

# Monthly Policy Review

June 2016

---

## Highlights of this Issue

### [Cabinet approves recommendations of the Seventh Central Pay Commission \(p. 2\)](#)

The Commission proposed an overall increase of 24% in the pay, allowances and pensions of central government employees. It also proposed a new methodology to calculate pensions for existing pensioners.

### [Model GST Law released by the Ministry of Finance \(p. 3\)](#)

The draft law allows the centre and states to levy the Goods and Services Tax. It requires every business to register in order to receive a unique identity number, used to file returns.

### [Ministry of Finance brings the Monetary Policy Committee in force \(p. 2\)](#)

The Committee will be set up under the Reserve Bank of India (RBI) Act, 1934. It will consist of members from the RBI and the central government, and will determine the policy rate required to meet inflation targets.

### [Enemy Property \(Amendment\) Third Ordinance re-promulgated \(p. 5\)](#)

Two similar Ordinances promulgated in January and April 2016 have lapsed. The latest ordinance also provides that the Custodian of Enemy Property will have all rights, titles and interests in enemy property.

### [National Companies Law Tribunal and Appellate Tribunal constituted \(p. 6\)](#)

The National Companies Law Tribunal and National Companies Appellate Tribunal have been constituted under the Companies Act, 2013. They replace the Companies Law Board constituted under the Companies Act, 1956.

### [CCEA approves Minimum Support Prices for Kharif crops for 2016-17 \(p. 12\)](#)

The MSPs of pulses had the highest increase in MSPs over 2015-16, of between 7% and 9%. The MSP of paddy increased by 4.3% over 2015-16. Bonuses were declared for pulses and oilseeds.

### [Ministry of Civil Aviation releases the National Civil Aviation Policy \(p. 6\)](#)

The Policy seeks to enable 30 crore domestic ticketing by 2022. The 5/20 Rule has been modified to allow airlines to fly internationally if they deploy 20 aircraft, or 20% of their capacity, whichever is higher, domestically.

### [Expert Committee submits report on certification of films by the CBFC \(p. 9\)](#)

The Committee recommended that the Central Board of Film Certification should restrict its role to certification of films and not suggest edits to films. The Committee also defined the functions that the Board should carry out.

### [Three Draft Bills related to water resources, health, shipping sectors released \(p. 10, 11, 7\)](#)

These Bills are the draft National Water Framework Bill, 2016, draft Indian Medicine Central Council (Amendment) Bill, and draft Central Port Authorities Bill, 2016.

### [Standing Committee submits reports on hydro power and power exchanges \(p. 13, 14\)](#)

Key recommendations of the Committee include revising the present hydro policy and creating guidelines to ensure healthy competition in the power market.

---

July 1, 2016

## Macroeconomic Development

Tanvi Deshpande ([tanvi@prsindia.org](mailto:tanvi@prsindia.org))

### Monetary Policy Committee comes into force

The Ministry of Finance notified the provisions which allow for the constitution of a Monetary Policy Committee (MPC).<sup>1</sup> A provision to set up the Committee was passed as an amendment to the Reserve Bank of India (RBI) Act, 1934 in the Finance Act, 2016. The MPC will consist of six members, of which three members will be from the RBI, and three members will be appointed by the central government. It will be headed by the Governor of the RBI.

The inflation target is set every five years by the central government and the RBI. The MPC will determine the policy rate required to achieve this target. The inflation target will be a fixed number with upper and lower error margins. The Finance Ministry notified rules regarding the MPC on June 27, 2016, stating the factors which would constitute as failure to meet the inflation targets:<sup>2</sup>

- The average inflation being more than the upper level of the inflation target (target plus the upper margin of error) for three consecutive financial quarters, or
- The average inflation being less than the lower level of the inflation target (target minus the lower margin of error) for any three consecutive financial quarters.

The rules also state that members of the MPC who are appointed by the central government will not be permitted to have financial or other interests which may adversely affect their functions, for the duration of their term.

### CAD shrinks to USD 0.3 billion in fourth quarter of 2015-16

India's current account deficit (CAD) decreased from USD 7.1 billion (1.3% of GDP) in the third quarter of 2015-16 to USD 0.3 billion (0.1% of GDP) in the fourth quarter of 2015-16.<sup>3</sup> CAD in the corresponding quarter of last year, i.e. the fourth quarter of 2014-15 was USD 0.7 billion (0.1% of GDP).

The decrease in CAD was mainly due to a decrease in the trade deficit (difference between exports and imports) in the country as compared to last year. India's trade deficit reduced from USD 31.6 billion in the fourth quarter of 2014-

15 to USD 24.8 billion in the fourth quarter of 2015-16. The CAD of the entire year (April 2015 to March 2016) was USD 22.1 billion, lower than USD 26.8 billion in 2014-15.

**Table 1: Balance of Payments in 2015-16 (in USD billion)**

	Q1	Q2	Q3	Q4
Current Account Deficit	-6.1	-8.5	-7.1	-0.3
Capital Account	18.6	9.8	10.9	3.5
Errors and Omissions	-1.1	-0.4	0.3	0.2
Net increase in reserves	11.4	0.9	4.1	3.3

Sources: Reserve Bank of India; PRS.

### Policy repo rate kept unchanged at 6.5%

The Reserve Bank of India (RBI) released its second Bi-Monthly Monetary Policy Statement of 2016-17 on June 7, 2016.<sup>4</sup> The policy repo rate (at which RBI lends money to commercial banks) was kept unchanged at 6.5%. It had been reduced from 6.75% to 6.5% in April 2016. Other decisions of the RBI include:

- The reverse repo rate (at which RBI borrows money from commercial banks) is unchanged at 6%.
- The marginal standing facility rate (under which scheduled commercial banks can borrow additional money) and bank rate (at which RBI buys or rediscounts bills of exchange) is unchanged at 7%.
- The cash reserve ratio has been kept unchanged at 4% of the Net Demand and Time Liabilities (which typically consist of all current, savings and time deposits).

## Finance

### Cabinet approves recommendations of the Seventh Central Pay Commission

Vatsal Khullar ([vatsal@prsindia.org](mailto:vatsal@prsindia.org))

The Union Cabinet approved the recommendations of the Seventh Central Pay Commission, on June 29, 2016.<sup>5</sup> The recommendations include an overall increase of 23.55% in the expenditure on pay, allowances and pensions of central government employees, in November 2015. They will be implemented with effect from January 1, 2016.

Key recommendations of the Commission were:

- **Pay:** The overall government expenditure is expected to increase by 16% on basic pay, 63% on allowances and 24% on pension. The net increase in remuneration will be 23.55%. The rate of annual increment for employees has been retained at 3%.
- **Allowances:** Out of the 196 allowances that may be given to employees by various departments, 52 have been abolished and 36 have either been merged under existing heads, or been made a part of proposed new allowances. A risk and hardship matrix has been formulated, to determine the allowances for employees, based on the degree of risk or hardship faced by them.
- With a proposed increase in basic pay, a recalibration of the House Rent Allowance (HRA) rate has been proposed. An increase in the Dearness Allowance (DA) beyond 50% and 100% will raise the HRA rate.

**Table 2: HRA Rates as % of basic pay**

Population of City	Present	Proposed	DA above	
			50%	100%
Above 50 lakh	30%	24%	27%	30%
5 lakh to 50 lakh	20%	16%	18%	20%
Below 5 lakh	10%	8%	9%	10%

Sources: Seventh Pay Commission Report; PRS.

- An increase in the ceiling of gratuity from Rs 10 lakh to Rs 20 lakh has been proposed. The ceiling will be raised by 25%, every time the DA goes up by 50%.
- **Pension:** A new methodology for the computation of pension, for pensioners who have retired before January 1, 2016 has been proposed. Two methods for calculation of pension have been prescribed, and the pensioner may opt for either one.
- **Other recommendations:** Performance related pay (PRP) for all employees has been proposed. This will be based on a Result Framework Document and an Annual Performance Appraisal Report of the employee. Further, a merger of existing bonus schemes with the PRP was suggested.

For more information on recommendations of the Pay Commission, please see [here](#) and [here](#).

## Model Goods and Services Tax Law released

Aravind Gayam ([aravind@prsindia.org](mailto:aravind@prsindia.org))

The Ministry of Finance released a model Goods and Services Tax (GST) Law in June 2016.<sup>6</sup> The Constitution (122nd Amendment) Bill gives Parliament and states concurrent powers to make laws to impose GST. GST subsumes several indirect taxes including sales tax, service tax and excise duty. The model law provides for the levy of: (i) the Central Goods and Services Tax (CGST) and Integrated Goods and Services Tax (IGST) by the centre, and (ii) State Goods and Services Tax (SGST) by the states.

Key features of the model law include:

- **Applicability:** The law states that GST will be levied on supply of good and services including sale, trade, exchange, rental, lease, or any other actions for which a payment has been made to further one's business. This includes businesses which operate electronically (e-commerce).
- **Taxable person:** A person who is carrying out any business, except: (i) an agriculturist, or (ii) whose annual turnover is less than Rs 10 lakh, or (iii) whose annual turnover is less than Rs 5 lakh and the business is conducted in North-eastern states including Sikkim.
- **Exemptions:** The GST Council (created by the Constitution 122nd Amendment Bill) may make recommendations to central and state governments to exempt certain goods and services from the levy of GST in public interest, or under exceptional circumstances.
- **Tax liability:** A person becomes liable to pay GST at the time of supply of goods and services to a recipient.
- **Tax Rates:** The model law does not presently specify the tax rates. These rates will be specified in a Schedule to the law at a later date.
- **Registration:** Every person for whom the Law is applicable needs to register and shall obtain a unique identification number to file returns and accept returns.
- **Input tax credit:** The model law permits a person to claim credit on taxes paid on the inputs used to supply goods and services. The law also provides exemptions to certain goods and services for which an input tax

credit shall not be available. These include: (i) goods and services supplied for personal use, and (ii) goods or services acquired in relation to a contract to build immovable properties (other than plant and machinery). Input tax credit on account of CGST or SGST cannot be used towards payment of the other.

