Monthly Policy Review
October 2018

Highlights of this Issue

Subjects identified by Standing Committees for examination in 2018-19 (p. 2)
Various Departmentally Related Standing Committees of Parliament have identified subjects that they will examine, in detail, during 2018-19.

Retail inflation at 3.9% in Q2 of 2018-19 (p. 2)
Consumer Price Index inflation decreased marginally from 4.2% in July 2018 to 3.8% in September 2018. Food inflation decreased from 1.3% to 0.5% during the quarter.

Repo and reverse repo rates remain unchanged (p. 2)
The Monetary Policy Committee kept the repo and reverse repo rates unchanged at 6.5% and 6.25% respectively. The RBI changed the stance of its monetary policy from “neutral” to “calibrated tightening”.

Draft amendments to Sports Broadcasting Signals Act, 2007 released for feedback (p. 2)
The draft amendments propose that broadcasters must share signals of sporting events of national importance with Prasar Bharti and networks where it is mandatory to show Doordarshan Channels.

Draft River Basin Management Bill, 2018 released for consultation (p. 3)
The Bill proposes to establish 13 River Basin Authorities to facilitate coordination between states for development of inter-state rivers. It also seeks to repeal the River Boards Act, 1956.

Draft Cape Town Convention Bill, 2018 released (p. 3)
The draft Bill seeks to implement the Cape Town Convention, and Protocol, 2001. The Convention/Protocol seeks to achieve efficient financing of high value aircraft and equipment, to make operations cost effective and affordable.

Ministry of Civil Aviation released the Digi Yatri policy (p. 4)
The policy introduces a Digi Yatra system with a digital ID backed by a government issued identity like Aadhaar, and passport. Creation and use of the Digi Yatra ID by a passenger will be completely voluntary.

Draft National Policy on Electronics 2018 released (p. 6)
Key objectives of the policy include: (i) promoting manufacturing of electronics to achieve turnover of USD 400 billion by 2025, (ii) improving ease of doing business, and (iii) encouraging research and innovation.

Insolvency Law Committee submits report on cross-border insolvency (p. 6)
The Committee provided recommendations on adoption of the UNCITRAL Model Law on Cross-Border Insolvency, 1997 for cross-border insolvency proceedings. The amendments will only apply to corporate debtors.

CCI releases note on ‘Making Markets Work for Affordable Healthcare’ (p. 7)
The Competition Commission of India released a policy note on issues in the pharmaceutical and healthcare sector which may restrict competition and consumer choice.

CCEA approves Minimum Support Prices for Rabi crops for the 2019-20 season (p. 8)
MSPs have been notified for Wheat, Barley, Gram, Masoor, Rapeseed and Mustard, and Safflower for the 2019-20 Rabi marketing season. The MSP for wheat has been increased by 6% and fixed at Rs 1.840 per quintal.

Committees constituted to examine various issues (p. 4,8,9)
These issues include: (i) sexual harassment of women at the workplace, (ii) framing of a draft National Road Safety Code, and (iii) review of guidelines granting authorisation to oil companies for marketing of transportation fuels.
Parliament
Suyash Tiwari (suyash@prsindia.org)

Standing Committees identify subjects for examination for 2018-19
Various Departmentally Related Standing Committees of the Parliament have identified subjects for detailed examination in the year 2018-19. The subjects chosen by these Committees are listed in the Annexure.

Macroeconomic Development
Ahita Paul (ahita@prsindia.org)

Retail inflation at 3.9% in the second quarter of 2018-19
The Consumer Price Index (CPI) inflation (base year: 2011-12, year-on-year) marginally decreased from 4.2% in July 2018 to 3.8% in September 2018. Food inflation decreased from 1.3% in July 2018 to 0.5% in September 2018.

The Wholesale Price Index (WPI) inflation (base year: 2011-12, year-on-year) decreased slightly from 5.3% in July 2018 to 5.1% in September 2018. Trends in inflation during the second quarter of 2018-19 are shown in Figure 1.

Figure 1: Inflation trends in Q2 2018-19 (% change, year-on-year)

Sources: Ministry of Statistics and Program Implementation; Ministry of Commerce and Industry; PRS.

