

POSSIBILITY OF SABOTAGE: OFFICIAL

20 killed in train accident near Kurnool

By Dasu Kesava Rao

HYDERABAD, DEC. 21. In one of the major train accidents in Andhra Pradesh in recent years, 20 persons were killed and 80 injured, 24 of them seriously, when nine coaches of the Bangalore-bound Kacheguda-Bangalore Express derailed near Pagidirai village in Kurnool district today.

The General Manager of the South Central Railway, S. M. Singla, said that the accident could have been an act of sabotage.

The real cause will, however, be known only after an enquiry by the Commissioner of Railway Safety. The Union Minister of State for Railways, Bandaru Dattatreya, reportedly gave a similar briefing to the Union Railway Minister, Nitish Kumar, in New Delhi.

When the train reached the point between Pendekallu and Pagidirai in the Guntakal division at 40 minutes past midnight, there was a loud noise. The engine got detached from the rest of the train. It ploughed through the track for about 300 metres. The coaches overturned on the embankment.

The Andhra Pradesh Minister for Technical Education, N. Anjaneyulu, travelling in the air-conditioned coach, escaped unhurt along with five other MLAs. He was the first to inform the Railway officials and the district administration of the

accident. The injured were rushed to the Railway Hospital at Gooty in Anantapur district and the stranded passengers transported to different destinations by special trains and buses.

Seven bodies were identified. They were those of Venkatanarayana, 55, K. Ramanjaneyulu, 55, Mahabub Basha, 45, Devadas, 30, Sajjan Raj, 51, Thimmappa Naidu and R. Uma, 32.

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Mr. Dattatreya, the Railway Board Chairman, I.I.M.S. Rana, Mr. Singla and other senior Railway officials left for the spot by a special train. The Andhra Pradesh Minister for Home, T. Devender Goud, and other Ministers airdashed to the accident site to oversee relief operations.

Increased ex-gratia

Mr. Kumar announced a special, enhanced ex-gratia of Rs. 1 lakh each to the next of kin of the dead (against Rs. 15,000), Rs. 15,000 for the grievously injured and Rs. 5,000 for the injured.

The Andhra Pradesh Governor, C. Rangarajan, the Chief Minister, N. Chandrababu Naidu, and other leaders expressed shock and conveyed their condolences to the bereaved families.

Our Kurnool Staff Reporter writes:

Rescue teams had a tough

time extricating the bodies of those trapped in the mauled coaches. About 30 workers struggled for over six hours to remove them by cutting metal pieces using gas cutters.

The diesel loco jumped the rails and ploughed through the track but did not overturn. The coaches immediately behind the engine — the general coach, S-14, S-1, S-2 and S-4 overturned and fell off the track.

An eye-witness said that the train, with 22 coaches, was moving at a speed of 80 km an hour. Around 12.45 a.m., the passengers heard a deafening noise and felt jolted. Anjaneyulu, who was travelling in the general coach, said power failed after the coach overturned. He did not know what happened for the next 15 minutes. Somebody helped him out of the coach, he said.

The engine driver, Koteswara Rao, applied the brakes on hearing the noise. The staff alerted the Pendekal station over the wireless. A relief train was rushed to the spot. There are conflicting views about the cause of the accident. The security staff and officials engaged in the restoration work feel that it was caused by a broken rail. The rail was cut vertically with a slant where the S-6 coach was positioned. However, briefing Mr. Goud at the spot, Mr. Singla insisted on the sabotage theory.

Interest on kharif loans waived in drought-hit States

By Gargi Parsai

NEW DELHI, DEC. 18. To mitigate the sufferings of farmers in 14 drought-hit States, the Prime Minister, Atal Behari Vajpayee, today announced in Parliament a complete waiver of interest on loans taken by them for the damaged-failed kharif cultivation this year, as a one-time measure. (As per the recommendation of the Commission for Agricultural Costs and Prices, this is likely to cost the exchequer Rs. 2,000 crores).

In a suo motu statement in both the Houses, Mr. Vajpayee said the Government had earlier deferred the current year's interest on both the kharif crop loan and agricultural term loans, and rescheduled the payment of principal into term loans. These were to be recovered over the next five years from small and marginal farmers and in three years from other farmers. The interest for one year, on both these categories of loans, amounting to Rs. 6,040 crores, was deferred and staggered for recovery over several years. "I have now decided to waive completely the first year's deferred liability of interest on kharif loans, as a one-time measure," he said.

The farmers who had obtained kharif loans would now be entitled to an endorsement of this waiver directly from their loaning bank. Appropriate guidelines in this regard would be issued by the Reserve Bank of India.

Keeping in view the severity of the drought, he had decided to extend the agricultural input subsidy to cover all categories of farmers, for sown and unsown areas up to a ceiling of two hectares. Earlier, this subsidy was announced only for small and marginal farmers at an estimated cost of Rs. 1,490 crores to the Government.

Mr. Vajpayee said that on the basis of assessments to be made by the Ministry of Agriculture,

in consultation with the Finance Ministry, all the affected States would receive additional amounts for input subsidy, based on actual land holdings and cultivation patterns. This decision would cost the Government an additional amount of Rs. 555 crores to be met either from the Calamity Relief Fund or the National Calamity Contingency Fund.

Stating that the Centre had sanctioned an allotment of 38.75 lakh metric tonnes of rice and wheat worth over Rs. 4,000 crores free of cost to the 14 States, Mr. Vajpayee said more foodgrains would be made available to the needy States depending on the utilisation and functioning of the PDS. An additional amount of Rs. 25 crores was being sanctioned to support such "gaushalas" that tend to more than 1,000 head of cattle. Funds would be made available directly to the NGOs running such 'gaushalas'.

A committee comprising officers from the Department of Animal Husbandry, the Ministry of Finance and the PMO would authorise such release.

The Prime Minister said the Ministry of Railways would run additional water tanker trains to Rajasthan. The Water Resources Ministry would appoint a task force to assist the affected States, while the Petroleum Ministry would examine the possibility of deep drilling rigs being employed for sinking deep tube-wells.

In the Lok Sabha, the Kerala MPs protested at their State not being considered drought-hit. They wanted the measures to be extended to the State.

The Centre has already released Rs. 2,000 crores for drought relief from the CRF and the NCCF to the drought-hit States, in addition to Rs.700 crores as additional assistance to severely affected States.

Tehelka-II: Probe chief gets govt job

Oppn raises storm in both houses

TIMES NEWS NETWORK AND
AGENCIES

New Delhi: The Tehelka scandal burst aflame again on Friday after the opposition parties learnt that the judge probing the government's conduct in the affair had already accepted an offer of appointment to a quasi-judicial job connected with the finance ministry. They charged that Justice K. Venkataswamy's integrity had been compromised by the decision six months ago while the probe was still on.

The matter was raised in both houses, with the leader of the opposition in the Rajya Sabha, Manmohan Singh, saying the government had breached the basic norms of propriety in making the appointment. The entire opposition walked out of the house, professing themselves completely dissatisfied with the reply of the leader of the house (and present finance minister) Jaswant Singh.

In May, the finance ministry had offered Justice Venkataswamy the post of 'Authority for Advance Ruling—Customs and Central Excise', which is a new, one-man quasi-judicial body designated to be filled by a retired judge of the supreme court. Justice Venkataswamy accepted the post, even as he continued to probe the Tehelka affair, which had led to the resignation for some months of defence minister George Fernandes. The Tehelka probe is still incomplete.

When this newspaper tried to get Justice Venkataswamy's comments, it was told he would not take calls on the issue.

The opposition was furious and said it was amazing to be told someone could impartially probe the conduct of government functionaries while accepting an office of

profit with the same government. "We are shocked..the very authority which is investigating the government is sought to be given a job by the government," said Manmohan Singh, calling for the walkout.

Responding to MPs' objections, Jaswant Singh told the upper house that the government had written to the then Chief Justice of India in September last year asking him to recommend a retired supreme court judge for the Authority. The CJI, Mr Singh said, had recommended Justice Venkataswamy. The appointments committee of the cabinet met in April and approved his name and the appointment order was issued in May. "We have only followed what the CJI said," said the minister, who had taken charge after all this happened.

In the Lok Sabha, the matter was raised by the Congress' Priyaranjan Das Munshi.

Not surprising, says Tejpal

New Delhi: Tehelka managing editor Tarun Tejpal on Friday alleged that "the government's abuse of power against the news portal in last two years is much bigger a story than its expose on corruption in defence deals" and the appointment of Justice K. Venkataswamy as chairman of an important financial body was no different.

"I am not surprised by anything the government does against us. We are not expecting any fair play from the government which has abused its powers in every possible way against us," he said. PTI

23 NOV 2002

Centre not playing politics with drought, says Vajpayee

TIMES NEWS NETWORK

New Delhi: With Congress president Sonia Gandhi taking on the government in the Lok Sabha on the drought situation on Wednesday, Prime Minister Atal Bihari Vajpayee stepped in to defend the Centre, rejecting the charge that it was discriminating against Congress-ruled states in providing relief.

The government was not politicising the issue, he declared, and urged other political parties to desist from doing the same.

Intervening in the discussion on an opposition-sponsored adjournment motion on drought—which was later rejected by a voice vote—Mr Vajpayee also mooted a proposal to link all rivers, saying this should be taken up on a war footing if India was to find a lasting solution to the periodic problem of starvation deaths.

The government also fielded rural de-

velopment minister Shanta Kumar and consumer affairs minister Sharad Yadav to clarify its position. Mr Kumar castigated states for not using all the resources made available to them by the Centre for various rural development schemes.

Earlier, pleading for a national, non-partisan effort to deal with drought, Ms Gandhi spelt out a slew of suggestions for short-term and long-term measures. She punctured the Centre's—and the BJP's—repeated contention that the states did not lift the grain allotted to them.

Noting that the problem of starvation at a time when godowns were overflowing was a “blot on society”, she said the recent deaths in Congress-ruled Rajasthan and Madhya Pradesh were not due to starvation. She said the “immediate cause” of the recent deaths in Rajasthan and Madhya Pradesh was “specific illness”.

Decentralisation, corruption & poverty

What is the relation between corruption and poverty and what role does decentralisation play in facilitating this relation?

Raghav Gaiha and Raghendra Jha review recent evidence on these issues

CORRUPTION is the abuse of public power for private benefit. It is essentially a result of investing excessive economic power with some individuals or organisations combined with weak state management and poor governance. Corruption typically worsens poverty. This link works through various channels some of which we mention. In cross-country regressions, corruption unambiguously lowers the rate of economic growth. If Bangladesh were to raise the integrity and efficiency of its bureaucracy to that of Uruguay, its investment would be higher by 5% and its annual growth rate by about 0.5%. If Bangladesh could lower corruption levels to those of Denmark, Norway and Canada, average annual growth rates could rise between 2-3%. An increase of growth rate of this order could cut extreme poverty from the current 36% to 11% by 2020. (Rahman, A, G Kisunko and K Kapoor (2000) "Estimating the Effects of Corruption: Implications for Bangladesh", World Bank, (mimeo)).

Corruption also reduces expenditures on health and education and thus hurts prospects for long-term growth. To the extent that corruption increases public investment at the expense of private investment, and skews the composition of public expenditure away from maintenance of past investment towards new investment, the productivity of public investment and infrastructure is reduced (Tanzi, V. and H. Davoodi (1997) "Corruption, Public Investment and Growth", IMF, (mimeo)). Corruption reduces tax revenue because of the collusion between revenue officials and clients. A particularly insightful finding is that the less predictable the level of corruption, the greater is the lowering of FDI. Corruption acts like an unpredictable and random tax that increases risk and uncertainty. If India's corruption level were reduced to Singapore's, for example, it would be equivalent to a reduction in the corporate tax rate to 22% (Wei, S. (1997) "Why is Corruption So Much More Taxing than Tax? Arbitrariness Kills", National Bureau of Economic Research)



Higher corruption is also associated with rising income inequality (Gupta, S., H. Davoodi and R. Alonso-Terme (1998) "Does Corruption Affect Income Inequality and Poverty?", IMF). A worsening of the corruption index of a country by one standard deviation (2.52 points on a scale of 0 to 10) is associated with an increase in the Gini coefficient of income distribution (of about 4.4 points). Given an unchanged per capita income, higher income inequality implies greater poverty. Cross-country evidence confirms that a one standard deviation increase in the growth rate of corruption (a deterioration of 0.78 percentage points) is associated with the decline in the income growth of the bottom 20% of the population (of 1.6 percentage points per year).

