³ “Statement by DG Azevedo, General Council, 27 November 2014, World Trade Organization, http://www.wto.org/english/news_e/news14_e/gc_rpt_27nov14_e.htm.

¹⁴ “Statement by Nirmala Sitaraman in Lok Sabha Regarding ‘India’s Stand in the WTO’, Ministry of Commerce and Industry, Press Information Bureau, August 5, 2014.

¹⁵ “Statement on WTO made by Commerce & Industry Minister”, Press Information Bureau, Ministry of Commerce and Industry, November 13, 2014.

¹⁶ “Explained: Understanding the permanent solution at WTO”, Indian Express, November 17, 2014: <http://indianexpress.com/article/india/india-others/understanding-the-permanent-solution-at-wto/>.

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