Repo and reverse repo rate remain unchanged at 6.5% and 6.25% respectively
The Monetary Policy Committee (MPC) released its Fourth Bi-Monthly Monetary Policy Statement of 2018-19. The policy repo rate (the rate at which the Reserve Bank of India (RBI) lends money to banks) remained unchanged at 6.5%. Other decisions of the MPC include:

- The reverse repo rate (the rate at which the RBI borrows money from banks) remained unchanged at 6.25%.
- The marginal standing facility rate (the rate at which banks can borrow additional money) remained unchanged at 6.75%.
- The bank rate (the rate at which the RBI buys or rediscounts bills of exchange) remained unchanged at 6.75%.

The RBI changed the stance of its monetary policy from “neutral” to “calibrated tightening”, indicating a focus on a contractionary monetary policy to curb inflation rates.

Finance
Ahita Paul (ahita@prsindia.org)

RBI releases guidelines on inter-operability of prepaid payment instruments
The Reserve Bank of India (RBI) released operational guidelines to facilitate transfer of funds between different prepaid payment instruments (such as wallets and prepaid cards). This inter-operability is to be facilitated for KYC-compliant instruments through (i) the Unified Payments Interface (UPI) for wallets, and (ii) authorised card networks for cards.

Inter-operability will be enabled in three phases: (i) between different wallets, (ii) between wallets and bank accounts, and (iii) between cards.

Information and Broadcasting
Vinayak Krishnan (vinayak@prsindia.org)

Draft amendments to Sports Broadcasting Signals Act, 2007 released for feedback
The Ministry of Information and Broadcasting has released draft amendments to the Sports Broadcasting Signals (Mandatory Sharing with Prasar Bharti) Act, 2007 for feedback. According to the Act, no television or radio broadcasting service provider can broadcast sporting events of national importance, unless it simultaneously shares the broadcasting signal with Prasar Bharti.

Under the Cable Television Networks (Regulation) Act, 1995, it is mandatory for networks to carry DD National and DD Sports.
However, the Sports Broadcasting Signals Act, 2007, enables Prasar Bharti to re-transmit signals of important national sporting events only on Doordarshan’s own terrestrial or Direct-to-Home networks. Therefore, viewers who do not have access to Doordarshan’s networks are unable to watch these sporting events or must watch them on highly priced sports channels.\(^5\)

The draft amendments propose that in addition to Prasar Bharti, the broadcasters must share signals for these events with other networks where it is mandatory to broadcast Doordarshan Channels. According to the Ministry, this will allow larger number of viewers to access such sporting events.\(^5\)

### Water Resources

**Roopal Sahag (roopal@prsindia.org)**

**Draft River Basin Management Bill, 2018 released for consultation**


Key features of the draft Bill are:

- **River Basin Authorities:** The central government shall establish a River Basin Authority for development, management, and regulation of waters of an inter-state river basin. Every River Basin Authority shall consist of a Governing Council and an Executive Board.

- **River Basin Master Plan:** Every River Basin Authority shall ensure that a River Basin Master Plan for river basin development, management, and regulation is prepared for the inter-state river basin under its jurisdiction. The Plan shall include analysis of the river basin characteristics, environmental needs, assessment of the effects of existing legislation, among others.

- **Executive Board:** The Executive Board will comprise the Chairman and administrative secretaries of the concerned state governments from the departments of water resources, agriculture, drinking water and sanitation, and disaster management. The Board will also have part-time experts.

- **Functions of the Executive Board:** The functions of the Executive Board will include to: (i) formulate a River Basin Master Plan for the inter-state river basin, (ii) prepare schemes for irrigation, water supply, and flood management, and (iii) maintain and update a database on water resources of the basin.

- **Governing Council:** The Governing Council shall consist of: (i) Chief Ministers of basin states, (ii) Minister in charge of water resources from each basin state, and (iii) Chairman of the Executive Board.

- **Functions of the Governing Council:** The functions of the Council include to: (i) approve the River Basin Master Plan, (ii) enable basin states to come to an agreement for implementation of the river basin master plan, (iii) resolve conflicts among states, and (iv) review and give clearance to new water resources projects.

The Ministry is seeking comments on the draft Bill till November 5, 2018.

### Transport

**Prachee Mishra (prachee@prsindia.org)**

**Draft Cape Town Convention Bill, 2018 released**

The Ministry of Civil Aviation released the draft Cape Town Convention Bill, 2018.\(^7\) The draft Bill seeks to implement the Cape Town Convention (Convention on International Interests in Mobile Equipment), and Protocol (Protocol to the Convention on Matters Specific to Aircraft Equipment) in India. The Cape Town Convention/Protocol were adopted in Cape Town in November, 2001. India became a party to the Convention/Protocol in July, 2008.