The relationship between corruption and decentralisation is complex. Recent cross-country econometric evidence points to a significant negative effect of fiscal decentralisation on corruption. While such evidence is consistent with greater transparency and accountability of local governments, it does not help us under-

stand different manifestations of corruption and large variations in it. Carefully designed case studies are more revealing.

IN THE latter half of the 20th century decentralisation understood as the devolution of political, administrative and fiscal power has occurred in several developing countries, mostly through democratic institutions — particularly in Latin America where military regimes have been replaced by elected civilian governments, and local government officials previously appointed are now elected. However, political circumstances and coalitions have largely shaped the process of decentralisation with little role for economic conditions. Besides, decentralisation has not been a response to mass pressure from the grassroots and typically a top-down affair, guided largely by the narrow self-interest of political leaders seeking legitimacy and mass support. Consequently, devolution has tended to be patchy and reversible. In large countries such as China or India a typical province is larger than some countries.

Consequently, federalism in the sense of devolution of power to provincial governments means that power over people is still fairly centralised. Even at the local level, the units are diverse (ranging from large cities to villages) and their boundaries are determined by accidents of history and geography, not by considerations of decentralised administration. This has meant that many local institutions remain plagued with symptoms of corruption. (Gaiha, R., (2002) *Decentralisation and Poverty Alleviation in Asia*, ADB).

From this perspective, a case study of the panchayat system that existed in Karnataka until 1991 is of considerable interest. With greater powers to panchayats the number of people involved in corrupt acts increased significantly, but the overall amount stolen decreased. While the panchayat members at the Mandal and district levels stole funds and accepted bribes, the openness of the system made it harder to siphon-off large amounts without others finding out. A vigilant press, a lively two-party system and effective voluntary associations curbed malfeasance. Notional estimates of corruption varied between 5-25%, with a greater concentration around the lower limit. Between the lapsing of this system of panchayats in 1991 and the new system following the 73rd Constitutional Amendment Act, there was a spurt in corruption (Crook, J.C. and J. Manor (1998) *Democracy and Decentralisation in South Asia and West Africa: Participation, Accountability and Performance*, Cambridge University Press).

Thus, the benefits to the poor of decentralisation are far from fully realised. An economic rationale for decentralisation has to be articulated and must carry with it the potential for substantial reduction of corruption. This may yield a handsome payoff in terms of higher growth and greater poverty reduction.

(R Gaiha is professor of public policy, Faculty of Management Studies, University of Delhi. Jha is Rajiv Gandhi Chair professor and executive director, Australia South Asia Research Centre, Australian National University)

2 NOV 2002

The Economic Times

CBI treads on thin ice in Abu Salem case

By Sanjay Dutta
TIMES NEWS NETWORK

New Delhi: Lisbon has officially told New Delhi that it will not interfere in the Portuguese judicial process and India should initiate extradition proceedings against fugitive Abu Salem, an accused in the Mumbai bomb blasts case, instead of trying for the more speedy process of deportation.

This means that the Salem case could end up as a no-show for the CBI, at least for a long while to come.

CBI sources said that in a letter to external affairs minister Yashwant Sinha earlier in the week, Portuguese foreign minister Jaime Gama had reiterated that the Portuguese law would take its own course as Salem was an offender in that country. Under the circumstances, it would not be possible for Lisbon to deport Salem through executive intervention but New Delhi was welcome to initiate extradition proceedings against him, the letter said.

According to the *Servicos de Extranjeros e Fronteiras (SEF)*, the Portuguese government agency dealing with foreigners and border issues, "administrative procedures (are) second (to) criminal procedures" in Portugal. "Salem faces criminal charges (of travelling on forged documents) in Portugal. He has first to be heard on trial. The court of law also



Abu Salem

has the power to rule for deportation," Marilia Neres of the SEF told *The Times of India*.

Ms Neres said Salem had a 'residence card' which was granted because he had married a Portuguese citizen. "The authorities are now investigating if the marriage is legal and if the documents are genuine or not. The residence card will be cancelled if either of these is proven illegal," she added.

The Indian assurance that the death penalty would be waived for Salem is also unlikely to be of much help. Ms Neres emphasised that the Portuguese law prohibited extradition or deportation "to countries that apply the death penalty or life imprisonment".

All this could put the CBI on thin ice as it has so far failed to present a watertight case against Salem, especially in the Mumbai blasts incident. The CBI has been aiming for an executive order for deportation, because it is of the view that Salem's most-wanted status in India and an Interpol alert will be enough to sway the Portuguese.

Lisbon has refused to play ball, saying the CBI case is built on "second-hand information from rivals and gangsters".

Sanjay Dutta
19/10/02

Hajipur on track, minus men

HT Correspondents HT/1
Kolkata, September 30

The East-Central Zone (ECR) of the Railways comes into being at Hajipur tomorrow after a stormy gestation period. What happens now?

Who are going to Hajipur from Bengal?

Nearly 2,000 ER employees have opted for transfer but only 91 have shifted so far. "The rest are in the process of shifting," a senior railway official said. ER has around 2.05 lakh employees of whom 7,000 work at the Kolkata headquarters. That still leaves ER with more staff than East-Central Railway.

Will those staying behind suffer?

Yes. Openings for promotions

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were created in Hajipur, while those in Kolkata will now come down drastically. The Railway Board identified 3,429 posts at Kolkata for transfer to Hajipur. September 30 was the last date for the people in the ER headquarters to opt for transfer. Railway officials in Kolkata have appealed to the Board to extend the date till December 31.

And ER — will it also suffer?

Yes, again. ER loses its most lucrative division, Dhanbad. The latest figures show that ER's earnings in 2001-02 were Rs 4,842.27 crore. Freight earnings accounted for Rs 3,830.66 crore. To this, Dhanbad contributed Rs 2,583.82 crore. That's why Mamata wanted Dhanbad to remain with ER when it became clear the bifurcation couldn't be stopped.

So, Hajipur gets the money, not men?

That's the problem — for now. Railway officials say ECR doesn't have the minimum infrastructure and staff it needs for smooth running. They feel Nitish Kumar just took a political decision to put Hajipur on track at the earliest without considering all aspects.

Where does this leave Mamata?

Clutching a black badge. She has called a Black Day tomorrow and railed against all — from Nitish to Vajpayee to the CPI(M). "The NDA Government and the CPI(M) have connived to bring about the bifurcation which would spell disaster for the Railways.... The PM should have called an all-party meet to resolve the dispute," she said.

THE HINDUSTAN TIMES

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SATURDAY, SEPTEMBER 28, 2002

FARM SUPPORT IN A DROUGHT YEAR

THE UNION CABINET has shown considerable resolve in accepting the first recommendations of the Commission on Agricultural Costs and Prices (CACP) and setting the minimum support price (MSP) for paddy during the kharif season at the same level as last year. However, this is not the end of the matter because the Ministry of Agriculture is currently processing a subsequent set of recommendations by the CACP, prepared at the behest of the Ministry, that demands a Rs. 20 a quintal bonus for paddy procurement as part of a Rs. 4,000-crore farm package. This is an extraordinarily difficult year for Indian agriculture which does call for special assistance. But in formulating aid packages, the Government should separate specific allotments of relief for farmers in areas hit by rainfall scarcity from universal concessions that could become permanent give-aways.

What is unusual about the Government's decision on paddy MSP is that for the first time in more than a decade it has not tinkered with the CACP's suggestions. It was an ad-hoc modification of past CACP recommendations which contributed to mismanagement of the cereal economy during the 1990s. The latest decision is, however, good only as far as it goes. There are three other important issues, two of which have not had the desired attention from the Government. The first of the three issues is the timing of the announcement. If the MSP is to influence sowing decisions, it should be announced before the crop season and not when the first harvests are beginning to arrive in the market. Such long delays in announcing procurement prices attract the kind of protests that have been taking place in Punjab in recent days. The second is that the Government has lost the first opportunity to implement the recommendations made recently by the high-level committee on long-term grain policy. That would have involved setting an MSP lower than before (accompanied by temporary direct income payments to farmers to compensate for losses) and also reforming the public distribution system (PDS). The 2002 drought

may have pushed the problems of procurement and the PDS to the background, but since substantive reform is urgently required and can be implemented only over a period of time, the Government could not afford to use the drought as an excuse to postpone change. As the Government of Tamil Nadu's decision to withdraw from procurement and reduce subsidised allocations to the PDS shows, the problems have already percolated to the States.

The third and most important area in which the Government's actions will be watched is how it responds to the CACP's relief package. While a moderate revival of the monsoon in August has meant that 2002 will not see the "worst drought of the century", the situation is serious enough to call for Government intervention on a major scale. The CACP package — a procurement price bonus, interest rate waivers and roll back in fertilizer prices for all farmers in all parts of the country — is more an exercise in populism. Since the drought has not been universal, relief should be based on an identification of the areas affected and the crops that have suffered the most damage. Support could then take the form of direct income payments or even waiver of interest on crop loans in the affected areas. From the point of view of assisting farmers in a drought year, there is also little point in rolling back fertilizer prices after the kharif crop has been harvested. It is also peculiar that "a procurement bonus" payment is used in times of plenty as well as of a shortfall in production. Bonuses were offered in the mid-1990s when there were bumper harvests and there are proposals to offer them now as well when there is a decline in production. Unfortunately, 2002 is turning out to be a year of huge bailouts and relief packages. The Rs. 14,000-crore bailout of UTI has been followed by an equally large one for fiscally-strapped State Governments and large packages are being prepared for a couple of financial institutions. Irrespective of the merits of the case, the Government will be trapped into providing a package of a similar size to Indian agriculture.

SEP 28 2002

INDIA

Rlys. panel to review disaster management

By Vinay Kumar

NEW DELHI, SEPT. 17. A week after the derailment of its premier long distance train, Howrah-New Delhi Rajdhani Express, killing 130 persons, the Railways has initiated a few measures to set its house in order.

In the wake of criticism of rescue and relief operations, the Railway Ministry has constituted a high-level five-member committee to review the disaster management system.

Also, the Chairman of the Railway Board has set up two multi-disciplinary inspection teams to carry out "intensive inspection of accident-prone sections" on the entire railway network and suggest corrective measures at the level of the General Managers.

The committee to review the disaster management system will have Member (Mechanical), Railway Board as its convenor. It will have Member (Traffic), Director-General of Railway Health Services, Director-General of the Railway Protection Force, and Additional Member (Budget) as other members.

The committee will review

the existing disaster management system related to train accidents and natural calamities. It will also identify the technological and managerial inputs in order to quicken the pace of relief and rescue operations and institute a standing arrangement with other Central Ministries, State Governments and armed forces to enable smooth restoration operations without any legal and procedural hurdles. The panel, set up yesterday by the Secretary, Railway Board, has been asked to give its recommendations within two months.

Officials in the Railway Board said the two inspection teams — each consisting of four Directors drawn from freight, civil, mechanical, signalling and safety wings — will carry out inspections after every four months. While the first team will visit Eastern, South-Eastern, Central and North-Frontier zones, the second team will inspect Northern, North-Eastern, Southern, South-Central and Western Railway zones.

The federations of the railway employees have called for setting up an expert group under the Government which would

be equipped with choppers, cutters, cranes and trained divers, firemen, cutting experts, medical staff and other personnel.

They were particularly sore with the reported failure to set up phones with STD facilities at the Rajdhani Express accident site, blaming the lack of coordination with the Department of Telecommunication (DoT) for it. It took an entire day for telephone facilities to be set up. Though the Railways are often credited with having a system of inspection in place, fingers were being pointed over the quality of inspection. Sources admitted that lack of accountability and a people-friendly work culture was playing havoc.

Meanwhile, the five railway federations of employees and officers have written to the Cabinet Secretary, demanding his intervention to stop the harassment of the Railway employees of Mughalsarai division at the hands of the Bihar Police in the name of parallel investigation.

They pointed out that the driver and guard of the ill-fated Rajdhani Express and section engineers have been implicated by the police in criminal cases.

THE HINDU

18 SEP 2002

Rajdhani lessons

25-6 To derail Nitish's zonal plans. 1419

It might look churlish to seize a tragedy like the derailment of the Rajdhani Express in Bihar, which has so far cost well over a hundred lives, to target the Union railway minister who has for the past few months been celebrating the triumph of his pet project of taking away something from Bengal to serve his constituency in Bihar and increasing costs all round. He played his political cards so well that he received endorsement not only from the Deputy Prime Minister but the entire Union cabinet. He also had all parties in Bihar on his side after they passed a resolution the state assembly favouring the creation of a new zone at Hajipur.