- **Filing of returns, payments and refunds:** Every business is required to file tax returns electronically on a monthly basis, before the 10<sup>th</sup> day of the succeeding month. Payments and refund of tax returns are to be processed electronically.
- **Penalties:** Persons violating provisions of the Model law will be subject to fine and imprisonment of one year to five years.

### RBI introduces scheme for structuring of stressed assets

*Vatsal Khullar (vatsal@prsindia.org)*

The Reserve Bank of India (RBI) introduced a ‘Scheme for Sustainable Structuring of Stressed Assets’ on June 13, 2016.<sup>7</sup> Stressed assets refer to loans, (i) where the borrower has stopped making repayments or (ii) which have been restructured (such as by changing their repayment schedule). The scheme will allow lenders to convert a part of the outstanding amount owed to them, into shares (i.e. debt to equity conversion).

An account will be eligible for the scheme where, (i) the project for which the loan was obtained has commenced operations, (ii) the total outstanding amount of all lenders is more than Rs 500 crore, and (iii) the borrower is in a position to repay more than 50% of the debt within the existing repayment schedule.

For the debt to equity conversion, the lenders would be required to draft a resolution plan. The plan would involve segregating the debt of the borrower into two parts, i.e. Part A and Part B. Part A would consist of the debt which the borrower can repay with its existing cash flows, or with additional funds that may be sanctioned within the next six months.

Part B, which will consist of the remaining debt, would be converted into equity or preference shares of the company. The lenders may also choose to convert a portion of the debt into debentures, subject to some conditions.

The resolution plan will have to be agreed upon by a majority of the lenders, after which it will be sent to an overseeing committee for final approval. This committee would be appointed by the Indian Banks’ Association, in consultation with the RBI.

### Cabinet approves creation of Fund for start-ups

*Vatsal Khullar (vatsal@prsindia.org)*

The Union Cabinet approved the creation of a Fund of Funds for start-ups on June 22, 2016.<sup>8</sup> The creation of the Fund was announced in the Start-up India Action Plan, which was released in January 2016. The Fund is expected to address the challenges faced by start-ups in obtaining funds from domestic investors.

The Fund would be established under the Small Industries Development Bank of India. It would be utilised to make contributions to investment funds, which extend financial support to start-ups. The Fund is expected to build a corpus of Rs 10,000 crore over the next nine years. Towards this, Rs 500 crore has been allocated for the Fund for 2015-16 and Rs 600 crore for 2016-17.

The Department of Industrial Policy and Promotion will monitor the performance of the Fund, in line with the Start-up India Action Plan. The Fund is expected to catalyse investments worth Rs 60,000 crore into start-up enterprises and generate employment for 18 lakh people.

For more information on the Start-up India Action Plan, please see the PRS Monthly Policy Review for January 2016 [here](#).

### RBI releases vision document for the payments and settlements systems

The Reserve Bank of India (RBI) released the Vision 2018 document for the Payments and Settlement Systems in India on June 23, 2016.<sup>9</sup> The vision document aims to encourage the use of electronic payments to move towards a society with a lower use of cash. Payment and settlement systems are used to settle financial transactions (such as clearing cheques). The vision is expected to result in an increase in customers using mobile banking and accelerated use of Aadhaar for payments, among other areas.

The vision document is framed around the following aspects: (i) wider coverage of electronic payment services, (ii) making the

products and processes easier to use, (iii) promoting consumer protection, (iv) ensuring interoperability between service providers, and (v) making services cost effective.

Key areas of focus under the document are:

- **Regulation:** The RBI would frame a new policy for the regulation of payment gateway service providers and review the guidelines for mobile banking services.
- **Infrastructure:** Includes increased frequency of clearing electronic transfers of funds, and interoperability of systems for services such as toll collection and payments for mass transport systems (such as buses).
- **Supervision:** Includes designing a framework for oversight and improving the monitoring mechanisms for fraud.
- **Consumers:** Includes strengthening the customer grievance redressal mechanism and improving awareness.

## Home Affairs

Anviti Chaturvedi ([anviti@prsindia.org](mailto:anviti@prsindia.org))

### Enemy Property (Amendment) Third Ordinance, 2016 promulgated

The Enemy Property (Amendment and Validation) Third Ordinance, 2016 was promulgated on May 31, 2016.<sup>10</sup> It amends the Enemy Property Act, 1968. Previously, two similar Ordinances had been promulgated in January 2016 and April 2016 amending the 1968 Act. This Ordinance replaces the Ordinance promulgated in April, that was scheduled to lapse in June 2016.

The central government had designated some properties belonging to nationals of Pakistan and China as ‘enemy properties’ during the 1962, 1965 and 1971 conflicts. It vested these properties in the ‘Custodian of Enemy Property’, an office under the central government. The 1968 Act regulates these enemy properties.

Key features of the Ordinance include:

- **Retrospective application:** The Ordinance is deemed to have come into force on January 7, 2016, the date of promulgation of the first Ordinance. However, several of its provisions will be deemed to have come into

effect from the date of commencement of the 1968 Act.

- **Vesting of property:** The 1968 Act allowed for vesting of enemy properties with the Custodian, after the conflicts with Pakistan and China. The Ordinance amends the Act to clarify that even in the following cases these properties will continue to vest with the Custodian: (i) the enemy’s death, (ii) if the legal heir is an Indian, etc. It also adds a provision to state that ‘vesting’ will mean that all rights and titles in such property will be with the Custodian.
- **Jurisdiction of courts:** The Ordinance bars civil courts and other authorities from entertaining disputes against enemy property. However, it allows a person aggrieved by an order of the central government to appeal to the High Court, regarding whether a property is enemy property. Such an appeal will have to be filed within 60 days (extendable up to 120 days). The previous two Ordinances did not have a similar provision permitting appeal to the High Court.

Currently, a similar Bill is pending in Rajya Sabha, on which a Select Committee submitted its report last month.<sup>11</sup> The Committee recommended that the Bill be adopted, but six members out of the 23 members dissented with this decision.

For a PRS Analysis of the Bill and the Select Committee recommendations, please see [here](#).

### National Disaster Management Plan released by the government

Prime Minister Narendra Modi released the National Disaster Management Plan prepared by the National Disaster Management Authority (NDMA) on June 1, 2016.<sup>12</sup> The Plan provides a framework for disaster mitigation, preparedness, response and reconstruction.<sup>13</sup>

The National Disaster Management Act, 2005 mandated that a National Plan must be prepared providing measures to be taken for disaster management, and roles of various ministries.<sup>14</sup>

Recognising the need to minimise ambiguity in responsibilities of various central agencies (such as Ministry of Home Affairs, other central ministries and NDMA), the National Plan specifies who will be responsible for what actions during different phases of disaster management. For example, it specifies the nodal

ministries for: different disasters (eg. Ministry of Earth Sciences for earthquakes, and Ministry of Water Resources for floods).

Further, it clarifies the role of state government and district administrations in disaster management. It provides that state governments (along with district administrations) will carry out disaster management, with the central government playing a supporting role.

It also: (i) maps the vulnerability of the country to various kinds of disasters, (ii) lays down measures that must be taken by central and state governments for disaster risk reduction, capacity building, inter-agency coordination, and disaster response (including early warning, information dissemination, evacuation, rescue), and (iii) outlines the financial arrangements in place for disaster management.

The Plan seeks to give effect to the Sendai Framework for Disaster Risk Reduction 2015-30 adopted by the United Nations in 2015. The Sendai Framework aims to minimise risks associated with disasters, and reduce loss of lives, livelihoods and assets.<sup>15</sup>

## Corporate Affairs

*Aravind Gayam (aravind@prsindia.org)*

### National Company Law Tribunal and National Company Law Appellate Tribunal constituted

The Ministry of Corporate Affairs constituted the National Company Law Tribunal (NCLT) (President: Justice M. M. Kumar) and the National Company Law Appellate Tribunal (NCLAT) (Chair: Justice S. J. Mukhopadhyaya) on June 1, 2016.<sup>16,17</sup> The Companies Law Board, set up under the Companies Act, 1956, has been dissolved.

The NCLT and the NCLAT have been created under the Companies Act, 2013. In 2013, a petition was filed challenging the constitutionality of NCLT and NCLAT and qualification of their members. The Supreme Court, in May 2015 held that the constitution of both the tribunals is constitutional.<sup>18</sup> The Court however stated that certain provisions of the 2013 Act related to: (i) qualification of technical members of the NCLT and (ii) selection committee of the NCLAT are unconstitutional.

Note that the government introduced the Companies (Amendment) Bill, 2016 in May, 2016. The Bill has provisions to align the Companies Act, 2013 with the directives of the Supreme Court, with respect to qualification and selection of the members of the tribunals.<sup>19</sup> The Bill is currently pending in Lok Sabha.