The Convention/Protocol primarily seeks to achieve efficient financing of high value mobile equipment, like airframes, helicopters and engines, in order to make the operations cost effective and affordable. Objectives of the Convention/Protocol include:

- Creating an international interest in aircraft objects which will be recognised in all contracting states;

- Establishing an electronic international registry for registration of international interests, and providing information related to interests in a particular aircraft;

- Providing certain basic default remedies for creditors, to provide them with speedy interim relief; and
Creating a legal regime which is applicable universally and administers justice to both parties in case of a dispute.

Need for the legislation: Certain provisions of the Convention/Protocol are in conflict with certain provisions of other laws such as the Civil Procedure Code, 2008, the Specific Relief Act, 1963, the Companies Act, 2013 and the Insolvency and Bankruptcy Code, 2016. Further, international financial institutions are not giving due weightage to accession to the Convention/Protocol by any country unless it is accompanied by an implementing law. For example, OECD provides 10% discount in the processing fee of a loan to acquire aircraft to airlines of any country that has enacted a law implementing the Convention/Protocol.

Comments on the draft Bill are invited within 30 days from the date of its publication (i.e., 6th November, 2018).

Ministry of Civil Aviation released the Digi Yatri policy

The Ministry of Civil Aviation released the Digi Yatri Policy. The policy seeks to deliver a seamless, paperless and hassle-free experience to all passengers across all check-points at Indian airports. Key features of the policy include:

- **Objectives:** Objectives of the policy include: (i) enhancing passenger experience and providing a simple and easy experience to all air travellers, (ii) achieving better throughput using digital framework (such as biometric security solutions), (iii) reducing cost operations by removing redundancies at checkpoints, and (iv) introducing a Digi Yatra system with a digital ID backed by a government issued identity like Aadhaar, and passport.

- **Applicability:** The new process will cater to all passengers (Indian nationals with or without a Digi Yatra ID, and foreigners) at any airport in India.

- **Digi Yatra platform:** The Digi Yatra platform (with all the digital IDs) will be built by a joint venture company (JVC) or a special purpose vehicle (SPV). The JVC/SPV will be established by the Airports Authority of India (with a minority stake) and all private airport operators. The JVC/SPV will obtain a local Authentication User Agency license from UIDAI.

- The Digi Yatra ID platform will offer passenger services such as enrolment, authentication, and consented profile sharing. It will be an ID only platform, and provide an authentication service that airports may implement according to their own solution architecture.

- **Passenger consent:** Creation and use of the Digi Yatra ID by a passenger will be completely voluntary. The platform will strictly take consent from the passenger for sharing of face data for the airport checkpoint clearance only. Additional consent may be obtained if the passenger wants to avail any value added services from the Digi Yatra ecosystem partners.

- Airports may not create profile of users, or use this authentication for marketing without explicit user consent for marketing purpose. Such consent will be taken separately during registration of Digi Yatra customers. In case the airport does take marketing consent from a user, this consent must be logged with the Digi Yatra platform. A one click opt-out link must be made available to users directly, as well as through the Digi Yatra platform.

**Revised norms for protecting data regarding airline incidents released**

The Director General of Civil Aviation (DGCA) provides norms for the reporting and investigation of airline incidents. The objective of such reporting and investigation is to: (i) enable assessment of safety implications of each occurrence, including previous similar occurrences, so that any necessary action is initiated to prevent similar occurrences in future, and (ii) ensure dissemination of such information. The DGCA released revised norms for the protection of data (cockpit voice recordings, images) with regard to airline incidents and investigations. The revised norms provide that:

- The operator (airline) will ensure that any cockpit voice recordings and airborne images are protected from any inappropriate use and not disclosed to the public.

- The Chief of Flight Safety of the operator will incorporate the procedure for such data protection in their flight safety manual.

**Committee to frame a draft National Road Safety Code formed**

The Group of Transport Ministers of States had decided to frame a comprehensive road safety policy on April 19, 2018. Following this decision, the Ministry of Road Transport and Highways has constituted a Committee to frame a draft National Road Safety Code with the objective to reduce fatalities and road
The Committee will also suggest: (i) measures to improve the infrastructure to assist road accident victims, and (ii) strategies for road safety advocacy programmes.