It looks like nemesis now with Nitish being deserted by everyone he considered a friend. First, LK Advani throws cold water on the sabotage theory and compels his protege and officials at Rail Bhavan to stop putting out premature conclusions on the cause of the recent disaster. Second, Nitish is ditched by Laloo Prasad Yadav, whose support he had obtained to push his project and perhaps hoped to sustain that bond. Now the RJD chief has been quick to demand Nitish's resignation citing incompetent handling of the disaster.

The railway minister must be discovering much too late that Laloo was leading him up the garden path only to desert him at the crucial moment and also withhold the full strength of the state government's machinery in joining the rescue and relief operations leaving villagers to show up Nitish's officials. In other words, Laloo knows where his political interests lie and has effectively killed any chance Nitish staging a comeback in Bihar. Predictably others like Ram Vilas Paswan are singing the same tune much to the railway minister's discomfiture.

In the circumstances, there is no reason for the NDA to pursue the Hajipur hysteria. The context has changed and the priorities have assumed a new significance. First and foremost, the safety mechanism must be put in place. One does not need Mamata Banerjee — who has a personal axe to grind against the railway minister — to point out that further division of zones may compromise the railway safety infrastructure with the prospect of convenient passing of the buck from one zone to another. That can only add to the hazards confronting the passenger.

In the meantime, the mess that has been caused to rescue and relief work by the Nitish-Laloo confrontation should be included in the terms of reference for a departmental inquiry to be conducted by the Commissioner of Railway Safety (Eastern Zone) — not that it will inspire more confidence in the inquiry anyway. For the NDA's best lesson to be learnt from the latest disaster is that it must take much more than a gimmick like bifurcating the Eastern Railway to confront Laloo in Bihar.

SC calls for papers on ER division

NEW DELHI, Sept. 13. — The Supreme Court today directed the Centre to place before it the entire material on the basis of which the Cabinet had taken a decision to create seven new railway zones.

The direction was issued by a Bench comprising Justice Mr GB Pattanaik and Justice Ms Ruma Pal on a Special Leave Petition (SLP) filed by the Federation of Railway Officers' Association (FROA) against the orders of the Delhi and Kolkata High Courts dismissing their petitions.

While fixing October 4 as the next hearing of the SLP, the court without issuing notice to the government directed Attorney-General Mr Soli Sorabjee to file an affidavit in three weeks. "It will be permissible for the court to examine if there is any material on the basis of which the decision was arrived at by the government," the court said.

Senior advocate Mr Shanti Bhushan, appearing for the FROA, alleged the decision to create seven more railway zones was "politically motivated" and ignored reports of various experts' committees.

In Kolkata, parties were non-committal. Mr Anil Biswas said a stay order would have meant much. Miss Mamata Banerjee said she would comment after she receives the documents, adds SNS.

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THE STATESMAN

9/11/99
(C)

Row over sabotage theory

40-1
12/9

By Sandeep Dikshit

NEW DELHI, SEPT. 11. The Railway Minister, Nitish Kumar, and the Railway Board Chairman, I.I.M.S. Rana, today recanted the sabotage theory in relation to the Howrah-New Delhi Rajdhani express tragedy which had raised eyebrows among those in the know of the reasons.

Both of them, under instructions from the Union Home Minister, L.K. Advani, today said that no opinion on the cause of the accident would be aired till the Commissioner of Railway Safety submitted the preliminary report. Railway officials who had reached the spot were also

asked not to publicly state the *prima facie* reason for the accident.

Emerging from a meeting with Mr. Advani, the Railway Minister said it would not be appropriate to state the probable cause of this year's ghastliest accident. On Tuesday, while Mr. Kumar and his Railway Board officials felt that sabotage was the cause for the derailment of the speeding train, Mr. Advani and the Bihar Government did not appear to endorse this view.

Mr. Kumar also maintained that his Ministry was not interested in joining issue with the Bihar Government, which has

debunked the sabotage theory and counselled Mr. Kumar to examine the current practice of maintaining tracks and rolling stock.

Meanwhile, the toll in the accident near Gaya on Monday night is expected to cross the 100-mark with rescue operations having been nearly completed. It has also emerged that monsoon patrolling on the bridge and its subsidence-prone vicinity was not carried out on that fateful night.

Though the patrolman was supposed to reach there at 9 p.m., there was no sign of the staffer 90 minutes later when the Rajdhani Express, the most

prestigious train on the Gomoh-Mughalsarai section, crashed into the rivulet. Officials are not expecting to pull out any more survivors and have put the number of bodies counted so far at 90. Some more bodies will be prised out of the mangled coaches with the help of gas cutters. Operations were suspended on Tuesday night due to intermittent rain and resumed today with the Army once again lending a helping hand.

In a related development, the Army, which was engaged in rescue operations soon after the accident, de-requisitioned itself on the ground that most of the work was over. Led by the Commandant of ASC (North) Gaya, Brigadier R.K. Kohli, the Army had also summoned units from Namkum (Ranchi), Danapur and Ramgarh in view of the surprisingly tardy effort by the railway staff.

A surgical team from the Army also joined the relief operations while the adventure club of the Army at Gaya made available a micro light aircraft for survey operations.

As expected, Mr. Kumar came under fire from several political parties with some demanding his resignation and others calling for a judicial probe in view of the conflicting statements by senior Central Ministers.

The Nationalist Congress Party, Janata Dal (Secular) and the CPI-ML (Liberation) sought the Minister's ouster, while the Congress, CPI and CPI(M) said the cause of the accident should be probed by a judicial authority.



The derailed bogies of the Rajdhani Express at the Dhava bridge near Rafigang, Aurangabad, on Tuesday. — Photo: Ranjeet Kumar (Reports on Page 12)

Covering tracks

Nitish avoids responsibility

There is a perversely familiar ring in the Union railway minister's hasty conclusion that the horror that visited the Rajdhani Express on Monday night was the result of sabotage. He follows the escape route established when the Shramjeevi Express was derailed in UP four months ago. Even then the ministerial conclusion was presented even before an inquiry was under way and was promptly echoed by the Railway Board chairman and senior officials. If the inquiry was completed, the public is not allowed to know its findings and, more important, allowed to judge for itself the quality of the work done. Which means the inquiry to be conducted into the Rajdhani tragedy by the Commissioner of Railway Safety (Eastern Zone) is likely to be another farce. It would seem that the minister has decided that nothing is to be allowed to deflect him from continuing to divert money allotted for rail safety to his pet project — setting up new and unnecessary rail headquarters. This is what Mamata Banerjee has specifically alleged and there is no answer from the minister. His blaming it all on sabotage does not hold water. If it is true that this area is a happy hunting ground for Naxalites, what were the Railways doing to protect trains that pass this way every day? Where were the Railway Protection Force and the maintenance staff? Obviously the minister expects the Inquiry Commission to simply endorse his findings. Will such callousness win the NDA the next elections in Bihar? Is that what the Prime Minister will tolerate?

Fortunately there are sensible people within the NDA. They include the Deputy Prime Minister who stood by Nitish on the railway reorganisation proposal but has made it clear he is not prepared to buy the sabotage theory. It was the strongest possible rebuff the minister could have got and ought to prompt him to resign as he did after the Brahmaputra Mail collided head-on with the Assam Express at Gaisal in North Bengal on 3 August 1999. Nitish Kumar is shamelessly politicising the tragedy; in stark contrast Mamata Banerjee refrained from doing so and emphasised instead the need to bring relief to the victims. The Prime Minister cannot escape responsibility. Accused of concentrating on extracting political advantage from the bifurcation, he calmly confirmed that he was a politician! If the logical inferences are unfair, it is up to Vajpayee to act accordingly. Nitish Kumar's safety cess will yield Rs 17,000 crores; there is no assurance that a single rupee will be used for the purpose intended. There are hundreds of railway bridges that are more than 70 years old — some more than a hundred — and they urgently need repairs or replacement. It is not enough to be told by Nitish's officers that the railway bridge at Rafiganj, built 86 years ago, was not in the "distressed" category. Prima facie evidence does point to negligence; if missing fish plates caused the accident how come five bogies including the engine passed over intact? It is reasonable to assume that the bridge gave way under the strain. Railway officials have disgraced themselves by parroting the minister's line. At least this time there must be an independent inquiry and the report must be made public. Enough is enough!

FOR CONSIDERERS OF THE INDIA...
Nitish More Interested In Railway Bifurcation Than Security, Charges Congress

Govt, Opposition on collision course

Our Political Bureau
NEW DELHI 10 SEPTEMBER

LESS than 24 hours after five coaches of the Howrah-New Delhi Rajdhani Express derailed from its track near Rafiganj in the Aurangabad district of central Bihar, leading to over 100 deaths, the blame-game has begun.

Even before the exact casualty figures could be known, the RJD and the Congress rushed in to blame railway minister Nitish Kumar for the tragedy. But the latter remained unfazed by the criticism and said instead that prima facie, the accident appeared to be a result of sabotage.

Trinamool Congress chief Mamata Banerjee, who left the NDA for the second time in a little over a year over the Centre's refusal to revoke the Eastern Zone bifurcation decision, was, surprisingly, restrained, maintaining that this was not the time to play politics.

Mr Kumar, who rushed to the site on hearing about the tragedy, said: "Prima facie, it appears to be a case of sabotage as at the time of the accident, the train was running at the permissible speed of 130 kmph on the stretch and had there been any suspicion over the condition of the track, speed restrictions would have been immediately imposed," he told reporters after a preliminary inspection of the site.

The fish-plates on the side of the track indicated sabotage, he said, adding, "a final report on the cause of the accident would only be given by the Commissioner for Railway safety." But the RJD and the West Bengal Congress remained unimpressed with his explanation. "It seems Mr Kumar is more inter-



TRACKING IT: Nitish Kumar oversees the rescue operations near Gaya on Tuesday. — AFP

ested in the bifurcation of the railways instead of paying attention to the safety and security aspects," former West Bengal Congress chief Somen Mitra, who along with some other party functionaries visited Howrah sta-

Safety under cloud

THE derailment of the Howrah-New Delhi Rajdhani Express on Monday night has once again raised those very questions which come to the fore every time there's a train accident. Unfortunately, these questions remain unanswered and the passengers' grievances are almost completely ignored till the next accident occurs.

This was the third major train accident over a span of 15 months that has raised questions about railway safety in general and about railway bridges in particular. The accident took place around 10.40 pm between Rafiganj and Dev Road stations in Bihar. The train was heading towards Aurangabad. While the exact toll of Monday night's accident is still being ascertained, the accident has brought into focus the failure of the railways to impose strict safety standards. While the ministry said it was a sabotage, the Bihar government said the railways' failure to maintain the 96-year-old bridge had led to the accident.

tion to console the relatives, said in Kolkata on Tuesday.

He drew comparisons with the rail accident at Gaisal in North Bengal three years ago. The collision between the Assam Awadh Express and the Brahmaputra Mail, which resulted in the death of hundreds of people, also occurred under Mr Kumar's stewardship of the Indian Railways. "We, therefore, think it is time for him to resign," he asserted.

RJD president Laloo Prasad Yadav who, along with his wife Bihar chief minister Rabri Devi, visited the accident site on Tuesday, held the railway ministry responsible for the derailment. "The railways are to be squarely blamed for the tragedy because of their scant respect for safety measures," he observed after visiting the site. The river bridge, he maintained, was too old and the railways had not taken any step for its proper upkeep.

Staff don't rule out foul play

Our Kolkata Bureau
10 SEPTEMBER

A 13-metre rail and fishplates from the left track over the bridge across Dhawe river were found missing. This has prompted Eastern Railway not to rule out the possibility of a sabotage of the Delhi-bound Rajdhani Express. Eastern Railway sources said: "We are investigating this. Eastern railway general manager Sunil Sen-gupta has rushed to the spot and DRM, Moghul-sarai division, K.K. Saxena has also reached there."

Bihar administration, however, ruled out the possibility of a sabotage. Bihar's inspector general of police (IGP-operations) Neelmani, who is looking after the rescue operations, said: "This does not appear to be a case of sabotage...the railway authorities have jumped to a conclusion without even caring to verify the ground realities."

The Naxalite outfits operating in the state never targeted passenger trains, though, in some cases, they did blast tracks. Normally, they informed the authorities before doing so, to avert an accident, he said. Although Eastern Railway sources failed to give any figure on the death toll or injury, they feared that the toll might be very high since the superfast train was running at nearly 120 kmph.