## Transport

*Prachee Mishra (prachee@prsindia.org)*

### National Civil Aviation Policy, 2016 released

The Ministry of Civil Aviation released the National Civil Aviation Policy, 2016 on June 15, 2016.<sup>20</sup> The Policy seeks to make airline travel affordable for people. It also seeks to enable 30 crore domestic ticketing by 2022, and 50 crore by 2027, and increase cargo volumes to 10 million tonnes by 2027. Key features of the Policy include:

- **Objectives:** (i) Establish an ecosystem leading to the growth of the civil aviation sector; (ii) ensure safety, security, and sustainability of the aviation sector through the use of technology and effective monitoring; and (iii) enhance regional connectivity through fiscal support and infrastructure development.
- **Policy coverage:** The Policy covers 22 Policy areas including: (i) regional connectivity, (ii) safety, (iii) air transport operations, (iv) route dispersal guidelines, (v) air navigation services, and (vi) maintenance repair and overhaul, etc.
- **Regional connectivity (RCS):** The regional connectivity scheme will come into effect in the second quarter of 2016-17. On RCS routes, for a one-hour flight, the Ministry will target an all-inclusive airfare of up to Rs 2,500 per passenger, indexed to inflation. RCS will be made operational only in states which reduce VAT on aviation turbine fuel at airports to 1% or less. One of the ways to implement RCS would be through viability gap funding (VGF). VGF will be shared between the Ministry and state government in the ratio of 80:20.
- **Modification of the 5/20 Rule:** The 5/20 Rule stipulated that for Indian carriers to fly abroad, they must have flown on domestic

routes for five years and have a fleet of at least 20 aircrafts. The Rule has been modified to allow all airlines to commence international operations if they deploy (i) 20 aircraft, or (ii) 20% of their total capacity, whichever is higher for domestic operations. Capacity of an airline here means the average number of seats on all departures put together.

### Amendments proposed to Civil Aviation Requirements

The Ministry of Civil Aviation has proposed certain amendments to the Civil Aviation Requirements (CARs) on June 11, 2016.<sup>21</sup> CARs are special directions issued by the Director General of Civil Aviation. These relate to the operation, possession, maintenance, or navigation of aircrafts flying in or over India, or of aircraft registered in India.<sup>22</sup> The proposed amendments primarily relate to passenger services. These amendments include:

- **Refund of air tickets:** Currently, if tickets are purchased through travel agents, the arrangement of refund is with the agent, and the passenger. The amendments propose to put the onus of refund, in such cases, on the airline. Currently, in case of cancellation or non-utilisation of tickets, airlines have to return the passenger service fee. The amendments propose that, in such cases, in addition to the passenger service fee, airlines must refund all statutory taxes, user development fee, and airport development fee. This would also apply in case of promotional or special fares, and non-refundable fares.
- **Denied boarding:** Currently, compensation for denied boarding is between Rs 2,000 and Rs 4,000 (depending on the flight duration). The amendments propose that (i) if the airline arranges for an alternate flight within an hour of the scheduled departure, no compensation will be provided, (ii) if the alternate flight is within 24 hours of the scheduled departure then an amount equal to 200% of booked one-way basic fare plus airline fuel charge (up to a maximum of Rs 10,000) will be provided as compensation, and (iii) if the alternate flight is beyond 24 hours of the scheduled departure, or if the passenger does not opt for the alternate flight, then an amount equal to 400% of booked one-way basic fare plus airline fuel

charge (up to a maximum of Rs 20,000) will be provided as compensation.

- **Flight cancellation:** Currently compensation for cancelled flights is between Rs 2,000 and Rs 4,000 (depending upon the duration of flight). The amendments propose to increase this to (i) between Rs 5,000 to Rs 10,000 (depending upon the duration of flight), or (ii) the booked one-way basic fare plus airline fuel charge, whichever is less.

### Ministry of Shipping releases the draft Central Port Authorities Bill, 2016

The Ministry of Shipping released the draft Central Port Authorities Bill, 2016 on June 10, 2016.<sup>23</sup> Currently, major ports in the country are regulated by the Major Port Trust Act, 1963. The proposed draft Bill seeks to repeal the 1963 Act. Key features of the draft Bill include:

- **Board of Port Authority:** The draft Bill provides for the creation of the Board of Port Authority. The Board will consist of nine members which will include three to four independent members. Members will also include: (i) a government nominated member, (ii) a labour nominee member, and (iii) three functional heads of Major Ports. Currently, under the 1963 Act, there is a Board of Trustees with about 17 to 19 members, with no independent ones.
- **Powers of Board:** The Board will be empowered to raise loans and issue security for capital expenditure and working capital requirements. The Board will also have the power to fix the scale of rates for services and assets, and tariffs. Currently, the Tariff Authority of Major Ports (TAMP) is an independent authority, formed under the 1963 Act, that regulates all port related tariffs. Under the draft Bill, the regulation of tariff by TAMP is being removed.
- **Independent Review Board:** An independent Review Board will be formed to carry out the residual functions of TAMP. It will also (i) look into disputes between ports and public private partnership (PPP) concessionaries, (ii) review stressed PPP projects and suggest measures to revive such projects, and (iii) look into complaints regarding services rendered by the ports and private operators within the ports.

- **Land use:** The draft Bill defines the usage of land for port and non-port related uses. Port Authorities will be empowered to lease land for port related uses for up to 40 years, and for up to 20 years for non-port related uses. These may be extended with the approval of the central government.

The Ministry had released a [draft Major Port Authorities Bill, 2015](#) in November 2015 to replace the 1963 Act.

### Ministry of Shipping releases new Berthing Policy for dry bulk cargo

The Ministry of Shipping released a new Berthing Policy for dry bulk cargo for major ports on June 20, 2016.<sup>24</sup> The Policy will come into effect from August 20, 2016. Currently, dry bulk cargo makes up more than 26% of the cargo handled at the 12 major ports. Further, the growth in coastal shipping is expected to add additional dry bulk cargo at these ports by 2020-25. The Policy intends to improve efficiency at major ports to reduce logistics costs, and improve productivity to ensure additional dry cargo output.

Objectives of the Policy are:

- Providing a standardized framework for the calculation of performance norms, specific to (i) the commodity handled, and (ii) the infrastructure available on the berth (location at a port where a ship is anchored).
- Designing performance norms with the objective of driving higher productivity and achieving near-design capacity of the available infrastructure. This would help in (i) reducing berthing time and overall turnaround time of ships, (ii) improving utilization of port assets and creating additional capacity without any significant capital investment, and (iii) increasing competitiveness of the major ports through reduced logistics cost.
- Reassessing the capacity of the berths based on the expected performance of the berth equipment and vessels derived from performance norms.
- Standardizing anchorage charges across major ports to reduce turnaround time.

### Group of Ministers on Road Safety submits interim recommendations

The Group of Ministers on Road Safety, formed by the Ministry of Road Transport and Highways, submitted the third set of its recommendations on June 13, 2016.<sup>25</sup> The group had submitted interim reports on April 29, 2016 and May 20, 2016. Key recommendations of the group include:

- **Road Transport and Safety Bill:** The group examined the proposed Road Transport and Safety Bill and suggested that it requires detailed deliberations and subsequent modifications, and may take more time. It recommended that in the meanwhile, the Motor Vehicles Act, 1988 may be amended to address urgent issues.
- **Safety:** A National Road Safety and Traffic Management Board should be created, which would be the lead agency for implementing the road safety strategies. States must amend law and rules to improve non-motorised and pedestrian movement. The central government will fund road safety measures by states.
- **Good samaritan guidelines:** The good samaritan guidelines issued by the Supreme Court in May 2015 must be included in the Motor Vehicles Act.
- **Registration of vehicles:** Currently people have to get their vehicles registered at the Regional Transport Offices themselves. However, with vehicle data available from the manufacturers through an online database, registration of vehicles should be allowed at the dealer's end.
- **Penalties:** The group has proposed higher penalties to reduce violation of traffic regulations. In addition, higher penalties have been proposed for the enforcers of traffic regulations, such as traffic police.
- **Freight transport:** Barrier free movement of freight across states should be facilitated. States should relax transit time provisions. In addition, a Centralised Transportation Information and Payment Network should be set up to allow smooth movement of freight across states.
- **Taxis:** City-taxi permit systems should be liberalised. City-taxis should follow rules, and fare limits set up by the Transport Department. Further, aggregators may

operate, but they should only aggregate taxis with valid permits.

### Concept note on development of multimodal logistics parks released

The Ministry of Road Transport and Highways released a concept note on the Logistics Efficiency Enhancement Program in June 2016.<sup>26</sup> The program primarily seeks to establish logistics parks across India and improve freight movement across the country. Key features in the note include:

- **Logistics cost:** Logistics cost in India are about 13% -14% higher as compared to other developed countries. Higher logistics costs in India are driven by various factors including: (i) unfavourable inter-modal mix (road transport carries 60% of freight, despite rail transport being cheaper than roads on a per ton per km basis), (ii) inefficient fleet mix (smaller inefficient trucks), (iii) under-developed material handling infrastructure (unorganised warehouses) increasing supply chain costs, and (iv) procedural complexities (toll collections, inter-state freight movement, etc.) leading to about 15% loss of time on freight routes.
- **Logistics parks:** The development of 15 multi-modal logistics parks across the country is being proposed in the first phase. These would cover about 40% of the total road freight movement in the country.
- **Functionalities of the parks:** Key functionalities of the parks will include: (i) acting as hubs for freight movement enabling freight aggregation and distribution; (ii) connectivity with road and rail and other modes of transport to promote multi-modal freight transportation; and (iii) provision of modern mechanized warehousing space to satisfy requirements of different commodity groups.
- **Expected benefits:** Key benefits expected of the logistics parks include: (i) reduction in transportation costs by about 10% for the top 15 transport nodes, (ii) reduction in pollution by about 12% by facilitating transportation on bigger and efficient trucks, (iii) reduction in congestion by about 20% by increasing freight movement on bigger trucks, and (iv) reduction in warehousing cost by moving warehouses outside of cities

where traffic movement is easy and rentals are low.