The Committee will comprise five members. These are transport commissioners of the states of Kerala, Meghalaya, Jharkhand, and Delhi, and the Deputy Secretary (road safety) as the Convener. The Committee may co-opt any other member of the state or an expert.

The Committee will submit its report and draft policy within three months. The draft policy will then be presented to the Group of Transport Ministers for their consideration.

**Location tracking and emergency buttons mandated for all new public service vehicles**

The Ministry of Road Transport and Highways has mandated vehicle location tracking (VLT) with emergency buttons for all new public service vehicles (such as taxis and public buses) registered on or after January 1, 2019. Autorickshaws and e-rickshaws have been exempted from this rule. The VLT device manufacturers would assist in providing the back end services for monitoring.

With regard to older public service vehicles (those registered up to December 31, 2018), the respective state/UT governments will notify the date by which these vehicles have to install these devices and emergency buttons. State/UT governments also have to ensure the execution of the rule, and the functional status of these VLT devices.

The details of each VLT device will be uploaded on the VAHAN database by the device manufacturer. The vehicle owners will have to ensure that the VLT devices installed in their vehicles are in working condition. They will also regularly send required data to the backend system through cellular connectivity.

The state governments or VLT manufacturers, or any other agency authorised by the state government, will set up command and control centres. These centres will provide an interface to various stakeholders such as (i) the state emergency response centre, (ii) the Regional Transport Offices, (iii) the Ministry of Road Transport and Highways and its designated agencies, and (iv) device manufacturers and their authorised dealers.

**Cabinet approves IRSDC as nodal agency for railway station redevelopment**

The Union Cabinet approved the Indian Railway Stations Development Corporation Limited (IRSDC) as the nodal agency and the main project development agency for redevelopment of railway stations. The lease tenure period for such projects will be 99 years. IRSDC will prepare the overall strategic plan and business plans for redevelopment of individual or a group of stations. Upon approval of business plans by the Ministry of Railways, IRSDC or other project development agencies will take up the work of station redevelopment.

The Indian Railways, Rail Land Development Authority, or IRSDC will plan and develop Railway land. This will be done in consultation with urban local bodies, local development authorities or other union territories, to transfer land on free hold basis to Indian Railways.

The Union Cabinet had approved the development of certain categories of stations by Zonal Railways on June 24, 2015. However, insufficient interest was shown by bidders on such projects, and issues such as multiple sub-leasing were raised. Allowing a specialized executing agency (IRSDC) for such projects seeks to address these issues.

**Indian Railways rationalises freight and passenger fares**

The Indian Railways has rationalised: (i) the flexi-fare scheme, and (ii) freight fares. The changes in fares include:

**Flexi-fare scheme:*** Flexi-fare will be discontinued in trains with average monthly occupancy less than 50% throughout the previous year. It will also be discontinued in lean traffic period of three months, in trains with average monthly occupancy between 50-75% throughout the previous year. Certain discounts in flexi-fares have also been introduced in less patronised classes (such as 2A, 3A, and CC) to increase their occupancy.

The flexi-fare scheme was launched on September 9, 2016. These changes have been introduced based on the recommendations of a committee that was set up to review the scheme, recommendations of the CAG, and representation from passengers.

**Freight rates:** Indian Railways has rationalised its freight rates to ensure additional revenue generation across the network. An additional revenue of Rs 3,344 crore is expected from such rationalisation. This revenue will be utilised to improve passenger amenities. This
rationalisation will result in an 8.75% increase in freight rates for major commodities such as coal, iron and steel, iron ore, and raw materials for steel plants. In addition, the haulage charge of containers has been increased by 5% and the freight rates of other small goods have been increased by 8.75%. Freight rates have not been increased for goods such as food grains, flours, pulses, fertilizers, salt, and sugar, cement, petroleum, and diesel.

**Information Technology**

*Vinayak Krishnan (vinayak@prsindia.org)*

**Draft National Policy on Electronics 2018 released**

The Ministry of Electronics and Information Technology released a draft National Policy on Electronics 2018. The draft policy aims to position India as a global hub for Electronics System Design and Manufacturing (ESDM), by enabling the industry to compete globally. Key features of the draft policy include:

- **Objectives:** Key objectives of the draft policy include: (i) promoting manufacturing of ESDM to achieve a turnover of USD 400 billion by 2025, (ii) improving ease of doing business for ESDM industry, and (iii) encouraging research and innovation in all sub-sectors of electronics.