"What was worse was that most of the passengers must have been sleeping when one of the bogies plunged off the bridge, while five dangled in mid air and 12 of the 18 coaches overturned," the Eastern Railway sources said.

So far, 30 bodies have been recovered from the site while 100 of the 182 injured have been admitted to all the local hospitals, Eastern Railway sources said. Eastern railways has opened special enquiry cells at Howrah, Dhanbad, Allahabad, Kanpur and New Delhi for information about passengers travelling by Rajdhani Express.

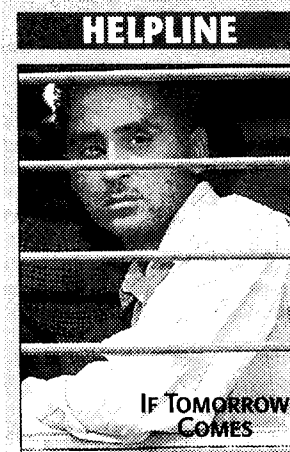
State offers medical help

Our Kolkata Bureau
10 SEPTEMBER

THE West Bengal government is working in tandem with the Bihar government to ensure that the injured passengers get medical help. Chief minister Buddhadeb Bhattacharjee said civil defence minister Srikumar Mukherjee had been rushed to the site on the relief train with a civil defence team to help in rescue operations, while state transport minister Subhash Chakraborty was coordinating with the Bihar government. State-run hospitals are ready to treat the injured who may be brought back.

Though railway sources could neither give the death toll nor the number of people who were injured, they said about 75 passengers were being taken back to the city according to their choice. Others were being taken to New Delhi. Eastern Railway sources said information on the safety of 325 passengers had been received till evening. Mr Bhattacharjee said the state would ensure that the injured get satisfactory treatment on their return. He said the list of the victims would be available at the police headquarters at Lalbazar and at the Kolkata Information Centre. State health minister Pratyush Mukherjee was asked to be present at the Howrah station when the victims arrive here and ensure treatment, he said. The director, casualty services, will also be at the station with casualty service doctors and volunteers to attend to the injured.

There was a flow of the relatives at the station since the early hours. But there was hardly any information available to those looking for any report about the exact nature of the accident despite there being an Eastern Railway enquiry cell. Trinamul Congress chief Mamata Banerjee also rushed to the Howrah station to be with the relatives of the passengers. She demanded that the army be immediately called for the rescue operations.



Howrah 660-1411/1455/5430
Dhanbad 0326-205280
Allahabad 0532-600191/603954
Kanpur 0512-322223
New Delhi 011-3344128

Derailing of reason

Get the actual facts of the Rajdhani accident before spouting scare theories

WE have been through this before. The first phase that marks the aftermath of any rail accident is the inordinate generation of noise as half-baked conclusions and endless speculation litter the air. All the concern such events cause inevitably leads to the instituting of an inquiry commission. The matter is then miraculously and immediately forgotten. The conclusions of the commission, when they emanate months or even years later, are consequently met with almost total indifference. Things revert to status quo, until the next accident triggers off the cycle yet again — a cycle that demonstrates that we learn little and implement less.

Going by early portents, we are poised to repeat this history with the midnight calamity that befell the Howrah-Delhi Rajdhani Express. Already, the accident has got politicised. Union Railway Minister Nitish Kumar claims that it is a case of sabotage, and Laloo Prasad Yadav insists that it is a case of negligence. Meanwhile, Mamata Banerjee, still very much the railway minister-in-waiting, camps out at Howrah station and screams about tardy relief. When will our political guardians learn to hold their counsel until the facts emerge, bury their differences, and work in unison for the greater

common good in times of tragedy? All that can be said, at this juncture, is that the Rafiqganj accident appears to be the worst involving the much-showcased inter-city Rajdhani service, which has come to be regarded as synonymous with India's mobility and modernity.

There are, possibly, three broad reasons for the derailment. The first, the much-banded theory of sabotage, is based on the fact that the fishplates were found to have been removed. But if that was the case, how is it that a train that passed by just half an hour earlier had escaped the Rajdhani's fate? The second, of course, could be the shoddy state of the railway bridge on which the train was travelling. The H.R. Khanna report had urged the constant monitoring of bridges and their replacement in case they are found to be 'overaged' or 'distressed'. The third reason is the health of the tracks — an aspect that is sorely tested by high-speed trains like the Rajdhani. There may be other reasons too, and the authorities need to investigate this whole business urgently. Meanwhile, in order to aid such inquiries in the future, it is time to equip trains with the 'black box' facility that has helped in establishing the causes of air accidents.

Mamata slams Rly, party wants Nitish to resign

Arindam Sarkar
Kolkata, September 10

MAMATA BANERJEE reached Howrah station soon after 1.50 am, when news of the train accident flashed on TV, to find no railway officials present. A fuming Mamata immediately called for the senior officials.

"Where are the railway officials? This is absolute callousness. I was surprised to find no one at the station when I reached a little after 2 am. The relatives of passengers had already started trickling in for enquiry. But there was no one to answer the queries. In fact, railway officials were not aware that such a grave accident had occurred. I have been a Railway Minister and I was shocked to see the inefficiency," the Trinamool chief said.

When Mamata left the Howrah station this morning, things were no better. She was peeved, as the railway authorities had postponed the departure of the special train for relatives of passengers. "This is unimaginable. It is 8 am and no passengers' list has been put up yet. There is total communication gap. I think Prime Minister Atal Bihari Vajpayee and Deputy Prime Minister LK Advani should realise why I am opposing the bifurcation and asking for the money to be spent on security measures," she said.

The Trinamool chief, however, said she agreed with the Deputy PM that this was an accident and not a sabotage. "If the removal of fish-plates caused the accident then how come the engine and the two coaches crossed over, while the rest fell as the bridge collapsed? I know that the bridge is in poor condition and needs repairing," she said.

Mamata said she was surprised that despite satellite telephones on the train, the rescue operations have been abysmal. "In fact, during my tenure as the Railway Minister the budget was so low that I couldn't even take adequate steps, but still I ordered the introduction of the Konkan Device — a



Mamata Banerjee takes a look at the passengers list on Tuesday.

AP PHOTO

special safety device that can prevent accidents, derailments and bring the train to a halt in case of signal failures — between Howrah-Mughalsarai, Delhi-J&K and the North-east region. But this hasn't been introduced."

Though Mamata fired salvo at the Railway Ministry for its lapses, she stopped short of demanding his resignation. "This is the time for carrying out rescue operations. I don't want to politicise it. We can discuss this later. But there have been precedents before and after the Ambala accident. I, too, gave my resignation to the PM but he didn't accept it. So I leave it entirely to the present Railway Minister," she said.

Trinamool MPs demanded that Ni-

tish Kumar take moral responsibility for the accident and resign. Nitish Sengupta said the quality of rescue operations proved "how foolish it would be to make Hajipur the zonal headquarters" without proper infrastructure.

"Nitish Kumar should immediately stop the bifurcation and concentrate on improving the safety measures of the Indian Railways," Sengupta said. In 1927, he said, Agriculture Minister Crichton Down, in the British Government, had resigned due to administrative failure. Since then, it has become the accepted practice of public administration that whenever a major administrative lapse occurs, the Minister resigns owning moral responsibility.

Showpiece train torn to pieces

Sabotage versus ancient bridge

TAPAS CHAKRABORTY

Rafiganj (Aurangabad), Sept. 10: Mohammed Irshad will not be the only one who's lived — and regretted every moment of it — to tell this tale.

"We were all asleep and suddenly the whole thing went zigzag. It lasted a couple of minutes. When it was over, I realised my wife and children had been crushed to death."

When the engine of the Rajdhani Express from Calcutta to Delhi, running at 130 km an hour, tore off the body of the train and the coach right behind crashed through the rail bridge, bogie after bogie ramming into it and piling on top of one another, most of the passengers inside were asleep.

At least 50 of them will never wake up — that is the official toll. Most of these bodies have been pulled out of a single coach of the air-conditioned luxury train, which was carrying around 600 passengers and railway staff. Another at least 150 passengers have been shifted to hospitals in Aurangabad and Gaya, from where the site of the accident that occurred close to 11 pm on Monday night is 130 km.

The government is talking of a final toll of around 75, but the extent of the tragedy will only unfold over the next two days. The condition of 50 of the injured was said to be critical.

"Having boarded the train at Dhanbad, I had just fallen asleep in coach AS-5 when the roaring engine drifted away from the train and rushed ahead while the coaches began jumping the tracks and falling down. I felt as if this was the end of the world for me. But I am lucky to be alive," said Vikash Goel, who sustained injuries on his chest and hand.

Witnesses said the train left Gaya station at 10.30 pm and the accident took place around 10.45 pm. But it took about two hours for information to reach the railway authorities as there is no

habitation within three kilometres of the accident site.

The worst tragedy to befall the showpiece Rajdhani Express — described as a "unique opportunity of experiencing Indian Railways at its best" — was blamed on sabotage by Naxalites who are active in the area and on an ill-maintained bridge that, after nearly 90 years of pounding, could not take the weight any more.

The explanation depended on which side of the fence the person was sitting. Railway minister Nitish Kumar claimed that fishplates had been removed and that the evidence was there for all to see. How the engine roared ahead over missing fishplates remains a mystery, though.

"The truth behind the disaster would be out soon and following a probe order the Railway Safety Commission is already on the job," Kumar said.

Deputy Prime Minister L.K. Advani, also the home minister, said in his initial reaction that he believed the tragedy to be an accident.

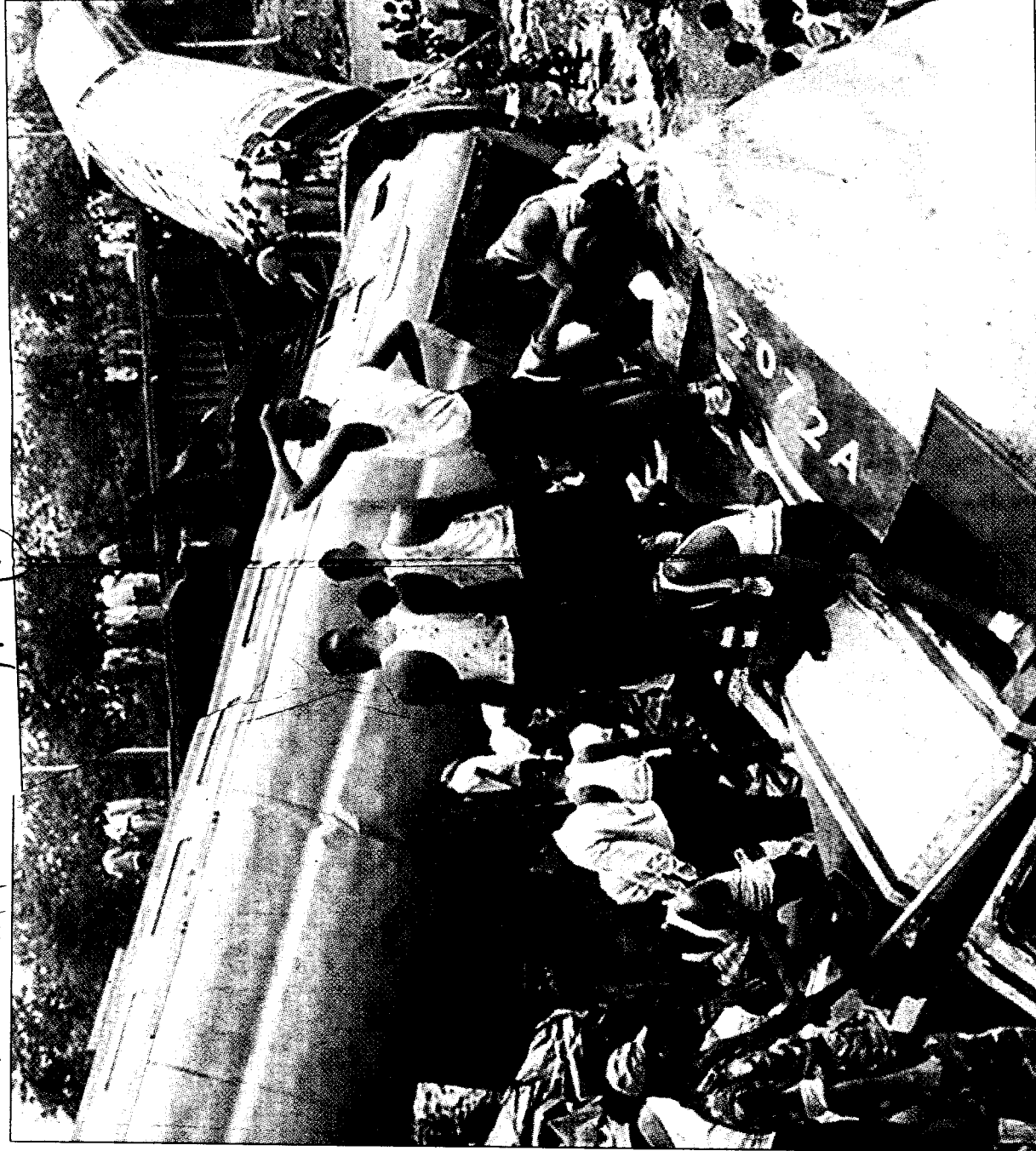
Political considerations quickly came into play as Kumar's Bihar rival Laloo Prasad Yadav said the mishap was "due to a 90-year-old unrepaired bridge".