## Information & Technology

*Roopal Suhag (roopal@prsindia.org)*

### Expert Committee submits report on certification of films by CBFC

An Expert Committee (Chair: Mr. Shyam Benegal) constituted to recommend guidelines for certification of films by the Central Board of Film Certification (CBFC) submitted its report in April 2016.<sup>27</sup> The Committee was created on January 1, 2016 by the Ministry of Information & Broadcasting. Key recommendations of the Committee include:

- **Role of CBFC:** The Committee observed that an owner of a film has complete rights over it. Any alteration or change in the film can only be made by the owner or with his consent. It recommended that the current system of suggesting modifications and amendments to a film by the CBFC should be done away with and the Board must function only as a film certification body.
- **Modification to 1991 guidelines:** Guidelines were issued in 1991 under section 5B of the Cinematograph Act, 1952. Section 5B states that a film will not be certified if a part of it or the entire film is against the interest of the sovereignty and integrity of the country, decency or morality, etc. The Committee noted that some of the objectives under these guidelines, such as requiring the film to be sensitive to the values of the society, providing clean and healthy entertainment, were not within the ambit of the CBFC.
- In this regard, the Committee has drafted a new set of guidelines. The objective of the guidelines is: (i) artistic expression and creative freedom of filmmakers be protected through parameters that are objective, (ii) audiences are empowered to make informed viewing decisions, (iii) the process of certification is responsive to social change.
- The guidelines also state that an applicant must mention in his application, (i) the category of certification he seeks, and (ii) the target audience. Further, any cuts in a film can only be made by the applicant,

depending on the certification he needs for his film.

- **Separate rating for films with explicit scenes:** The Committee noted that there was a need to extend the present four categories of certification to include an A-C (films suitable for adults only, with caution) category, for films that may contain explicit material such as nudity, violence, etc.

For a PRS Report Summary, please see [here](#).

## Water Resources

*Roopal Suhag (roopal@prsindia.org)*

### Draft National Water Framework Bill, 2016 released

The Ministry of Water Resources, River Development & Ganga Rejuvenation released the draft National Water Framework Bill, 2016 in June 2016.<sup>28</sup> The Bill seeks to provide a national legal framework for protection, conservation, regulation and management of water. Key features of the Bill include:

- **Right to water for life:** The Bill states that every person has a right to sufficient quantity of safe water for life within easy reach of a household, regardless of one's community, economic status, land ownership, etc. The responsibility to ensure every person has access to safe water remains with the concerned state government even if water is being provided through a private agency.
- **Standards for water quality:** National water quality standards shall be binding on all types of water use. In addition, efforts should be made for treatment of wastewater to make it appropriate for use.
- **Integrated River Basin Development and Management:** A river basin, with its associated aquifers (underground layer that contains water) should be considered as the basic hydrological unit for planning, development and management of water. For every inter-state river basin, a River Basin Authority should be established, which will be responsible to prepare Master Plans for river basins under its jurisdiction.
- **Water security:** The appropriate state government will prepare and oversee the

implementation of a water security plan to ensure sufficient quantity of safe water for every person, even in times of emergency such as droughts and floods. These plans will include: (i) incentives for switching from water-intensive crops, (ii) incentives for the adoption of water-conserving methods, such as drip irrigation and sprinklers, (iii) setting up groundwater recharge structures, etc.

- **Water pricing:** Pricing of water shall be based on a differential pricing system in accordance with the fact that water is put to multiple uses. Water use for commercial agriculture and industry may be priced on the basis of full economic pricing. For domestic water supply, different categories of users may be subsidised.

### Model Bill for Groundwater, 2016 released

The Ministry of Water Resources, River Development & Ganga Rejuvenation released the model Bill for the conservation, protection, regulation and management of groundwater, 2016 in June 2016.<sup>29</sup> The Bill seeks to ensure groundwater security through the availability of sufficient quantity of appropriate quality groundwater, to all stakeholders in rural and urban areas. Key features of the Bill include:

- **Groundwater security:** Every State Groundwater Agency will demarcate groundwater protection zones, on the basis of assessments conducted by the Central Ground Water Board and state governments.
- **Legal status of groundwater:** Groundwater is a common pool resource and is available to use by everyone. The Bill states that the use of groundwater by any person on their land should not deprive other persons of their right to groundwater, in cases when these two people are drawing groundwater from the same aquifer.
- **Institutional framework:** Groundwater committees should be constituted at the panchayat and ward levels. These committees will be responsible for protection and management of groundwater. At the district level, a district groundwater council should be formed. The Council will consolidate the panchayat and municipal plans into a District Groundwater Security Plan and facilitate its implementation.

- **Groundwater abstraction:** Groundwater for industrial use or infrastructure projects will not be abstracted without issuance of an authority by the appropriate government. Industrial or bulk groundwater use will be priced. Funds collected as a result will be used for groundwater conservation.
- **Penalties:** If the usage of groundwater by a person affects its quality or availability, the person will be punished with imprisonment, extendable to one year, or a fine, which may extend to one lakh rupees, or with both imprisonment and fine.

## Health

*Dipesh Suvarna (dipesh@prsindia.org)*

### Oversight Committee permits one-time compliance to medical colleges

The Oversight Committee set up to oversee functioning of the Medical Council of India (MCI) has permitted a one-time compliance measure for medical colleges in June 2016.<sup>30,31</sup> This one time measure will be applicable to those medical colleges which did not get the opportunity to present their compliance to deficiencies observed by the MCI (in its inspection report in 2016-17). These colleges can furnish fresh compliance reports to the Ministry of Health and Family Welfare. The Ministry after taking its decision in each case will forward the required documents to the Oversight Committee. The Oversight Committee will then consider these decisions. The Supreme Court of India in May 2016, had constituted the Oversight Committee to oversee the statutory functioning of the MCI.<sup>32</sup> The Court stated that all policy decisions of the MCI will require the prior approval of the Oversight Committee. The Supreme Court held that until the central government develops an appropriate mechanism, the Oversight Committee will function for a period of one year.

### Draft Indian Medicine Central Council (Amendment) Bill, 2016 released

The Ministry of AYUSH released the draft Indian Medicine Central Council (Amendment) Bill, 2016 in June 2016.<sup>33</sup> The draft Bill seeks to amend the Indian Medicine Central Council Act, 1970. The Act regulates the standards of education and professional conduct of

practitioners in Indian medicine (such as Ayurveda and Siddha). Key details on the draft Bill include:

- **New batch:** Under the Act, prior permission from the central government is required for matters including: (i) establishing a medical institution, (ii) introducing new courses of study, and (iii) increasing admission capacity in any course of study. The Bill adds a provision that prior permission will also be required to admit a new batch of students in any course of study. This permission will be valid for a period of five years. Medical qualifications granted to the new batch of students by a college that fails to obtain this permission will not be recognised.
- **Terms of Office:** Under the Act, the President, Vice President, and members of the Central Council will hold office for a period of five years or until their successor is elected (or nominated), whichever is longer. The draft Bill modifies this provision to state that the members can remain in office only for a period of five years. The draft Bill also introduces a provision to state that the President and the Vice President can be re-elected only for one more term.
- **Dissolution of the Council:** The draft Bill introduces a provision for the dissolution of the Central Council. The Central Council is responsible to carry out functions including: (i) to appoint inspectors to conduct inspection of medical colleges, and (ii) to maintain a central register containing the names of practitioners. It states that the central government can dissolve the Council, if it considers the Council to be unable to perform its functions, or has persistently defaulted in performing its duties. Until the reconstitution of the Council, the central government can appoint a board of administrators to perform the functions of the Council.
- **Penalties:** In case of a person practicing Indian medicine without a recognised medical qualification. The draft Bill increases the penalty for the offence from Rs 1,000 to Rs 25,000.

## Cabinet approves withdrawal of Drugs and Cosmetics (Amendment) Bill, 2013

The Union Cabinet approved the withdrawal of the Drugs and Cosmetics (Amendment) Bill, 2013 on June 22, 2016.<sup>34</sup> The Bill is currently pending in Rajya Sabha. The Bill amends the Drugs and Cosmetics Act, 1940. The Act regulates matters including import, manufacture, distribution and sale of drugs and cosmetics.

Among other things, the Bill proposes to establish a Central Drug Authority to subsume the existing Central Drugs Standards Control Organisation (existing regulator). The Central Drug Authority shall specify guidelines, structures and requirements for the effective functioning of the central and state licensing authorities, and review, suspend or cancel any licence or permission issued by them.

Under the Act, medical devices were covered under the definition of drugs. The Bill proposes a new definition of medical devices to include instruments, implants intended to be used specially for human beings or animals for the specific purposes of diagnosis, prevention, treatment or alleviation of any disease, etc.

The Cabinet observed that it would not be appropriate to carry out amendments to the present Act especially as newer areas such as biological stem cells and medical devices etc. cannot be effectively regulated under the existing law. It has decided that the existing law be reviewed in order to facilitate ease of doing business and enhance quality and efficacy of products. The Ministry of Health and Family Welfare will accordingly: (i) frame separate rules under the existing Act for regulating medical devices, and (ii) bring out a separate legislation for regulating medical devices, drugs and cosmetics.

## Agriculture

Tanvi Deshpande (tanvi@prsindia.org)

### CCEA approves minimum support prices of Kharif crops for 2016-17

The Cabinet Committee on Economic Affairs (CCEA) approved the Minimum Support Prices (MSPs) for Kharif crops for 2016-17 on June 1, 2016.<sup>35</sup> The MSP for paddy has been increased by 4.3% over 2015-16. Bonuses of Rs 425/quintal and Rs 200/quintal have been

declared for pulses and oilseeds respectively, over and above the MSPs. Table 3 shows the change in MSPs for Kharif crops as compared to 2015-16.