- **Promoting Competition:** The draft policy seeks to create a competitive ESDM sector by incentivizing domestic manufacturing. This will be achieved by: (i) providing direct tax benefits for setting up new manufacturing units or expanding existing units in the electronic manufacturing sector, (ii) promoting manufacture of electronic goods covered under the Information Technology Agreement of WTO, and (iii) exempting import duty on capital equipment not manufactured in India.

- **Schemes for manufacturing:** The Modified Special Incentive Package Scheme was launched in 2012 to compensate for disadvantages in domestic manufacturing. The scheme provides for capital subsidy of 25% for electronics industry in non-SEZ areas and 20% in SEZ areas. The draft policy proposes replacing this scheme with schemes that are easier to implement such as interest subsidy and credit default guarantee.

- **Standards:** A standards setting body will be established in the Ministry of Electronics and Information Technology. Further, an institutional mechanism will be set up for mandating compliance with standards for electronic products.

- **Export promotion:** The draft policy aims to promote export of electronics by: (i) increasing rate of duty drawback for electronics, (ii) permitting duty free import of second hand capital goods, and (iii) entering into Free Trade Agreements with economies such as EU, and Africa.

**Corporate Affairs**

*Roshni Sinha (roshni@prsindia.org)*

**Insolvency Law Committee submits report on cross-border insolvency**

The Insolvency Law Committee (Chair: Mr. Injeti Srinivas) submitted it report recommending amendments to the cross-border insolvency provisions in the Insolvency and Bankruptcy Code, 2016. The Committee proposed a draft ‘Part Z’ in the Code, based on an analysis of the UNCITRAL Model Law on Cross-Border Insolvency, 1997. The Model Law provides a legal framework that states may adopt in their domestic legislation to deal with cross-border insolvency issues. Key recommendations of the Committee include:

- **Applicability:** The Committee recommended that the draft Part Z should be extended to corporate debtors only, including foreign companies.

- **Duplicity of regimes:** The Committee noted that currently the Companies Act, 2013 contains provisions to deal with insolvency of foreign companies. It observed that once cross-border insolvency provisions are introduced in the Code, it will result in a dual regime to handle insolvency of foreign companies. It recommended that the Ministry of Corporate Affairs undertake a study of such provisions of the 2013 Act to analyse the efficacy of retaining them.

- **Reciprocity:** The Committee recommended adoption of the Model Law on a reciprocity basis initially. Reciprocity means that a domestic court will recognise and enforce a foreign court’s judgment only if the foreign country has adopted similar legislation to the domestic country.

- **Centre of Main Interests (COMI):** The Model Law provides that if domestic courts determine that the debtor has its COMI in a
foreign country, such foreign proceedings will be recognised as the main proceedings. This recognition will result in certain automatic relief, such as allowing foreign representatives greater powers in handling the debtor’s estate. A list of indicative factors comprising COMI may be inserted through rule-making powers. Such factors may include location of the debtor’s books and records, location of financing, etc.

- **Public policy considerations**: Part Z provides that the National Company Law Tribunal may refuse to take action under Part Z if it is contrary to public policy. The Committee recommended that in proceedings where the Tribunal is of the opinion that a violation of public policy may be involved, a notice must be issued to the central government to provide its submissions. If the Tribunal does not issue a notice, the central government may be empowered to apply to it directly.

For a PRS report summary, please see [here](#).

**National Financial Reporting Authority constituted**

The Ministry of Corporate Affairs constituted the National Financial Reporting Authority (NFRA). The Union Cabinet had approved its establishment earlier this year. The NFRA is established as an independent regulator for auditors. Its powers to investigate chartered accountants and their firms will extend to listed companies, and large unlisted companies (threshold will be notified).

**Expert Committee submits report on regulating audit firms**

An Expert Committee submitted its report to the government on “Regulating Audit Firms and Networks”. The Committee was constituted in April, 2018 pursuant to the directions of the Supreme Court. The report examined the legal regime of auditors and recommended measures to promote development of the audit profession in India. The Committee consisted of: (i) Joint Secretary, Ministry of Corporate Affairs, (ii) Additional Secretary, Department of Commerce, and (iii) Joint Secretary, Department of Industrial Policy and Promotion.