For supporters of the sabotage theory, the dominance of Naxalites in the region is coming in handy. But Bihar police officers explained that though Naxalites have blown up tracks in the past, they have never targeted trains.

Later in the day, the Railway Board saw the possible hand of the ISI, too.

The bridge over which the accident occurred was built in 1916 and the last repairs were made in December last year.

Witnesses said the train lurched off the tracks and the engine carried on for some yards before the first bogie fell on low land on the bank of the river Dhawa. Four coaches behind it, AS-2, 3, 4 and 5, piled on to the first. Coaches AS-6, 7 and 8 hung precariously from the track over



Rescue workers search the wreckage of Rajdhani Express on Tuesday. (AFP) ■ See Metro and The Wrecked Rajdhani, Pages 6 & 8

was awake as he had boarded the train at Gaya.

Relief workers, who reached the spot at least three hours after the accident, were not equipped with enough gas-cutters and hammers. Hundreds of passengers, still trapped inside coaches

QUOTE

Look at my husband who is now cold as stone in the other room

RUPALI GUPTA
A Rajdhani passenger

were screaming for help. "We were able to extricate 50 bodies but this was from only one coach. Two bogies are yet to be brought under the relief operation," said A.K. Saxena, divisional railway manager, Mughal Sarai.

Even 10 hours after the accident, rescue was slow and interrupted not only by gusts of late monsoon rain, but also by surging crowds of onlookers, some of whom had eyes only for the belongings of the passengers.

Amid the ruins, a little child from a nearby village was playing with a plastic container of rosogollas, trying to figure out what was inside.

Blackout after body blow



Guest Column
MAMATA BANERJEE

As I sat surveying the chaos at Howrah station from last night to this morning, there was one question that kept leaping back at me: Would I have done any better had I been the railway minister? I choose not to answer this question at this hour of tragedy. But of one thing I am certain: I would not have been as indifferent as the current dispensation appeared to be.

There was virtually an information blackout by the railway administration about the accident late last night. The mishap news came to me as a rude shock and I tried to get a detailed account from different quarters

over phone, but could not succeed. I left my residence for Howrah station after midnight to get a firsthand account of the accident. There was no competent manning of the inquiry counter, indicating a blanket ban on information for unknown reasons. Right from 1.30 am, when I reached the station, till 7.30 am, the only information available at the helpline counter was the passengers' list.

Worried relatives and friends of passengers on the ill-fated train who had started crowding the counter, wanted to know the status of the occupants, position of the rakes and other details about the train. But the few railway officials present at the station could hardly throw any light on the points raised by them.

If this is the kind of treatment meted out to relatives of passengers on an "elite" train like Rajdhani, what will be the fate of passengers on other "lesser" trains? We are celebrating the 150th year of the world's second-largest rail network, but we continue to be indifferent to the fate of the passengers. Is this fair?

The passengers' relatives told me that their frantic calls to Patil and Mughal Sarai had failed to evoke any response. I sat on the main platform throughout the night, watching the helplessness of the passengers and the railway staff.

CONTINUED ON PAGE 6

Rajdhani derails, 100 feared killed

SNS & PTI

KOLKATA, Sept. 9. — Four coaches of the Howrah-Delhi Rajdhani Express jumped the rails in Aurangabad, Bihar, late tonight killing more than 100 passengers it was feared.

The 2301 Up Rajdhani Express (via Gaya) left Howrah at 5 p.m. today and two coaches, AS-I and AS-II, fell into the Dhaba river.

A late night Zee News special news bulletin said two other coaches (AS-III and the pantry car) were hanging from the bridge near Rafiqganj station between Gaya and Dehri-on-Sone. Later reports said that both coaches were precariously perched and were in imminent danger of falling into the river.

Five people were rescued early on Tuesday. One of them said a loud explosion was heard just before the accident.

Coach AS-I had 64 passengers when it left Howrah, officials said. The other coach reportedly had the same number of passengers.

The chances of the passengers' in the two submerged coaches is minimal, officials said.

An Eastern Railway spokesman said the accident took place around 11.45 p.m. District officials said the spot is remote and hilly, hence reaching medical and relief team immediately is difficult. A team of doctors, a large police contingent and top railway officials, however, have left for the spot.

But policemen can't do much without railway personnel and equipment. For, only railwaymen are trained to carry out relief and rescue operations in case of accidents,

officials said.

It has been raining in the area for the last couple of days and that could have caused the accident, officials said.

Initially, the medical and railway team was reluctant to go to the spot at night because the area is said to be a Naxalite stronghold. Frequent clashes between police and the Naxalites is not uncommon, hence the fear among the officials.

A late night agency despatch said medical and relief teams from Mughalsarai and Gaya too have been rushed to the spot.

The Railways minister, Mr Nitish Kumar, and Mr Sunil Sengupta, Eastern Railway general manager, have left for the site of the accident.

A spokesman for the Eastern Railway said the train left Howrah at 5 p.m. He said the accident took place about 508 km from Howrah. Train services on both the Up and Down lines were disrupted.

Railway relief trains along with medical vans Mughalsarai and Gaya rushed to the spot. Senior officials of the Eastern Railway also left Howrah tonight for the spot.

According to a railway spokesman, the driver of the train was the first to inform the Mughalsarai railway control of the accident through his high frequency telephone. But he could not give details as the entire area was in darkness.

Mr Anil Saxena, another railways spokesman, said enquiry counters have been opened at Delhi, Howrah Mughalsarai, Dhanbad and Patna railway stations.

Eastern Railway has opened an enquiry in Dhanbad. Relatives and kin of passengers can call 0326-305280. The Howrah enquiry number is 6605430/1411. The Mughalsarai number is 05412-53255

Kalam's second vision hits Pervez rhetoric

Statesman News Service

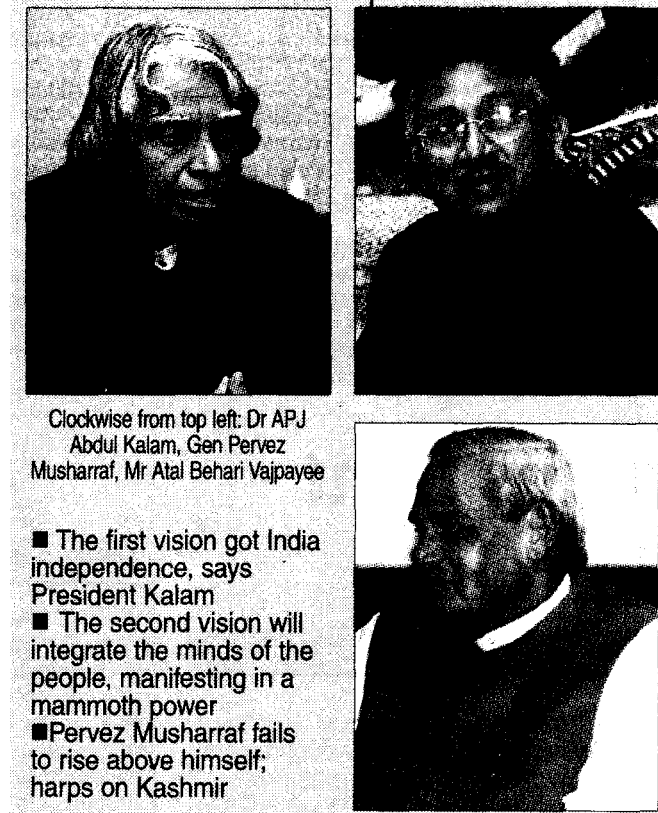
NEW DELHI, Aug. 14. — In his first address to the nation, President APJ Abdul Kalam kept the rhetoric low on cross-border terrorism and spelt out the need for a "second vision".

Dr Kalam stepped off the beaten track to identify the challenges facing the country and emphasise the importance of bringing about a "Unity of Mind" — the title he gave to his speech — to realise the "vision". This would integrate people from all walks of life and remove the conflicts arising out of "differences and small thinking".

The first vision, he said in his address on the eve of Independence Day, created a movement to achieve freedom for the country "with unity of minds of our people and the unity of purpose in actions". When the minds of the people of our country are unified and fused towards this vision, the dormant potential will manifest as a mammoth power.

"We have to have a solution to the repeated droughts and floods; we have to eradicate communal and other divisive clashes sprouting in certain parts and remove the pains of our people, whether in Jammu and Kashmir or in any other part of our country; we also have to find a permanent solution to cross-border terrorism," Dr Kalam said, listing the challenges.

Moving away briefly from his thoughts on the "second vision", Dr Kalam said it was essential to



Clockwise from top left: Dr APJ Abdul Kalam, Gen Pervez Musharraf, Mr Atal Behari Vajpayee

- The first vision got India independence, says President Kalam
- The second vision will integrate the minds of the people, manifesting in a mammoth power
- Pervez Musharraf fails to rise above himself; harps on Kashmir

ensure successful completion of the election process and the "dawn of peace" in Jammu and Kashmir. "India is ready for bilateral dialogue once the cross-border terrorism is brought to a complete end," he said, refuting claims that J&K is an international issue.

Referring to the paradoxical situation of floods in one part of the country and drought in some others, Dr Kalam said the need

of the hour was to have a "water mission" to ensure availability of water throughout the year.

Describing non-violence, tolerance, acceptance of all religions and different ways of life, search for truth and fearlessness as the corner-stones of the Indian policy, Dr Kalam said any act that runs contrary to these internal values would threaten the fabric of free nation.

PM not to hold talks with Gen.

NEW DELHI, Aug. 14. — Mr Atal Behari Vajpayee will not hold talks with General Pervez Musharraf during his week-long visit to New York next month.

Star News, quoting officials, said the Prime Minister will be in the USA during the first anniversary of 11 September attacks and is expected to address the UN General Assembly and have wide-ranging talks with President Mr George W Bush.

Though Mr Vajpayee's programme is still being finalised, he is expected to be in the USA from 11 to 17 September. In his address to the General Assembly, tentatively scheduled for 13 September, Mr Vajpayee will give a strong call to world leaders to unitedly fight and eliminate terrorism. — SNS

Role models

Dr Kalam advised legislators to become "good role models" for the children. "Parliament and legislators have a crucial role in giving the vision of developed India and value-based polity. Our children should see the members of Parliament debating the vision of developed India, providing action plans and putting forth great thoughts and challenges to them."

Congress for all-party meet, protest day over bifurcation

After the Trinamul, it is the turn of the Congress to show its displeasure over the ER bifurcation, says our reporter in Kolkata

Aug. 8. — We have just witnessed a bandh and if our political overlords have their way, another day might soon go to waste. This one, too, will be "for people of Bengal", considering the loss they will suffer due to bifurcation of Eastern Railway.

The Congress today requested the chief minister to convene an all-party meeting against the bifurcation, the first one having visibly failed. Mr Abdul Mannan, Congress MLA even suggested to observe a Protest Day in September, when Mr LK Advani visits the state.

Mr Mannan also suggested that the protest day be observed by way of another Bangla bandh. A three-member team, led by former PCC chief Mr Somen Mi-

tra, today met the chief minister.

Mr Mannan later said that when an all-party team from the state met Mr Advani on 9 August to discuss the bifurcation issue, the latter reportedly assured the leaders that he would take up the matter with the Prime Minister.

Mr Mitra today said his party was not against any agitation on railway bifurca-

tion. Without naming Miss Mamata Banerjee, he said, "agitation should serve the state's cause and not further personal vendetta."