**Table 3: Minimum support prices of Kharif crops (in Rs/quintal)**

Crop	2015-16	2016-17	Change
Paddy Common	1,410	1,470	4.3%
Jowar Hybrid	1,570	1,625	3.5%
Bajra	1,275	1,330	4.3%
Maize	1,325	1,365	3.0%
Ragi	1,650	1,725	4.5%
Tur (Arhar)	4,625*	5,050**	9.2%
Moong	4,850*	5,225\$	7.7%
Urad	4,625*	5,000\$	8.1%
Groundnut-in-shell	4,030	4,220#	4.7%
Soyabean	2,600	2,775#	6.7%
Sunflower seed	3,800	3,950#	3.9%
Sesamum	4,700	5,000^	6.4%
Nigerseed	3,650	3,725#	2.1%
Cotton medium staple	3,800	3,860	1.6%
Cotton long staple	4,100	4,160	1.5%

\*includes Rs 200/quintal bonus. \*\* includes Rs 425/quintal bonus; ^ includes Rs 200/quintal bonus; # includes Rs 100/quintal bonus.

Sources: Directorate of Economics and Statistics, Ministry of Agriculture; PRS.

### Long Range update of Southwest Monsoon 2016 released

The Indian Meteorological Department (IMD) released its long range forecast update of the Southwest Monsoon 2016, on June 2, 2016.<sup>36</sup> Highlights of the forecast are as follows:

- Rainfall in the country for the 2016 monsoon season (June to September) is estimated to be above normal, at 106% of the long period average (LPA), with an error of +/-4%;
- Rainfall in different regions is estimated at (error of +/- 8%): (i) North-West India: 108% of LPA, (ii) Central India: 113% of LPA, (iii) South Peninsula: 113% of LPA, and (iv) North-East India: 94% of LPA;
- Rainfall is estimated to be 107% of LPA in July, and 104% of LPA in August, both with an error of +/- 9%.

## Commerce & Industry

Tanvi Deshpande ([tanvi@prsindia.org](mailto:tanvi@prsindia.org))

### Indian Organic Sector Vision 2025: A white paper released

The Ministry of Commerce and Industry released the Indian Organic Sector Vision 2025: a white paper on June 15, 2016.<sup>37</sup> The organic sector in India includes categories of crops such as oilseeds, cereals, pulses, fruits and vegetables, spices, condiments, sugar and tea, as well as edible oils, honey, and medicinal or herbal products. The paper seeks to remove bottlenecks in the organic sector in India by providing a road map in areas such as policy, infrastructure, regulation, and skilling. Key features of the Vision 2025 paper are as follows:

- **Focus on products and markets:** There is a need to identify and focus on producing selected organic products for export, in order to increase the efficiency in the value chain from the farmer to the exporter. This will enable the farmer as well as the exporter to get the best price for the products. There is also a need to develop a country-wise sales plan for the identified products. The top markets would be chosen based on market potential, size, growth rate and exporters' confidence levels.
- **Policy support:** The domestic organic policy should be in line with international market development and exports requirements. Two separate bodies should be established, one for the uniform regulation of organic products and one for their promotion and awareness. An incentive based policy framework should be set up, with features such as: (i) encouraging international licensing agencies to set up labs in India, (ii) no bans or restrictions on exports, (iii) incentives for new products and market development, (iv) brand building for new product categories, etc.
- **Infrastructure:** The interventions to improve the supply chain of organic products include: (i) setting up food testing laboratories at the farm level, processing and consumer level, and port levels, (ii) setting up Organic Food Parks in key organic food production clusters, and (iii) enabling organic processors to control the entire process from the farm-level to processing.

- **Skilling:** Organic farming should be included in the National Skill Development Mission. A credit course on organic farming should be included in agricultural universities.
- **Promotion and branding:** A comprehensive plan for branding, identification, and communication needs to be mapped out. An overall marketing strategy for the sector is required, which would include a short-term marketing and promotional program for the first five years, outlining the activities, targets and cost estimates for each year.

## Energy

Dipesh Suvarna ([dipesh@prsindia.org](mailto:dipesh@prsindia.org))

### Standing Committee on Energy submits report on hydropower

The Standing Committee on Energy (Chair: Mr. Kirit Somaiya) submitted its report on Hydro Power in May 2016.<sup>38</sup> Key observations and recommendations of the Committee include:

- **Hydropower as renewable energy:** Presently, hydro power plants with capacity up to 25 MW are considered as renewable energy sources and above this capacity are considered as conventional sources. The Committee noted that there is no rationale for segregation of hydro power into renewable energy and conventional energy. It recommended that all types of hydro power must be treated as renewable sources. It also recommended that legislative provisions could also be introduced in this regard, as defining hydro as renewable source involves a policy decision and allocation of business in the government.
- **Share in total capacity:** The share of hydropower in the total energy mix has been reducing over the years. The share reduced from 51% in 1962-63 to 15% in 2015 (as on September 2015). The Ministry stated that the reasons for the decline include lack of adequate infrastructure and inadequate funds by bilateral agencies, etc. The Committee recommended that the hydro power policy must be revised based on the current needs.
- **Finances:** While hydro power projects have assets with a lifespan from 25 to 100 years,

banks provide them with loans for about 12 years. Therefore, higher cash flow is required in the initial 10 to 12 years to repay the debt. This leads to higher hydro power tariffs in those initial years, due to which states are reluctant to buy hydro power. The Committee recommended that (i) the average lifespan of hydro power projects for tariff determination must be treated as 30 to 40 years, and (ii) banks and financial institutions must be persuaded to lend long term finances to hydro projects.

- **Environment clearances:** The Committee noted that both environment and development activities are important. Therefore, there is a need to strike a balance between the two. It recommended that certain sensitive areas with respect to environment and biodiversity should not be utilised. However, in other areas, the process of granting environment clearances for hydro power projects must be expedited.

For a PRS Report Summary, please see [here](#).

### Standing Committee on Energy submits report on the functioning of power exchanges

The Standing Committee on Energy (Chair: Mr. Kirit Somaiya) submitted its report on Evaluation of Role, Performance and Functioning of the Power Exchanges in May 2016.<sup>39</sup> Power exchanges are an online platform that help generators and consumers to come together and discover the price of electricity, based on the demand supply mechanism.

Key observations and recommendations of the Committee include:

- **Power market:** Power purchase can be performed through instruments such as: (i) long term power purchase agreements (period up to 25 years), (ii) medium term instruments (3 months to 3 years), and (iii) short term instruments (intraday to 3 months) (includes power traded through exchanges). Presently, there are two power exchanges in the country, the Indian Energy Exchange (IEX) and the Power Exchange India Ltd (PXIL). The Committee observed that the two exchanges trade about 3% of the total power generated in the country. The total power (volume) traded by both the exchanges as a proportion of total electricity generation increased from 0.9% in 2009-10 to 3.1% in 2015-16 (April to October).

- **Review of the role of exchanges:** The Committee observed that there is no indication that the power exchanges increase competition, efficiency or growth in the power market. It recommended that the role of the power exchanges (in the development of the power market) must be revisited. It also recommended that the provisions of the Electricity Act, 2003 regarding power markets must be reviewed.
- **Market competition:** The Committee noted that out of the two power exchanges, one has a near monopoly in the sector (IEX has 96% and PXIL has 4% of the market share). The objective of ensuring competition in the power market has not been followed properly. The Committee recommended that the Ministry of Power and Central Electricity Regulatory Commission (CERC) must make clear and effective guidelines to ensure healthy competition in the power market.
- **Role of regulator:** The Committee observed that various functions in the sector such as framing of regulations, their execution, and dispute resolution are being undertaken by the regulator (CERC). This may lead to compromise in fairness and objectivity. The Committee recommended that the role and responsibility of the CERC must be reviewed to make the system of power exchanges fair and objective. Functions of executing regulations and dispute resolution should be assigned to different bodies to avoid concentration of powers in one entity.

### Draft National Wind-Solar Hybrid Policy released

The Ministry of New and Renewable Energy released the draft National Wind-Solar Hybrid Policy on June 1, 2016.<sup>40</sup> The Policy seeks to provide for a framework for the promotion of a large grid connected wind and solar photovoltaic (PV) system for: (i) optimal and efficient utilisation of transmission infrastructure, and (ii) reducing variability in renewable power generation. In case of wind-solar hybrid plants, wind and solar PV systems will be configured to operate at the same point of the grid connection (backbone network of interconnected transmission lines, etc.). Key features of the Policy include:

- **Existing projects:** Existing wind and solar power projects, willing to install solar PV or wind turbine generators may be allowed to

do so with conditions including: (i) the hybrid power passed on to the system will not be more than the transmission capacity sanctioned for the existing wind/ solar project (no increase in transmission capacity will be required), and (ii) considering that the same transmission capacity is to be used, no additional transmission capacity charges will be levied for installing these systems.

- **New projects:** In case of a new project, the developer can use the hybrid power: (i) for captive use (specific end-use), or (ii) for third party sale, or (iii) to sell to distribution companies (at a price determined by the State Electricity Regulatory Commission). The hybrid power purchased by the distribution companies can be used to meet their solar and non-solar renewable purchase obligation (requirement to purchase certain amount of energy requirement from renewable energy sources).
- **Incentives to projects:** All financial incentives available to wind and solar power projects may be made available to the hybrid projects.
- **Role of regulator:** The Central Electricity Regulatory Commission will lay down the guidelines for the determination of tariff for wind-solar hybrid system. The Commission will also frame regulations for forecasting and scheduling for hybrid systems.