The Committee scrutinised the networking arrangements adopted by the big four audit firms to understand their legal structure and method of operation. The Committee also addressed issues concerning conflict of interest and transparency arising out of non-audit services provided by auditors and their network, and recommended necessary checks and balances. In addition, the report also dealt with issues of concentration of market power in the audit services market.

Further, the Committee found the establishment of the National Financial Reporting Authority (NFRA) as a necessary institutional reform, which would align the Indian audit landscape with the global position on having an independent regulator for auditors. The NFRA is established as an independent regulator for auditors. The Committee recommended measures to further strengthen the operation of NFRA to address contemporary challenges in relation to auditors, audit firms and networks operating in India. The report also dealt with issues concerning advertising, multi-disciplinary practice firms, and branding, and suggested measures to rationalise the existing laws.

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**Health and Family Welfare**

Gayatri Mann (gayatri@prsindia.org)

**Competition Commission of India releases note on affordable healthcare**

The Competition Commission of India released a policy note on ‘Making Markets Work for Affordable Healthcare’. The note examines issues in the pharmaceutical and healthcare sector which may restrict competition and consumer choice. Key observations and recommendations of the Commission include:

- **Role of intermediaries**: The Commission observed that drug companies in India charge unreasonably high trade margins which contribute to high drug prices. Further, self-regulation by trade associations also contributes towards high margins as they control the entire drug distribution system which reduce competition. The Commission recommended the use of electronic trading of drugs to induce price competition among retailers.

- **Branded generic drugs**: In India, the pharmaceutical market is dominated by branded generic drugs which limit the price competition induced by generic drugs. Whereas, worldwide, generic drugs are a key competitive force against branded drugs which are marketed at monopoly prices.

- In India, branded drugs enjoy a price premium due to perceived quality assurance. The Commission recommended that the regulatory framework should ensure consistent application of quality control
measures, in order to address issues of quality perception.

- **Vertical arrangements in healthcare services:** The Commission noted that in-house pharmacies of super speciality hospitals are insulated from competition as patients are not typically allowed to purchase any product from outside. Therefore, it recommended that hospitals should allow consumers to buy standardised consumables from the open market. Further, the Commission noted that there is no regulatory framework that governs portability of patient data, treatment record, and diagnostic reports between hospitals.

- **Regulation and competition:** Due to multiplicity of regulators in the pharmaceutical sector, the implementation of regulations is not uniform. This has resulted in multiple standards of same products and different levels of regulatory compliance. The Commission recommended that a mechanism to harmonise the processes followed by state licensing authorities could be developed.

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**Agriculture**

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**CCEA approves Minimum Support Prices for Rabi crops for 2019-20 marketing season**

The Cabinet Committee on Economic Affairs approved the Minimum Support Prices (MSPs) for Rabi crops for the 2019-20 marketing season. Table 1 shows the change in MSPs for the Rabi crops as compared to the 2018-19 marketing season.

<table>
<thead>
<tr>
<th>Crop</th>
<th>2018-19</th>
<th>2019-20</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wheat</td>
<td>1,735</td>
<td>1,840</td>
<td>6.1 %</td>
</tr>
<tr>
<td>Barley</td>
<td>1,410</td>
<td>1,440</td>
<td>2.1 %</td>
</tr>
<tr>
<td>Gram</td>
<td>4,400</td>
<td>4,620</td>
<td>5.0 %</td>
</tr>
<tr>
<td>Masoor</td>
<td>4,250</td>
<td>4,475</td>
<td>5.3 %</td>
</tr>
<tr>
<td>Rapeseed and Mustard</td>
<td>4,000</td>
<td>4,200</td>
<td>5.0 %</td>
</tr>
<tr>
<td>Safflower</td>
<td>4,100</td>
<td>4,945</td>
<td>20.6 %</td>
</tr>
</tbody>
</table>

Sources: Press Information Bureau; PRS.

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**CCEA approves creation of Fisheries and Aquaculture Infrastructure Development Fund**

The Cabinet Committee on Economic Affairs approved the creation of Fisheries and Aquaculture Infrastructure Development Fund. The Fund will provide concessional finance for investment in fisheries development to (i) state and union territory governments and entities, (ii) cooperatives, and (iii) entrepreneurs, among others. The loans will be provided for a period of five years from 2018-19 to 2022-23 with repayments to be made over a period of 12 years.