He said the Trinamul started the agitation only after their leader failed to get a Cabinet berth.

Mr Mannan claimed the chief minister has principally agreed with their proposal of convening the meet. Later, Mr Buddhadeb Bhattacharjee said that it was the Congress leaders' decision. "I'm not saying anything now but if necessary, I'll let you know," he told reporters at Writers'.

Mr Mitra said they demanded the arrest of Congress leader Arun Ghosh's killers and action against the policemen who allegedly stripped a woman in Belpahari, Midnapore for her alleged PWG links.

The Congress leaders also wanted the government to lift financial embargo in different municipalities and panchayats so that relief work in drought-hit areas could be carried out.

Basu to flag off march

KOLKATA, Aug. 8. — The LF state committee today decided that Mr Jyoti Basu will flag off the march against the ER division on 11 August with a speech at the Brigade Parade Ground. — SNS

Meanwhile, in an attempt to refurbish its image, the Trinamul, led by Mr Subrata Mukerjee, raised the demand for the creation of a North Bengal railway zone at a public meeting today in Siliguri as reported by our correspondent.

Besides, Mr Mukherjee clarified as to whether Trinamul will remain with the NDA. It will be decided on 13 August at a meeting in Kolkata.

Justifying the demand for this new railway zone, Mr Mukher-

jee said that his "party was against bifurcation of any railway zone, but since the Centre has already decided to go ahead, they might as well consider our demand for North Bengal (for a new railway zone)."

Reiterating the party line, the mayor said the new zone ought to be carved out of Alipurduar and Katihar divisions, with its headquarters being located in New Jalpaiguri. Presently, the divisions are part of the North-East Frontier Railway, which is controlled from Maligoan in Assam.

Trinamul Congress contends that North Bengal will be deservedly benefited if a railway zone can be established here.

"The area is strategically located. Many commuters use it and a lot of goods are transported by trains everyday. It is also a long-standing demand of the local people to upgrade the railway status here," said a local Trinamul leader. Even the CPI-M has been demanding the creation of a new railway division headquartered at NJP. Presently, the NJP comes under Katihar division of the NEF Railway.

Sharma being framed, says wife

By Sanjeev Kochar
TIMES NEWS NETWORK

Chandigarh: The wife of R.K. Sharma, Haryana I-G (Prisons), who is wanted as the prime suspect in the murder of journalist Shivani Bhatnagar, has alleged her husband is being framed. At a hastily-called news conference in her Panchkula residence here, Ms Madhu Sharma alleged that the Delhi police had hatched a conspiracy to nail her husband at the behest of the home ministry.

She said that the hurry with which Sharma, a highly decorated officer, had had his leave cancelled, non-bailable warrants issued against him and the manner in which a reward of Rs 50,000 had been announced for anyone who could give information on him, clearly pointed to a larger game.

The family, she said, had been targeted even before the murder of Ms Bhatnagar, when her elder daughter was kidnapped. Threatening phone calls continued after the murder. "The next murder," she claimed, "would be of a member of her family".



Madhu Sharma addresses the press at Panchkula on Thursday.

In her first appearance after the police began their search for her husband, Ms Sharma, flanked by her daughters, made a scathing attack on the authorities. The couple had gone missing after the Delhi police arrested Sri Bhagwan, an acquaintance of Sharma and one of the alleged conspirators in the murder, on July 30.

Ms Sharma alleged that all civil liberties were being crushed in a hurry to arrest an officer who had always been cooperating with the investigating agencies, she said.

Explaining her husband's continuing absence, Ms Sharma said: "We

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fear that he will be arrested and then tortured into admitting the involvement of one section of the ruling party leadership in the case so that the other section can take advantage."

She appealed to the Prime Minister to transfer the case to the Central Bureau of Investigation if the government really wanted to get to the truth. "Hang my husband if he is found guilty. But don't run him down like this without any concrete evidence against him," she said.

She said she would fax messages to the Chief Justice of India and the President to take measures against what she termed as a "dictatorship". She alleged that the nation-wide hunt for her husband had been launched on the basis of a statement allegedly made by Sri Bhagwan, which was not admissible in a court of law.

Ms Sharma also refuted the Delhi police claim that Sharma had repeatedly refused to undergo a lie detector test. Her husband, she said, had undergone one, the results of which, the police claimed, were inconclusive because of the irregular pattern of Sharma's breathing.

Mamata spits fire on Advani

OUR SPECIAL
CORRESPONDENT

Calcutta, Aug. 7: The Trinamul Congress today adopted a resolution blaming the deputy Prime Minister and the railway minister for engineering Eastern Railway's bifurcation "which will not only impede West Bengal's development but also harm eastern India's economy as a whole."

The resolution was adopted at a convention at the historic Town Hall where several former vice-chancellors and academicians extended their support to Mamata Banerjee's anti-bifurcation stir.

The resolution, which described L.K. Advani as "a source of extra-constitutional power at the Centre" and Nitish Kumar as a minister "devoid of all moral scruples", reiterated the party's pledge to "fight a last-ditch battle to stall the move". It urged the people to unmask the "new Curzons and Mountbattens who are out to divide the country once again".

The Trinamul leader was unusually aggressive in her address, indicating that her party's continuation in the NDA at the Centre would become uncertain if the bifurcation was not revoked by August 13, the deadline earlier set by her.

"Let there be a number of zones to benefit other states. But we will not tolerate any attempt to harm Bengal's interests and must resist it at any cost," she said.

Recalling that Rabindranath Tagore had begun a movement on this day in 1905 to stall the partition of Bengal, Mamata said the people of the state would "re-create history by resisting

the bifurcation".

"We will join hands with the people of Jharkhand to stall the dangerous attempt to cripple the economy of eastern states," she added.

Ridiculing the CPM's charge that her stir was fomenting provincialism, the Trinamul chairperson said: "We are only trying to do what Tagore did in 1905 to prevent the British from partitioning Bengal. Was Tagore provincial?"

Mamata later tied *rakhis* on the wrists of visitors as a symbolic gesture of national unity.

Speaking on the occasion, former Union education minister Pratap Chunder Chunder hoped that good sense would prevail on the Centre to revoke the bifurcation.

"We must see to it that Bengal is not deprived of its dues," said former Visva-Bharati vice-chancellor Dilip Sinha.

He took a dig at the ruling Left Front, saying: "They are trying to enter into a secret deal with the Centre to allow the bifurcation."

Former vice-chancellor of Calcutta University Santosh Bhattacharya said there was nothing wrong if people protested against any attempts that would harm the interests of their state. Describing the CPM's stand on railway bifurcation as "full of contradictions", Bhattacharya wondered why the party was indifferent towards Bengal's interest.

Mayor Subrata Mukherjee said the party would collect two crore signatures and organise a protest rally shortly at the Brigade Parade grounds if the Centre did not revoke the proposed bifurcation.

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AN INDEFENSIBLE MOVE

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BY REITERATING ITS approval for creating seven new Railway zones (in addition to the nine that exist), the Union Cabinet has only prepared the ground for further deterioration of the financial health of the Indian Railways. Rather than facilitating development, the new zones are bound to increase expenditure on establishment and personnel (to push files) in a big way. With revenue mobilisation by the Railways already declining year after year, the money needed for the setting up of zones will have to be raised by curtailing expenditure on projects such as laying of new lines, electrification of tracks and procurement of rolling stock apart from maintenance of the existing tracks and bridges. The impact this could have on Railway finances and more so on rail safety hardly needs any elaboration. By insisting that the Cabinet stick to its earlier decision — on the creation of seven new zones — the Railway Minister, Nitish Kumar, has only paved the way to consign the recommendations of the Khanna Committee (on rail safety) and the Rakesh Mohan Committee (on rationalisation of staff) to the trashcan. Mr. Kumar has, in the process, negated all that was said in the "Status Paper on Indian Railways, Issues and Options" he himself had brought out as late as in May 2002.

Be that as it may, the issue of carving out seven new zones has given space to a political spat too with the Trinamool Congress chief, Mamata Banerjee, finding in this an opportunity to display her theatrics. While there are valid reasons involving the finances of the Railways against the "readjustment" of zones, Ms. Banerjee, as usual, is unconcerned with all these. As one who had held the Railways portfolio (between the two terms Mr. Kumar has been Minister for Railways), Ms. Banerjee has not raised any of the serious issues involved in the game. All her concerns are restricted to the bifurcation of the Eastern Railway (and the creation of the East Central Railway with its headquarters at Hajipur) and its fallout as she and a cross-section of the political class from West Bengal perceive it — that it will diminish the impor-

tance of Kolkata in the railway map. Ms. Banerjee's perspective on issues has not transcended such parochial considerations and her statements all these days on this issue too were hardly surprising. But then the Trinamool Congress leader has not stopped just with threats of an agitation and has accused the Union Cabinet of endorsing the note put up by the Railway Minister in return for Mr. Kumar's "help" to "cover up the sordid Godhra massacre". This is a serious charge on the face of it. But then the fact that the Trinamool Congress chief has levelled this allegation only after the Union Cabinet's decision to go ahead with the creation of new zones (and the bifurcation of the Eastern Railways from Ms. Banerjee's point of view) detracts from its credibility.

The consequence of all these has been a complete distortion of the facts and the adverse impact of the decision on the stability of Railway finances and on rail safety has been lost in the debate. Neither the exercise in semantics indulged in by the Information and Broadcasting Minister, Sushma Swaraj, that the formation of the East-Central Railway be seen as "readjustment" rather than as "bifurcation" nor the moves of Ms. Banerjee would seem convincing. The rationale for creating additional zones to improve the operational efficiency (as recommended by the Railway Reforms Committee in 1984) had become outdated due to the leaps made in the area of Information Technology since then. The geographical sprawl does not matter any longer when it comes to managing traffic and monitoring freight movement. Apart from this, the argument that setting up of zonal headquarters in backward regions as a means to set right the developmental imbalance will convince only the naive. The Railways played an important role in economic development only in those areas where manufacturing units (for wagons, carriages and locomotives) and workshops for maintenance of the rolling stock were set up. Zonal headquarters have the scope to employ just clerks and officers and such personnel need not come from in and around the towns where they are situated.

HEATED DEBATE IN PARLIAMENT

Creation of new railway zones not retrograde: Nitish

By Our New Delhi Bureau

NEW DELHI, JULY 30. A day after the Union Cabinet approved of the creation of new railway zones, the controversy over the bifurcation of the Eastern Railways figured prominently in Parliament. While the Trinamool chief, Mamata Banerjee, blew hot and cold in Kolkata, the two Houses witnessed a heated debate even as the Railway Minister, Nitish Kumar, defended the decision.

Talking to *The Hindu* here, Mr. Kumar maintained that

Monday's Cabinet decision was based purely on administrative reasons and was not a political one. Defending his stand of notifying all the seven zones, he sought to allay the apprehension that the new set-up would gobble up the finances and place an additional burden on the Railways.

The creation of new zones was not a "retrograde step," but was designed to take decentralisation a step further. "We have already spent Rs. 58 crores on setting up the new zones and there is a provision for Rs. 30

crores more for the current year. We will be spending a total of Rs. 600 crores ultimately to operationalise all the seven zones, which is easily within our means considering our turnover of Rs. 80,000 crores. With the changing needs of the Railways and a competitive business climate, the creation of new zones had become a necessity," Mr. Kumar said.

It would take three to five years to put the new infrastructure in place. There would be no recurring expenditure on the new zones and the funds from

other heads would not be diverted for them. "This is our internal matter and is directly related to improving efficiency and fine-tuning administrative set-up," he said.

But the parliamentarians from West Bengal refused to share the Railway Minister's views and in both the Houses, they joined issue with the Government. The Left parties insisted that the move flew in the face of several recommendations against bifurcation.

The divide, cutting across party lines, was noticeable with MPs from Bihar and Orissa disputing the contention. When new States and districts were being created for better administration, why should a similar move for improving the efficiency and profitability of the Railways be objected to, they asked.

In the Lok Sabha, Rup Chand Pal of the CPI (M) demanded the suspension of question hour to allow a discussion on the bifurcation issue, and with the Trinamool Congress and the Congress joining in, the Speaker, Manohar Joshi, asked the agitated members to wait till zero hour.

And, at the appointed hour, when the House took up an impromptu discussion on the recent statements of the U.S. Secretary of State, Colin Powell, on Jammu and Kashmir, the irked Trinamool Congress MPs walked out in protest, but not before placing on record their own views on the issue.