## Mines

*Dipesh Suvarna (dipesh@prsindia.org)*

### Cabinet approves National Mineral Exploration Policy

The Union Cabinet approved the National Mineral Exploration Policy on June 29, 2016.<sup>41</sup> The key features of the Policy include:

- **Auctions:** The Ministry of Mines will carry out the auctioning of the identified exploration blocks for exploration by the private sector. In case the exploration leads to discovery of an auctionable resource, the explorer will receive a share of the revenue obtained from the further auction of such a block. If the explorer agency does not discover any auctionable resource, the exploration expenditure will be reimbursed on a normative cost basis (estimation of costs based on certain level of efficiencies).
- **National Geoscientific Data Repository:** A National Geoscientific Data Repository is proposed to be set up. It will collate all baseline and mineral exploration information generated by various central and state government agencies, etc. and also maintain these on the geospatial database. The creation of baseline geoscientific data will be available for open dissemination and will be available free of charge.
- **Initiative to examine resources:** The government will launch a special initiative to examine deep seated mineral deposits in the country. This will be conducted in collaboration with institutions including the National Geophysical Research Institute, and the proposed National Centre for Mineral Targeting.

An initial amount of Rs 2,116 crore will be required over 5 years for the implementation of the Policy. This amount would be required over and above the annual plan budget of the Geological Survey of India (responsible for assessing mineral resources in the country, etc.).

## Environment

*Anviti Chaturvedi (anviti@prsindia.org)*

### Sustainable Sand Mining Guidelines, 2016 released

The Ministry of Environment, Forest & Climate Change published Sustainable Sand Mining Guidelines, 2016 in June 2016.<sup>42</sup>

Sand and gravel are used for construction of roads and buildings. In India, the main sources of sand include rivers (riverbeds and flood plains), lakes, agricultural fields and coastal sands. Mining in these areas can damage aquatic habitats, cause river bank erosion, degradation of site of extraction, pollution of ground water, etc. The guidelines aim to ensure that while sand is available in adequate quantity, it should be mined in an environmentally sustainable manner.

Key aspects of the guidelines include:

- Consumption of sand may be reduced by using recycled building and quarry dust material as a substitute. Alternative sources

of sand and gravel must also be targeted, such as bottom of dams.

- Parts of a river that experience deposition of sediments must be identified, so that sand and gravel mining may be done there.
- Sand must not be mined: (i) where erosion may occur (such as concave banks), (ii) within 200 to 500 metres of any important hydraulic structure (such as pumping station), (iii) beyond three metres of river depth or river width or 10% of river width whichever is less, etc.
- Demarcation of mining area with geo-referencing and pillars must be done prior to start of mining.
- All sand and gravel mining projects (with an individual mining lease) will require environmental clearances from District Environment Impact Assessment Authority (for projects up to five hectares), or State Environment Impact Assessment Authority (for projects above five hectares).
- Further, projects above 5 hectares will need environmental management plans, and those above 25 hectares will need environmental impact assessments as well.

details, financials (audited balance sheets), etc., (ii) track record of the promoter (years of experience, number of projects), (iii) past or ongoing litigations, (iv) compliance and registration details of the project, (v) details of agents, consultants, (vi) all legal documents, and (vii) status of the projects. The promoters will have to upload all details on the website within seven days from the expiry of each quarter.

- **Real estate agent:** In order to register, the agent will have to provide details including (i) details of his enterprise, (ii) income tax returns, and (iii) address proof of his place of business. The agent will also have to pay a registration fee of (i) Rs 25,000, for an individual, and (ii) Rs 2,50,000, for anyone other than an individual. Registration of an agent will be valid for five years.
- **Compounding of offences:** Under the Act, if any person is punished with imprisonment, the punishment may be compounded (settled) by courts on payment of a certain amount. Amount to be paid to the courts will be 10% of the estimated cost of the real estate project for various offences including: (i) non-registration of project by promoter, and (ii) failure of promoter, agent, or allottee to comply with the orders of the Appellate Tribunal.

## Urban Development

*Prachee Mishra (prachee@prsindia.org)*

### Draft Rules under Real Estate Act, 2016 for UTs without legislature released

The Ministry of Housing and Urban Poverty Alleviation released the draft Rules under the Real Estate (Regulation and Development) Act, 2016 for union territories without legislature on June 24, 2016.<sup>43</sup> The Ministry is seeking comments on the draft Rules till July 8, 2016. Key features of the draft Rules include:

- **Real Estate Regulatory Authority:** The draft Rules provide details on the: (i) administrative powers of the Authority's Chairperson, (ii) salaries of the Authority's members, and (iii) overall functioning and powers of the Authority.
- **Details to be published on the website of the Regulatory Authority:** Information on the website will include: (i) details of the promoter such as address, registration

### CCEA approves disinvestment of 10% paid up equity of HUDCO

The Cabinet Committee on Economic Affairs (CCEA) approved the disinvestment of 10% paid up equity of Housing and Urban Development Corporation Ltd. (HUDCO) on June 15, 2016.<sup>44</sup> HUDCO is a government owned enterprise under the Ministry of Housing and Urban Poverty Alleviation. It provides long term financing for construction of residential houses. It also finances and undertakes housing and urban development projects in the country.

The paid up equity capital of HUDCO is Rs 2,002 crore. Currently, the central government owns 100% of the equity. Net worth of the company is approximately Rs 7,800 crore.

### Ministry of Urban Development approves setting up of district level committees

The Ministry of Urban Development approved setting up district level advisory and monitoring committees on June 22, 2016.<sup>45</sup> The committees

will review and monitor the implementation of urban development, affordable housing, and urban poverty alleviation schemes. Schemes that will be monitored are: (i) Swachh Bharat Mission, (ii) Atal Mission for Rejuvenation and Urban Transformation, (iii) Heritage City Development and Augmentation Yojana, (iv) Pradhan Mantri Awas Yojana - Housing for All (Urban), and (v) Deendayal Antyodaya Yojana - National Urban Livelihoods Mission.

Terms of reference of the committees include: (i) promoting effective citizen engagement, (ii) reviewing improvements in service level indicators such as water supply, (iii) reviewing the progress of implementation of reforms with focus on e-governance and ease of sanctioning of construction permits, and (iv) advising state and central governments regarding bottlenecks in implementation and suggesting mid-course correction in implementation.

The senior most Member of Parliament (MP) will be the Chairperson of the Committee and will be appointed by the state or Union Territory (UT). Two more MPs, one from Rajya Sabha and one from Lok Sabha will be the Co-chairpersons. The District Collector or Municipal Commissioner of metropolitan cities will be the Member Secretary. Members of the district level committees will include: (i) Members of Legislative Assemblies from respective districts representing Urban Local Bodies (ULBs), (ii) Mayors and Chairpersons of the ULBs, (iii) Chairpersons and Chief Executives of Urban Development Authorities in districts, (iv) Commissioners and Chief Executive Officers of ULBs, and (v) senior officials from the Department of Public Health Engineering and other para-statal bodies such as the water and sewerage boards.

The committees will meet at least once in three months, and submit the Action Taken Plans to the states or UTs. The states and UTs will submit the consolidated reports to the Ministries of Urban Development, and Housing and Urban Poverty Alleviation.

## Textiles

*Roopal Suhag (roopal@prsindia.org)*

### Cabinet approves special package for employment and exports in textile sector

The Union Cabinet approved a special package for employment generation and promotion of exports in the textile and apparel sector on June 22, 2016.<sup>46</sup> Key features of the package include:

- **Employee Provident Fund (EPF) scheme reform:** Under these reforms, the central government will bear the entire 12% of the employer's contribution to the EPF scheme for new employees of the garment industry who earn less than Rs 15,000 per month for the first three years. Presently, 8% of the employer's contribution is already provided by government under the Pradhan Mantri Rozgar Protsahan Yojana. Under the EPF scheme reforms, the Ministry of Textiles will provide an additional 3.6% of the employer's contribution, which will amount to Rs 1,170 crores over the next three years. In addition, the EPF scheme will be made optional for all employees, including those earning less than Rs 15,000 per month.
- **Overtime work hours:** Overtime hours of work for workers should not exceed eight hours per week, in line with the International Labour Organization norms.
- **Fixed term employment:** Owing to the seasonal nature of the garment sector, fixed term employment would be introduced. A fixed term workman will be considered at par with a permanent workman, in terms of working hours, wages, allowances, etc.
- **Additional incentives under ATUFS:** The package increases subsidy under the amended Technology Upgradation Fund Scheme (ATUFS) from 15% to 25% in the garment sector to boost employment generation. The scheme provides a subsidy to facilitate investment and exports in the textile industry. The additional subsidy will be provided only after the expected jobs are created.

## Education

*Roopal Suhag (roopal@prsindia.org)*

### UGC constitutes a Pay Review Committee for academic staff of universities

The University Grants Commission (UGC), constituted a Pay Review Committee (Prof. V.S. Chauhan) on June 9, 2016, for pay revision of academic staff of universities and colleges.<sup>47</sup>

The terms of reference of the Committee include:

- Review the implementation of the previous decision of the government/ UGC under the scheme of revision of pay scales, and evaluate the extent to which earlier recommendations have been implemented;
- Examine the present structure of salary and conditions of service, and suggest revision in the structure, taking into account the minimum qualifications, career advancement opportunities, etc.; and
- Make recommendations to improve the quality of research and teaching in universities and colleges.

The Committee is expected to make its recommendations in light of the seventh Central Pay Commission and submit them within six months of its constitution.

## Labour and Employment

*Prianka Rao (prianka@prsindia.org)*

### Cabinet considers a Model Bill related to employment in shops and establishments

The Union Cabinet approved the Model Shops and Establishment (Regulation of Employment and Conditions of Service) Bill, 2016 in June 2016.<sup>48</sup> As this is a state list subject, States and union territories may adopt this Model Bill as per their requirements. The Model Bill seeks to bring about uniformity in working conditions of shop workers across states, and generate employment.

Salient features of the Model Bill include:

- **Applicability:** The Bill will only cover establishments that employ 10 or more workers, except manufacturing units.