The fund is estimated to be worth Rs 7,522 crores, funded by the following sources: (i) Rs 5,266 crore from the Nodal Lending Entities (NLEs), (ii) Rs 1,317 crore through contribution from beneficiaries, and (iii) Rs 939 crore through budgetary support from the central government. NLEs consist of NABARD, National Cooperatives Development Corporation, and all the scheduled banks.

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**Women and Child Development**

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**Group of Ministers constituted to examine matters related to sexual harassment of women at the workplace**

The government constituted a Group of Ministers (Chair: Mr. Rajnath Singh, Minister of Home Affairs) to address issues of sexual harassment of women at the workplace. In addition to the chairperson, the Group comprises Union Ministries of: (i) Defence, (ii) Women and Child Development, and (iii) Road Transport and Highways. The Group of Ministers will examine the existing legal and institutional framework for dealing with matters of sexual harassment of women at the workplace. Further, it will recommend the necessary action required for effective implementation of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Group of Ministers will submit their recommendations on measures required to strengthen safety of women within three months.
Petroleum and Natural Gas
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Expert Committee constituted to review the guidelines granting authorisation to oil companies to market fuels

The Ministry of Petroleum and Natural Gas has constituted an Expert Committee to review the existing guidelines for granting authorisation to oil companies for marketing of transportation fuels. These transportation fuels are motor spirit (commonly known as petrol), high speed diesel, and aviation turbine fuel. As per the existing guidelines, companies investing or proposing to invest at least Rs 2,000 crore in exploration and production, refining, pipelines, or terminals are eligible to get authorisation for marketing of such fuels.

The Terms of Reference of the Committee are:
- Reviewing the existing system and extent of private sector participation in the retail marketing of major transportation fuels.
- Identifying entry barriers, if any, for the expansion of retail outlets for private marketing companies.
- Assessing the need to further liberalise the existing guidelines for authorisation of private sector marketing companies.
- Making specific recommendations on the nature of amendments, if required.

The Committee includes the following members: (i) Dr. Kirit Parikh, (ii) Mr. G. C. Chaturvedi, former Secretary, Petroleum, (iii) Mr. M. A. Pathan, former Chairman, Indian Oil Corporation, (iv) Director, Indian Institute of Management, Ahmedabad, and (v) Joint Secretary (Marketing). The Committee is required to submit its report within two months.

Skill Development
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Cabinet approves merger of National Council for Vocational Training and National Skill Development Agency

The Union Cabinet approved the establishment of the National Council for Vocational Education and Training, which seeks to regulate skill development and vocation training. It subsumes two existing regulatory institutions: (i) the National Council for Vocational Training, and (ii) the National Skill Development Agency. Functions of the Council will include: (i) recognition and regulation of entities engaged in vocational education and training, and (ii) approval of qualifications developed by awarding bodies and Sector Skill Councils.

Home Affairs
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Ministry of Home Affairs issues notification on grant of citizenship

The Ministry of Home Affairs issued a notification under the Citizenship Act, 1955. Under the Act, the central government can register a person as a citizen or grant a certificate of naturalisation, on receipt of an application. The notification delegates these powers to the District Collector or Secretary of the Home Department, in case of persons belonging to minority communities in Afghanistan, Pakistan, and Bangladesh. These include Hindus, Sikhs, Buddhists, Jains, Parsis, and Christians. The notification is applicable to such individuals residing in the states of Chhattisgarh, Gujarat, Madhya Pradesh, Maharashtra, Rajasthan, Uttar Pradesh, and Union Territory of Delhi.

External Affairs
Vinayak Krishnan (vinayak@prsindia.org)

Presidents of Russia and Uzbekistan visit India

The Presidents of Russia and Uzbekistan visited India. Key agreements signed with the two countries are mentioned below:
- Russia: India and Russia signed eight agreements for cooperation in various sectors including: (i) railways, (ii) fertilizers, and (iii) micro, small and medium industries.
- Uzbekistan: India and Uzbekistan signed 17 agreements for cooperation in various areas including: (i) tourism, (ii) agriculture and allied sectors, (iii) health and medical science, and (iv) illicit drug trafficking.

Prime Minister visits Japan

The Prime Minister, Mr. Narendra Modi, visited Japan. India and Japan signed 32 agreements for cooperation in various areas including: (i) exchange of information in maritime domain awareness, (ii) artificial intelligence
technologies, (iii) primary healthcare, (iv) developing food processing industry, (v) renewable energy, (vi) environment protection, and (vii) electronics.  