Vociferous protests marked the proceedings for a while in the Rajya Sabha before the Deputy Chairperson, Najma Heptulla, restored order.

Later, the Congress leader, Pranab Mukherjee, wondered why, when emotions were running high on the issue, a decision was not taken to defuse the situation rather than heighten it.

PMO hijacked, Vajpayee isolated: Mamata

By Malabika Bhattacharya

KOLKATA, JULY 30. The Trinamool Congress supremo, Mamata Banerjee, today began the process of snapping of ties with the National Democratic Alliance (NDA) by training the guns on the Prime Minister, Atal Behari Vajpayee, and his deputy, L.K. Advani, who she thinks masterminded the rejection of the proposal for a rollback of the Eastern Railway bifurcation plan.

"The Trinamool Congress' working committee which meets here tomorrow will decide whether we will continue to be a part of the NDA or not," Ms. Banerjee said at a news conference.

Ms. Banerjee felt that Mr. Vajpayee was not able to wield any authority in the Government. "The Defence Minister, George Fernandes, told me that the Prime Minister had the will to help the Trinamool and Bengal on bifurcation, but he (Mr. Vajpayee) was powerless to do so." Ms. Mamata saw Mr. Vajpayee as the imprisoned Mughal emperor, Shajahan, who had been isolated. Alleging that the Prime Minister's Office (PMO) had been hijacked, she said there was no way to know who the "real" Prime Minister was.

Ms. Banerjee said when Mr. Advani was chosen as the Deputy Prime Minister, the Trinamool Congress was not consulted. "He is a notified Deputy Prime Minister. But, even

then, we went and congratulated him."

While indicating that she was not re-considering a patch-up with the NDA, Ms. Banerjee said she had turned down the offer of a ministerial berth to her. "Mr. Fernandes telephoned me last night and offered me a Cabinet berth. I said no to it. A ministerial berth is not at all important to me."

The Cabinet decision on bifurcation was the product of electoral consideration — in this case, the Bihar Assembly elections. "The decision reeks of provincialism and parochialism. The BJP has more MPs from Bihar and Bengal. But the Prime Minister does not belong to Bihar alone. He is the Prime Minister of the country. He has ditched Bengal," she said.

The Trinamool chief reiterated her charges against the Railway Minister, Mr. Nitish Kumar, in regard to the Godhra carnage, saying she knew a little too much on "his role in its cover-up." Ms. Banerjee circulated a five-page letter she had sent to the Prime Minister on the day before the Cabinet meeting arguing against bifurcation of the Eastern Railway.

Ms. Banerjee said she would be delighted to launch a joint movement against the Centre on the issue of bifurcation of the Eastern Railway. "We hope the Chief Minister (Buddhadeb Bhattacharjee) will rise above party politics and respond positively to our call for a joint movement. If he does not, then we will go ahead with our programmes," she said.

31 JUL 2002

Walkout in LS, debate in RS

HT Correspondent
New Delhi, July 30

TRINAMOOL CONGRESS members walked out of the Lok Sabha over the Cabinet ratification of the decision to reorganise railway zones. Sudip Bandopadhyay led the walkout.

In the Rajya Sabha, Left Front and Congress members opposed the move while BJP members tried to interrupt them. The Opposition was not united: the RJD supported the Government decision and urged Left members not to turn it into a West Bengal-Bihar battle. Rajya Sabha deputy chairperson Najma Heptulla said the elders could seek clarifications from the Railway Minister when the railways' supplementary budget came up for discussion.

Congress leader Pranab Mukherjee described the decision as unfortunate and said the minister should explain how the reorganisation would help the railways' financial or operational functioning. Mukherjee said the minister, in his budget speech, had identified seven priority areas and there was no mention of the new zones.

Sarla Maheshwari (CPI-M)

said the reorganisation was a political move with no economic or administrative justification. She said all committees including the Standing Committee on Railways had rejected the proposals.

BJP members said the decision to start six new zones was taken by the United Front Government in 1996. SS Ahluwalia said the Opposition was trying to create differences among states.

When Dinesh Trivedi of Trinamool Congress said the zonal divisions could not only disintegrate the railways but threaten the country's unity, Heptulla told him not to exaggerate.

Ramdeo Bhandary (RJD) said the debate was regrettable. The Railway Reforms Committee had recommended four new zones and the number was later increased, he said, pleading that the people of West Bengal understand it was not a State-to-State issue.

BJ Panda (BJD) regretted that the new zones were being opposed. It was after five decades of Independence that Orissa had acquired a rail zone and the issue should be looked at rationally, he said.

Tape on Sanjay, Shakeel talks

By Our Special Correspondent

MUMBAI, JULY 29. In a bid to nail Bharat Shah, the diamond king and film financier for his links with the underworld, Mumbai police have presented a special court here with an audio tape purporting to be a phone conversation between the film star, Sanjay Dutt, and several others including Mahesh Manjrekar, with Chota Shakeel, the underworld don based in Karachi.

Sanjay Dutt continues to be a suspect in the serial blasts cases, having been named as having received a firearm from Anees Ibrahim, Dawood Ibrahim's brother but has been on bail.

A voice purported to be Sanjay Dutt's says he has with him the film financier Harish Sugandh, Sanjay Gupta and Mahesh Manjrekar. Manjrekar speaks of his wanting to make a

realistic film on Shakeel himself.

For most queries from Shakeel, Sanjay Dutt says "First class, bhai" — bhai being a normal term of respect for the dons. For Manjrekar, everything is "100 per cent". The tone and tenor, including the content of the transcript as available, show a bonhomie between the Bollywood persons and the underworld. Shakeel is heard saying that he would, time permitting, provide inputs for a realistic picture.

The tape purports to be the recording of a conversation almost entirely in Hindi held on November 14, 2000, some time around 10.30 p.m. and has a fair amount of expletives from Sanjay Dutt. The conversation is 45 minutes long and the sentences spoken are short in most cases. Sanjay Dutt asks for "a chip" and Shakeel promises to have

that item — it is not clear what but surmises are it refers to a SIM card for a cellular phone.

Plea to restrain media

PTI reports:

Even as national television channels today broadcast the purported telephonic conversation between Sanjay Dutt and Shakeel, the Designated Court, presided over by A.P. Bhangale, here was moved for an order to restrain the media from publishing or telecasting it.

Film financier Bharat Shah and producer Nasim Rizvi, accused of nexus with the underworld, filed a petition in the court, objecting to the print and electronic media reproducing the "talk" the actor and three others had with Shakeel.

They argued that the talk formed part of the evidence as its transcript was placed before the court.

THE HINDU

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READJUSTMENT, NOT BIFURCATION: SUSHMA

Cabinet sticks to decision on creation of railway zones

By Our Special Correspondent

NEW DELHI, JULY 29. The Union Cabinet tonight decided to adhere to its decisions of 1996 and 1998, putting its seal of endorsement once again on the creation of seven new Railway zones.

The Cabinet meeting, first to be held since July 18, was keenly awaited as it was to take a decision on the vexed issue of bifurcation of the Eastern Railways, which has seen the Trinamool Congress — a constituent of the ruling National Democratic Alliance — crying foul over what it called “a compromise on West Bengal’s interests.” Today’s decision is sure to come as a setback for the Trinamool chief, Mamata Banerjee, who had made it the issue on which her decision to join the Cabinet depended.

The Information and Broadcasting Minister, Sushma Swaraj, told reporters that the Cabinet endorsed its earlier decisions and did not feel any need to either change or modify them. She said the Cabinet was informed in detail of the background and the rationale behind the creation of the new zones. It was told that the decision to increase the number of zones was taken on the basis of factors such as workload, accessibility, geographical sprawls, administrative and operational requirements.

The Railway Minister and Samata Party leader, Nitish Ku-

mar, is now expected to go full steam ahead, putting in place the operational plans of the new zones, which have already been notified. While his critics have found fault with what they call the “Hajipurisation” of the Railways, others feel that more zonal headquarters will fulfil the people’s aspirations.

The Cabinet felt that there

was no place for regional considerations in a vast organisation such as the Railways, which, in itself, was a single unit, Ms. Swaraj said. “Even one railway zone spreads to many States and the Cabinet felt that it should not be treated as an inter-State dispute.” Referring to the prickly issue of the Eastern Railways, she said the Cab-

net was of the view that it should not be seen as “bifurcation” but as a “readjustment of two railway zones.”

On the possibility of staff unrest, Ms. Swaraj said that for the first time all the railway employees across the country would be given a lifetime option of getting a posting of their choice in any of the zones so that they could be nearer home.

She said that a writ petition challenging the Eastern Railway bifurcation had been dismissed by the Calcutta High Court. While the East-Central zone headquartered at Hajipur and North-Western zone with headquarters at Jaipur would become operational on October 1, the five other zones would become operational on April 1 next year.

Both Mr. Kumar and Ms. Banerjee have adopted a rigid stance and the controversy has been raging in and outside Parliament. Only a week ago, Ms. Banerjee had issued an ultimatum of sorts to the Centre, threatening to launch an agitation and a “Bengal bandh” if the Government went ahead with the bifurcation of the Eastern Railways.

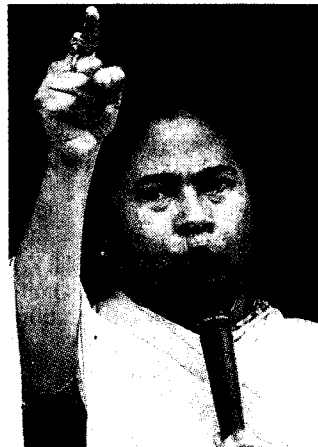
While the Prime Minister, Atal Behari Vajpayee, had promised a Cabinet meeting to look into the “diverse reactions” evoked by the notification of railway zones, the mood in the BJP was against “appeasing” Ms. Banerjee.

I’m shocked: Mamata

By Malabika Bhattacharya

KOLKATA, JULY 29. “I am shocked at the Union Cabinet’s decision in regard with the planned railway bifurcation which we believe will harm the country’s interest,” the Trinamool Congress leader, Mamata Banerjee, said here today.

In a terse statement, Ms. Banerjee said there was no doubt that the decision had been taken to reward the person (without naming the Railway Minister, Nitish Kumar) for helping to “cover up the sordid Godhra massacre.” It is clear, she said, that the BJP and the Samata Party were running the ruling National Democratic Alliance at the Centre without paying attention to the sentiments of the other allies and the regions they represented.



Ms. Banerjee will decide the next course of action on Wednesday when the Trinamool’s national executive council meets in Kolkata. “She (Ms. Banerjee) may decide to take a drastic step like quitting the NDA at the meeting,” one of her key aides said.

THE HINDI

30 JUL 2002

Sonia not in favour of govt joining agri panel

STATESMAN NEWS SERVICE

NEW DELHI, July 27. — Mrs Sonia Gandhi has sent a letter to the Prime Minister, protesting against the agriculture ministry's recommendation that India should become a member of the Union for the Protection of New Plant Varieties (UPOV).

She urged Mr AB Vajpayee to ensure nothing is done by the government to jeopardise the interests of the farmers.

The Congress president reminded Mr Vajpayee that the Congress had supported the government in passing the Protection of Plant Varieties and Farmers' Right Act as it was required to fulfil the WTO obligations and that it laid down certain safeguards for the farmers' rights.

She said the 'disturbing fact' was that the safeguards for the farmers' rights laid down in the protection of plant varieties Act (such as the right

to sell seed, even of a protected variety to other farmers, protection of farmers varieties through registration, prohibition of using farmers' varieties for breeding work without permission of farmers, payment of royalty to farmers for usage of farmers' varieties for breeding, compensation to farmers for crop failure due to poor quality of breeders' seeds and legal protection to farmers against terminator seed technology) are unlikely to be permitted under OPOV.

She said: "I have received reports that large seed corporations have already started reacting to India's application to UPOV and have said that Indian farmers' rights will not be accepted."

She said there appeared to be "no requirement" under WTO to join the Union. "UPOV is essentially a platform for developed countries whose aim is to protect rights of breeders, which means large corporations in these countries."

Bihar Assembly adjourned over bifurcation issue

By Our Staff Correspondent

PATNA, JULY 23. Even as the Bihar Assembly was adjourned today over the controversy over the proposed bifurcation of the Eastern Railway, the Railway Minister, Nitish Kumar, sought to give the impression that he was unfazed over the Union Cabinet taking a fresh look at the decision to create new zones. He said the Prime Minister, Atal Behari Vajpayee, had merely referred the matter to the Union Cabinet. However, the Cabinet had the power to review the decision to bifurcate the eastern Zone and create East Central Zone at Hajipur, he said.