- **Working hours:** Establishments are permitted to operate all days in a year. They may also decide their opening and closing times. Currently, most states require weekly holidays and regulate timings when the business may operate.
- **Facilities for workers:** An establishment must provide for clean and safe drinking water. Further, a single or a group of establishments must provide a lavatory, crèche, first aid and canteen for its workers. Government is empowered to make rules in relation to measures to be taken by an employer to protect the health and safety of its workers.
- **Recruitment of women:** There should be no discrimination in the appointment, trainings, transfer or promotion of women. If an establishment has shelter, restroom, protection and transport facilities, women may be permitted to work there during the night shifts.
- **Exemptions to high skilled workers:** High skilled workers (including those employed in Information Technology, Biotechnology, etc.) would be exempt from the maximum list of working nine hours a day, 48 hours a week, and up to 125 hours of over-time in a quarter.

The Model Bill yet to be made available in the public domain.

## Law and Justice

*Prianka Rao (prianka@prsindia.org)*

### Expert Committee submits report on changes to the Specific Relief Act, 1963

The Expert Committee set up to examine the Specific Relief Act, 1963 submitted its report to the Union Minister for Law and Justice on June 20, 2016.<sup>49</sup> The 1963 Act provides specific remedies that may be granted by a court for the enforcement of civil rights, including recovery of possession of property, ordering performance of contractual obligations, injunctions, etc.

The Committee stated that its recommendations to modify the Act are to ensure ease of doing business. It addressed issues in relation to:

- **Specific performance of a contract:** At present, in cases of non-performance of a

contract by a party, the relief that is often provided to the other party is compensation. Courts rarely issue directions for the specific performance of the contract (where the defaulting party is required to perform his contractual obligations). The Committee stated that this approach must be changed, and specific performance must be ordered in most cases.

- **Discretion of courts:** The Committee specified guidelines to reduce the discretion of courts and tribunals in granting relief such as specific performance or injunctions (where a party is ordered to not perform a particular act).
- **Public utility contracts:** The Committee observed that public utility contracts, which have an inherent public interest, must be treated differently. The court's interference in such contracts must be reduced, to ensure that public works projects are not stalled.

## External Affairs

Anviti Chaturvedi (anviti@prsindia.org)

### Prime Minister visits Afghanistan, Qatar, Switzerland, USA and Mexico

Prime Minister Narendra Modi visited Afghanistan, Qatar, Switzerland, United States of America (USA) and Mexico in June 2016.<sup>50</sup> During the visits, he signed key agreements with USA and Qatar. These include:

**USA:** India and USA signed six agreements during the visit regarding: exchange of counter-terrorism intelligence and maritime information, expedited clearance for low-risk passengers on arrival in USA, and cooperation on clean energy, production and distribution of natural gas, and wildlife conservation. In addition, two more

defence agreements were finalised regarding joint exercises and training of defence personnel, and sharing of aircraft carrier technologies.<sup>51</sup>

USA also expressed support for India's application to join the Nuclear Suppliers Group (NSG), and called on other countries to do the same. The NSG regulates international nuclear trade. However, the NSG did not take a decision with regard to India's membership in a meeting held on June 24, 2016, though the matter was discussed.<sup>52</sup> USA also re-affirmed its support with regard to India's entry into other export control groups, i.e. Australia Group (which regulates export of chemical or biological weapons), Wassenaar Arrangement (conventional arms) and Missile Technology Control Regime (missiles and related technology).<sup>53</sup>

During the visit, India and USA also announced several initiatives regarding financing clean energy. This includes creation of a Clean Energy Finance Initiative that is expected to mobilise USD 400 million to provide renewable electricity to about 1 million households in India by 2020.<sup>53</sup>

**Qatar:** Seven agreements were signed with Qatar regarding: financing infrastructure projects in India, cooperation on skill development, health, tourism, sports and intelligence sharing (customs and terror issues).<sup>54</sup>

### India joins Missile Technology Control Regime

India joined the Missile Technology Control Regime (MTCR) on June 27, 2016.<sup>55</sup> The MTCR is a group of countries that aims to restrict the proliferation of missiles, rocket systems, unmanned air vehicles, and related technology.<sup>56</sup> India is the 35<sup>th</sup> member country of the MTCR.

<sup>1</sup> "Government initiates process to constitute Monetary Policy Committee under the Reserve Bank of India Act, 1934", Press Release, Ministry of Finance, June 27, 2016.

<sup>2</sup> "Procedure for Selection of Members of Monetary Policy Committee and Terms and Conditions of their Appointment Rules, 2016", Ministry of Finance, June 27, 2016, [http://finmin.nic.in/MPC\\_notification27062016.pdf](http://finmin.nic.in/MPC_notification27062016.pdf).

<sup>3</sup> "Developments in India's Balance of Payments during the fourth quarter of 2015-16", Reserve Bank of India Press Release, June 16, 2016, <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR29254BF8BA4B6B7B41A59D048BC6E61AEB92.PDF>.

<sup>4</sup> Second Bi-Monthly Monetary Policy Statement 2016-17, Press Release, Reserve Bank of India, June 7, 2016, <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR283434IF3AAE216E4EA599EE6F8E24FBFDDC.PDF>.

<sup>5</sup> 'Cabinet approves Implementation of the recommendations of 7th Central Pay Commission', Press Information Bureau, Cabinet, June 29, 2016.

<sup>6</sup> Model GST Law, Empowered Committee of State Finance Ministers, June 2016, [http://www.finmin.nic.in/reports/ModelGSTLaw\\_draft.pdf](http://www.finmin.nic.in/reports/ModelGSTLaw_draft.pdf).

<sup>7</sup> 'RBI introduces a 'Scheme for Sustainable Structuring of Stressed Assets'' Press Release, Reserve Bank of India, June

13, 2016,

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=37210](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=37210).

<sup>8</sup> ‘Establishment of Fund of Funds for funding support to Start-ups’, Press Information Bureau, Cabinet, June 22, 2016.

<sup>9</sup> Payment and Settlements Systems in India: Vision 2018, Press Release, Reserve Bank of India, June 23, 2016, <https://rbi.org.in/Scripts/PublicationVisionDocuments.aspx?id=842>.

<sup>10</sup> The Enemy Property (Amendment and Validation) Third Ordinance, 2016, <http://www.prsindia.org/uploads/media/Enemy%20Property/The%20Enemy%20Property%20%28Amendment%20and%20Validation%29%20Third%20Ordinance.%202016.pdf>.

<sup>11</sup> Enemy Property (Amendment and Validation) Bill, 2016, Ministry of Home Affairs, <http://www.prsindia.org/billtrack/the-enemy-property-amendment-and-validation-bill-2016-4212/>.

<sup>12</sup> “PM releases National Disaster Management Plan”, Press Information Bureau, Prime Minister’s Office, June 1, 2016.

<sup>13</sup> National Disaster Management Plan, 2016, May 2016, <http://www.ndma.gov.in/images/policyplan/dmplan/National%20Disaster%20Management%20Plan%20May%202016.pdf>.

<sup>14</sup> Section 11, National Disaster Management Act, 2005.

<sup>15</sup> Sendai Framework for Disaster Risk Reduction 2015-2030, United Nations Office for Disaster Risk Reduction, <http://www.unisdr.org/we/coordinate/sendai-framework>.

<sup>16</sup> “Ministry of Corporate Affairs issues notification for constitution of the National Company Law Tribunal (NCLT)”, Press Information Bureau, Ministry of Corporate Affairs, June 01, 2016.

<sup>17</sup> NCLT and NCLAT notified.

<http://egazette.nic.in/WriteReadData/2016/169985.pdf>,  
<http://egazette.nic.in/WriteReadData/2016/169935.pdf>,  
<http://egazette.nic.in/WriteReadData/2016/169936.pdf>.

<sup>18</sup> “Delhi Bar Association vs. Union of India & ANR”, The Supreme Court of India, Writ petition number 1072 of 2013. [http://supremecourtindia.nic.in/FileServer/2015-05-14\\_1431595075.pdf](http://supremecourtindia.nic.in/FileServer/2015-05-14_1431595075.pdf).

<sup>19</sup> Companies (Amendment) Bill, 2016, <http://www.prsindia.org/uploads/media/Companies.%202016/Companies%20bill.%202016.pdf>.

<sup>20</sup> National Civil Aviation Policy 2016, Ministry of Civil Aviation, June 15, 2016, [http://www.civilaviation.gov.in/sites/default/files/Final\\_NCA\\_P\\_2016\\_15-06-2016.pdf](http://www.civilaviation.gov.in/sites/default/files/Final_NCA_P_2016_15-06-2016.pdf).

<sup>21</sup> “Ministry of Civil Aviation Announces Proposed Passenger Centric Amendments”, Press Information Bureau, Ministry of Civil Aviation, June 11, 2016.

<sup>22</sup> The Aircraft Rules, 1937, Part XII-B, Rule 133A - Issue of special directions by DGCA, <http://dgca.nic.in/airrule/rule133a.htm>.

<sup>23</sup> “The Central Port Authorities Act, 2016 to replace the Major Port Trust Act, 1963”, Press Information Bureau, Ministry of Shipping, June 10, 2016.

<sup>24</sup> “New Berthing Policy for Dry Bulk Cargo for Major Ports in Place from 20th August 2016”, Press Information Bureau, Ministry of Shipping, June 20, 2016.

<sup>25</sup> “Gist of the Recommendations of the Group of Ministers on Road Safety”, Press Information Bureau, Ministry of Road Transport and Highways, June 13, 2016.

<sup>26</sup> Concept Note: Logistics Efficiency Enhancement Program (LEEP), Ministry of Road Transport and Highways, <http://morth.nic.in/showfile.asp?lid=2186>.