Annexure

The subjects identified by various Parliamentary Standing Committees for examination in the year 2018-19 are given in Table 2.

Table 2: Subjects identified by the Parliamentary Standing Committees for examination in 2018-19

<table>
<thead>
<tr>
<th>Department of Agriculture, Co-operation and Farmers Welfare</th>
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<tbody>
<tr>
<td>1. Production and Availability of Certified Seeds in the Country.</td>
</tr>
<tr>
<td>2. GM crops – Prospects and Challenges.</td>
</tr>
<tr>
<td>3. Agriculture Marketing and Role of Weekly Gramin Haats.</td>
</tr>
<tr>
<td>4. Impact of Mining Activities on Agriculture and Allied Sectors.</td>
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External Affairs
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2. Performance of Passport Issuance System including issuance of e-passports.
3. India-USA Relations – a critical review.
4. India-Sri Lanka relations – Trade and Security including issues of fishermen.
5. India’s Extended Neighbourhood: From Look East to Act East.
6. India’s position in the ongoing Climate Change Negotiations.
7. India’s engagement with the African countries.
8. India’s strengthening ties with Japan: possibilities ahead.
9. India and International Law, including its Extradition Treaties with foreign countries, asylum issues, international cyber-security and issues of financial crimes.
10. Indo-Pak Relations in view of new regime in Pakistan.
11. India-Bangladesh Relations in post-elections era in Bangladesh.

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2. Status of unaccounted income/wealth both inside and outside the country – A critical analysis.
3. Insurance Sector in India – A Review, including performance appraisal of Life Insurance Corporation of India (LIC) and evaluation of Crop and Health Insurance Schemes.
4. Impact of Influx of Global MNCs into country's Financial Technology Space.
6. Central Assistance for disaster management and relief.
7. Demonetisation of Indian Currency notes of Rs. 500 and Rs. 1000 and ramifications thereof.
8. Role of banks, cooperatives and NABARD in addressing issues concerning agricultural/rural credit.
9. Road map for Comprehensive Tax Reforms in India – including measures to increase tax-GDP ratio.
10. Corporate Governance in India – Issues and Challenges.
11. Issues relating to CSR compliance.
12. Implementation of SC and ST sub-plans/component.
13. Growth and Regulation of Micro Finance Sector in India and role of SIDBI/MUDRA.

Food, Consumer Affairs and Public Distribution
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5. Construction of Godowns by FCI.
6. Food subsidy and its utilisation.
7. Development/Promotion of Sugar Industry.

Department of Consumer Affairs
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3. Problem of supply and distribution of adulterated milk and measures taken to check it.
5. Price rise of Essential Commodities – Causes & Effects.
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7. Initiatives in the North-East in the field of Consumer Rights Protection.
8. Regulation of Weights and Measures.

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6. Review of functioning of Central Board of Film Certification (CBFC).

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5. Welfare of Tea, Coffee, Rubber Plantation Workers.
7. Welfare of workers of Un-Organised Sector, including traditional occupations.
9. Review/Functioning of Central Board for Workers Education.
12. Identification and Rehabilitation of Bonded Labour.
15. Compliance with the prescribed provisions of deduction and deposit of PF and ESI by the Employers.
17. Examination and review of Service Conditions of Workers/Journalists Engaged in Print and Electronic Media.
18. Social Security and Welfare/Protection Scheme for Workers Engaged by NGOs.
21. Scheduled/Non-Scheduled/Test Flying Air Operators/Maintenance, Repair and Overhaul (MRO) companies/Air Ports Operators - Safety, Social Security Measures and norms for their Workers/ Employees especially in the context of those who are associated with flying the Aircraft in Civil Aviation Sector.
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8. Passenger Reservation System of Indian Railways.
9. Digitalisation in Indian Railways.
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11. Sub-urban Train Services of Indian Railways.
13. Performance of Production Units of Indian Railways.
15. Safety measures in Railway Operations.
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20. Accounting system in Indian Railways.

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2. Contamination of underground water resources in the country.
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Ministry of Panchayati Raj

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Science & Technology, Environment and Forests

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8. Rain Water Harvesting in India.

Sources: Various issues of Bulletin-II, Lok Sabha; PRS.

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