<sup>27</sup> “Report of Committee of Experts Chaired by Shyam Benegal to recommend broad guidelines/ procedure for certification of films by the Central Board of Film Certification (CBFC)”, Ministry of Information & Broadcasting, [http://mib.nic.in/writereaddata/documents/Shyam\\_Benegal\\_committee\\_Report.pdf](http://mib.nic.in/writereaddata/documents/Shyam_Benegal_committee_Report.pdf)

<sup>28</sup> Draft National Water Framework Bill, 2016, Ministry of Water Resources, River Development and Ganga Rejuvenation, [http://wrmin.nic.in/writereaddata/Water\\_Framework\\_May\\_2016.pdf](http://wrmin.nic.in/writereaddata/Water_Framework_May_2016.pdf)

<sup>29</sup> Model Bill for the Conservation, Protection, Regulation and Management of Ground Water Bill, 2016, Ministry of Water Resources, River Development and Ganga Rejuvenation, [http://wrmin.nic.in/writereaddata/Model\\_Bill\\_Groundwater\\_May\\_2016.pdf](http://wrmin.nic.in/writereaddata/Model_Bill_Groundwater_May_2016.pdf)

<sup>30</sup> Public Notice”, Ministry of Health and Family Welfare, <http://www.mohfw.nic.in/showfile.php?lid=3925>.

<sup>31</sup> “Office of the Supreme Court mandated Oversight Committee on MCI and matters arising out of the Report of the Department Related Parliamentary Standing Committee, Ministry of Health and Family Welfare, June 13, 2016, [http://www.mohfw.nic.in/WriteReadData/c08032016/Oversight\\_Committee\\_1.pdf](http://www.mohfw.nic.in/WriteReadData/c08032016/Oversight_Committee_1.pdf).

<sup>32</sup> Modern Dental College and Research Centre and Ors. Vs. State of Madhya Pradesh and Ors, Civil Appeal No. 4060 of 2009, Supreme Court of India, May 2, 2016.

<sup>33</sup> “Draft Indian Medicine Central Council (Amendment) Bill, 2016”, Ministry of AYUSH, June 2016, <http://ayush.gov.in/event/draft-note-cabinet-withdrawal-indian-medicine-central-council-amendment-bill-2005>.

<sup>34</sup> “Withdrawal of the Drugs and Cosmetics (Amendment) Bill, 2013”, Press Information Bureau of India, Ministry of Health and Family Welfare, June 22, 2016.

<sup>35</sup> Minimum Support Prices and bonus for Kharif crops of 2016-17 season, Directorate of Economics and Statistics, Ministry of Agriculture, June 1, 2016, <http://eands.dacnet.nic.in/PDF/MSP-kharif-2016-17.pdf>.

<sup>36</sup> Long Range Forecast update for the 2016 Southwest Monsoon Rainfall, Press Release, Indian Meteorological Department, Ministry of Earth Sciences, June 2, 2016, [http://www.imd.gov.in/pages/press\\_release\\_view.php?ff=20160602\\_pr\\_30](http://www.imd.gov.in/pages/press_release_view.php?ff=20160602_pr_30).

<sup>37</sup> The Indian Organic Sector Vision 2025: A White Paper, Ministry of Commerce and Industry, June 15, 2016, [http://commerce.nic.in/DOC/writereaddata/uploadedfile/MOC\\_636016030908099515\\_Indian\\_Organic\\_Sector\\_Vision\\_2025\\_15-6-2016.pdf](http://commerce.nic.in/DOC/writereaddata/uploadedfile/MOC_636016030908099515_Indian_Organic_Sector_Vision_2025_15-6-2016.pdf).

<sup>38</sup> “17<sup>th</sup> Report: Hydropower, a suitable, clean and green alternative.”, Standing Committee on Energy, Ministry of Power, May 6, 2016, [http://164.100.47.134/Isscommittee/Energy/16\\_Energy\\_17.pdf](http://164.100.47.134/Isscommittee/Energy/16_Energy_17.pdf).

<sup>39</sup> “14<sup>th</sup> Report: Evaluation of Role, Performance and Functioning of the Power Exchanges”, Standing Committee on Energy, Ministry of Power, April 27, 2016, [http://164.100.47.134/Isscommittee/Energy/16\\_Energy\\_14.pdf](http://164.100.47.134/Isscommittee/Energy/16_Energy_14.pdf).

<sup>40</sup> “Draft National Wind-Solar Hybrid Policy”, Ministry of New and Renewable Energy, <http://mnre.gov.in/file-manager/UserFiles/Draft-Wind-Solar-Hybrid-Policy.pdf>.

<sup>41</sup> “National Mineral Exploration Policy”, Press Information Bureau, Ministry of Mines, June 29, 2016.

<sup>42</sup> “Sustainable Sand Mining Management Guidelines 2016”, Ministry of Environment, Forest & Climate Change, June 2016,

<http://envfor.nic.in/sites/default/files/Final%20Sustainable%20Sand%20Mining%20Management%20Guidelines%202016.pdf>.

<sup>43</sup> “Draft Rules for UTs without legislature under the Real Estate Act, 2016”, Ministry of Housing and Urban Poverty Alleviation, June 24, 2016,

[http://www.mhupa.gov.in/writereaddata/Draft\\_Rules\\_seeking%20comments\\$2016Jun24143418.pdf](http://www.mhupa.gov.in/writereaddata/Draft_Rules_seeking%20comments$2016Jun24143418.pdf).

<sup>44</sup> “Cabinet approves disinvestment of 10% paid up equity of Housing and Urban Development Corporation Ltd. (HUDCO)”, Press Information Bureau, Cabinet Committee on Economic Affairs, June 15, 2016.

<sup>45</sup> “MPs, MLAs get a say in implementation of urban development schemes”, Press Information Bureau, Ministry of Urban Development, June 22, 2016.

<sup>46</sup> “Cabinet approves special package for employment generation and promotion of exports in Textile and Apparel sector”, Press Information Bureau, Ministry of Textiles, June 22, 2016.

<sup>47</sup> University Grants Commission Notification, June 9, 2016, <http://www.ugc.ac.in/pdfnews/UGC-notice-0002.pdf>.

<sup>48</sup> “Cabinet considered the Model Shops and Establishment (Regulation of Employment and Conditions of Service) Bill, 2016”, Press Information Bureau, Ministry of Labour and Employment, June 29, 2016.

<sup>49</sup> “The Expert Committee set on examining Specific Relief Act, 1963 submits its Report to Union Law & Justice Minister”, Press Information Bureau, Ministry of Law and Justice, June 20, 2016.

<sup>50</sup> “Visit of Prime Minister to Afghanistan”, Ministry of External Affairs, <http://www.mea.gov.in/outgoing-visit-info.htm?2/885/Visit+of+Prime+Minister+to+Afghanistan+June+4+2016>; “Visit of Prime Minister to Qatar”, Ministry of External Affairs, <http://www.mea.gov.in/outgoing-visit-info.htm?2/886/Visit+of+Prime+Minister+to+Qatar+June+0405+2016>; “Visit of Prime Minister to Switzerland”, Ministry of External Affairs, <http://www.mea.gov.in/outgoing-visit-info.htm?2/887/Visit+of+Prime+Minister+to+Switzerland+June+56+2016>; “Visit of Prime Minister to USA”, Ministry of External Affairs, <http://www.mea.gov.in/outgoing-visit-info.htm?2/888/Visit+of+Prime+Minister+to+USA+June+68+2016>; “Visit of Prime Minister to Mexico”, Ministry of

External Affairs, <http://www.mea.gov.in/outgoing-visit-info.htm?2/889/Visit+of+Prime+Minister+to+Mexico+June+08+2016>.

<sup>51</sup> “Documents signed/ finalized in the run up to the visit of Prime Minister to the US”, Ministry of External Affairs, June 7, 2016, <http://www.mea.gov.in/outgoing-visit-detail.htm?26878/Documents+signed+finalized+in+the+run+up+to+the+visit+of+Prime+Minister+of+India+to+the+US>.

<sup>52</sup> “Spokesperson’ comments on NSG Plenary meeting in Seoul”, Ministry of External Affairs, June 24, 2016, <http://www.mea.gov.in/press-releases.htm?dtl/26949/Spokespersons+comments+on+NSG+Plenary+meeting+in+Seoul>.

<sup>53</sup> “India-US Joint Statement during the visit of Prime Minister to USA”, Ministry of External Affairs, June 7, 2016, <http://www.mea.gov.in/outgoing-visit-detail.htm?26879/IndiaUS+Joint+Statement+during+the+visit+of+Prime+Minister+to+USA+The+United+States+and+India+Enduring+Global+Partners+in+the+21st+Century>.

<sup>54</sup> “List of MoUs/ Agreements signed during the visit of Prime Minister to Qatar”, Ministry of External Affairs, June 5, 2016, <http://www.mea.gov.in/outgoing-visit-detail.htm?26869/List+of+MOUs+Agreements+signed+during+the+visit+of+Prime+Minister+to+Qatar+June+05+2016>.

<sup>55</sup> “India joins the Missile Technology Control Regime”, Ministry of External Affairs, June 27, 2016, <http://www.mea.gov.in/press-releases.htm?dtl/26953/India+joins+Missile+Technology+Control+Regime>.

<sup>56</sup> “Objectives of the MTCR”, <http://www.mtcr.info/english/objectives.html>.

DISCLAIMER: This document is being furnished to you for your information. You may choose to reproduce or redistribute this report for non-commercial purposes in part or in full to any other person with due acknowledgement of PRS Legislative Research (“PRS”). The opinions expressed herein are entirely those of the author(s). PRS makes every effort to use reliable and comprehensive information, but PRS does not represent that the contents of the report are accurate or complete. PRS is an independent, not-for-profit group. This document has been prepared without regard to the objectives or opinions of those who may receive it.