There was no reason to worry as the entire State was united on the issue. Mr. Kumar, who was here to take his wife for treatment at Delhi, said that moves were on to make the Hajipur zone functional on October 1. Tomorrow, the Union Cabinet is to review the decision to create new Railway Zones.

The Assembly was adjourned

during zero hour, after the matter was raised by RJD members, Annirudh Prasad, alias, Sadhu Yadav and Jaya Prakash Narain Yadav who took exception to Mr. Vajpayee's statement. The Opposition members joined the chorus and rushed to the well of the House, disrupting the proceedings.

Unable to restore order, the Presiding Officer, Bholi Prasad Singh, adjourned the House for lunch. The NDA constituents were also not happy with the developments, including the Trinamool Congress leader, Mamata Banerjee's threat to launch an agitation, which she has now deferred.

The members, cutting across party lines, made it clear that they would launch a movement if Bihar's interests were harmed.

They stressed that the zone had not been created based Bihar's demand but as a natural process to improve the Railway's efficiency. Mr. Tiwari said that the Union Cabinet would be setting a "dangerous trend" should it review the decision.

THE HINDU

24 JUL 2002

Mamata ups ante, seeks Nitish's scalp

TIMES NEWS NETWORK AND AGENCIES

Kolkata: Trinamul Congress leader Mamata Banerjee on Sunday issued an ultimatum to the Centre to remove railway minister Nitish Kumar and revoke his order to bifurcate the Eastern Railway by July 24. Otherwise, she would call a 72-hour general strike in West Bengal, she said.

Addressing a huge rally at Esplanade here, she said, "We have waited for a month and seven days and will wait for three more days."

Among those present at the rally was BJP MP from Bihar Kirti Azad.

Demanding Mr Kumar's ouster, she said, "We are not against Bihar's development, but we cannot tolerate any deprivation of Bengal. I will urge Prime Minister A.B. Vajpayee to rein in the railway minister as his decision has fomented provincialism. He should be removed."

The rally, held to mark the ninth anniversary of Shahid Divas, the day when 11 Youth Congress workers were killed in police firing in the city, witnessed Ms Banerjee at her fiery best. The Trinamul Congress leader said if Hajipur was made the headquarters of the new East Central Zone, Siliguri should be made the headquarters of the North Frontier Railway.

Claiming that she was not hankering after a cabinet berth, Ms Banerjee made it clear that she would not hesitate to join hands with the Congress and the Left parties to stop the Eastern Railway bifurcation. Appealing to all the parties to support her in her mission to "save West Bengal", Ms Banerjee said she would not respond to the Centre's overtures to rejoin the cabinet unless there was a clear assurance from the NDA government on the is-

sue. "The Trinamul Congress is not against the NDA, but we will not let one man divide Bengal and Bihar."

Confining her speech to the railway imbroglio, she said, "We will not go to the Centre on this issue. The government must come to us. We are not begging, we do not want any lollipop."

Accusing the Centre of being indifferent, she said,

Centre gets time till July 24 to take action

Mamata threatens 72-hour Bengal strike

Says she is not hankering after cabinet berth

Trinamul ready to align with Cong, Left parties

"The issue is not between West Bengal and Bihar, but involves the entire nation as harmony and unity among states cannot be sacrificed for the whimsical attitude of one individual." Maintaining that her party was not against the NDA, Ms Banerjee said she only wanted Mr Vajpayee to take steps to stop Mr Kumar in his tracks.

"If anybody thinks Bengal can be neglected because the Trinamul Congress has only a handful of MPs, he will get a befitting reply," she remarked, rejecting suggestions that she was frustrated over having returned home empty-handed after the recent cabinet reshuffle.

Speaking at the rally, Mr Azad said, "I have full faith in Mr Vajpayee's leadership. Whatever is decided by the cabinet will be aimed at benefiting the entire nation, not a particular state." Expressing his admiration for Ms Banerjee, the cricketer-turned-politician said no decision could affect the unity between West Bengal and Bihar.

PREPARING FOR A DROUGHT

THERE ARE SIGNS that the 2002 monsoon is reviving, but it is better to prepare now for the worst than to wait and organise contingency plans only if it is known for sure that precipitation will be far less than normal in most States. Even if the monsoon were to return with considerable force, the kharif crop in a number of regions will be badly affected. Sowing operations have not been completed in most regions and where they have been, a prolonged dry spell, especially in north and peninsular India, has caused the seedlings to wither. The challenge now is two-fold: to rescue the kharif crop in regions where the monsoon may revive and to prepare for a difficult year in regions where a severe drought may mark the rest of the year.

It was inevitable that sooner or later the country's extraordinary run of good fortune with the monsoon, stretching back to 1988, would come to an end. While the official forecast was of a normal monsoon in 2002 as well, the very tenuous scientific basis of these predictions always held out the possibility that at some point they would be proven wrong. Until now, the monsoon has been deficient in 20 of the 36 meteorological zones and it has been normal in only 37 per cent of the districts. Other than in a handful of States — Bihar, Gujarat, Maharashtra and West Bengal — the precipitation has by and large been inadequate in the rest of the country. The situation is particularly serious in the granaries of Punjab, Haryana and western Uttar Pradesh, in parts of which the monsoon has not even set in more than a fortnight after the normal date. In the event that the monsoon does pick up momentum, the State and Central Governments will have to make available seed for short-duration varieties so that the best can be made of a shortened crop cycle. The more difficult task in the event of a widespread drought is to keep the wheels of the rural economy moving in spite of a crop failure. This may turn out to be

the first such challenge since 1987, and the more difficult years of 1979 and 1982. Fortunately, two economic resources traditionally in short supply during drought years are now available in abundance: stocks of grain and reserves of foreign exchange. Stocks of over 60 million tonnes of rice and wheat will be sufficient to make up for production shortfalls and to meet increased demand for grain supplied through the public distribution system. The \$58 billion of reserves are more than adequate for any large-scale import that may be necessary of food commodities other than the two cereals. As a consequence, inflation, the other spectre that usually accompanies a nationwide drought, should not run out of control. Covering a deficit in production is much the easier part, work opportunities will have to be created to make up for the loss of employment among farm labourers and small farmers that will follow a severe drought. Here again, the surplus stocks of grain will have to be combined with substantially enlarged public expenditure to sustain Government employment relief programmes. Since a number of States have not been covered by crop insurance, a drought will cause considerable income losses to farmers who will have to be compensated through other avenues.

All this will require considerable planning and speed in execution if the effects of a drought are to be contained. That is possible if the State and Central Governments look ahead immediately, in spite of the uncertainty about how the monsoon will develop in the next six weeks. The Agriculture Ministry has already announced the preparation of contingency plans in case the monsoon does not revive. But this is only one aspect of a much larger plan that will have to be executed if the 2002 monsoon does in fact fail in large parts of the country. A successful negotiation of the fallout of a drought will require economic management of the highest order.

Cabinet skips ER issue

511 1917 Jandra (4)
Statesman News Service

NEW DELHI, July 18. — The Cabinet today met at the Prime Minister's residence but the Eastern Railways division issue was not discussed.

Information & Broadcasting minister Mrs Sushma Swaraj said: "The issue was not listed on the agenda. Hence it was not discussed in the Cabinet. It was not even discussed informally." She did not say when the Cabinet would take up the issue.

Trinamul Congress leaders were hoping that the Cabinet would discuss the matter today. NDA convener Mr George Fernandes had yesterday said that the restructuring of railway zones would be listed in the Cabinet's agenda.

Miss Banerjee had dubbed it as a moral victory but today's development dampened her spirits. Some senior leaders and PMO officials were reportedly trying to convince

Miss Banerjee to join the government and be part of the Cabinet when it discusses the division of Eastern Railway.

In the Lok Sabha, there were noisy scenes when Miss Banerjee objected to Mr Raghuvans Prasad Singh's (RJD) remarks that no West Bengal-bound trains would be allowed to pass through Bihar if the proposed railway zone in Hajipur was not created.

Miss Banerjee criticised Mr Singh for making such "unparliamentary remarks" and urged the Speaker to expunge his observations. She criticised Mr Nitish Kumar for making a statement during the Question Hour that the new zone would be created by October. The railway minister was playing divisive politics, she said.

Some Congress members demanded a full discussion on the issue of division of Eastern Railway. The Speaker intervened to restore order in the House which was adjourned till the lunch-break.

Threat to block Bengal trains crossing Bihar

Railway collision in House

FROM OUR SPECIAL
CORRESPONDENT

19/7 *G-1*
India (Congress) Railway zone

New Delhi, July 18: Inter-state tempers ran high in Parliament today after railway minister Nitish Kumar declared that the bifurcation of Eastern Railway would come into effect from October 1, triggering a war of words that saw a Bihar MP threatening to disrupt Bengal trains passing through his state.

Kumar's refusal to clarify whether the bifurcation decision would be put on hold until a Cabinet reconsideration pitted the Trinamul Congress and the Left against the Samata Party and the Rashtriya Janata Dal.

The Cabinet, which met this evening, did not take up the issue, putting Trinamul leader Mamata Banerjee back on collision course with the Centre. Mamata has called a meeting of party MPs tomorrow.

An explosive element was added to the confrontation when the RJD's Raghuvansh Prasad Singh said trains bound for or emanating from Bengal would not be allowed to cross Bihar, if the move to create a new zone in Hajipur was blocked.

"Agitation in Hajipur has already started. No trains either emanating from West Bengal or going there will be allowed to pass through Bihar, if the new zone is not allowed to be set up,"

Singh said. As the threat brought Mamata and the rest of the MPs from Bengal to their feet, a BJP member from Uttar Pradesh lobbed a counter-threat at the Bihar group.

Gorakhpur MP Yogi Adityanath, whose constituency stands to lose if the railway presses ahead with the division of zones, said trains passing through Uttar Pradesh will not be allowed to enter Bihar. "You can threaten West Bengal, not UP," he told Singh.

Mamata intervened to say that Singh had used unparliamentary language and that his remarks should be expunged. Mamata, supported by Left members, warned that the plan to carve railway zones could divide the entire country.

Another Bihar MP, Raghunath Jha, said if the opponents did not relent, Bihar and Jharkhand would demand the headquarters of Coal India and the Damodar Valley Corporation from Bengal.

Mamata attacked Kumar for his statement during question hour that the new zone would become operational from October. The Trinamul leader, who had been trying to win back the railway portfolio, alleged that "some people were playing a dirty game to bifurcate the Eastern Railway zone on the basis of political vendetta".

JUL 2002

PM to meet Advani, Nitish on ER issue

Statesman News Service

NEW DELHI, July 9. – Mr Atal Behari Vajpayee will meet Mr LK Advani, Mr George Fernandes and Mr Nitish Kumar on Thursday to discuss the Eastern Railway division.

An all-party delegation from West Bengal, which the Trinamul boycotted, met the Deputy Prime Minister and the railway minister today, urging them to review the decision and set up an expert committee. But they returned without any commitment from the government. Mr Advani and Mr Kumar only assured them that their sentiments would be conveyed to the Prime Minister.

After receiving a memorandum from the delegation, Mr Advani wanted to know as to what the railway minister had told them. Mr Kumar told the delegation that the decision

was taken after due deliberation and was justifiable in legal and practical terms. He said since he was implementing the Cabinet decision he was in no position to review it. But he assured the delegation that he would convey the facts relating to their meeting to the Prime Minister who had the sole prerogative of amending the decision.

The 26-member delegation led by the West Bengal transport minister, Mr Subash Chakraborty, included Left Front MPs Mr Nilotpal Basu and Mr Abani Roy, Congress leader Mr PR Das Munshi and Mr Ajit Panja.

Mr Advani said: "We would like to talk to NDA convener Mr Fernandes who would return from abroad tomorrow night. He had been dealing with the issue. The meeting chaired by the Prime Minister to discuss the issue would thus be held on Thursday."

Mr Chakraborty later said: "We just hope

that they will try to find an amicable solution" while ruling out any agitational course.

Before the delegation addressed the press, Mr Kumar told reporters: "I have explained to the delegation the technical and administrative reasons for creating seven new zones."

Asked about Miss Mamata Banerjee's agitational plans, he said it would be the responsibility of the state government to ensure law and order.

Samata sources said Mr Kumar was firm on ER division. They said Mr Fernandes had spoken to the Prime Minister before he left for Japan and told him that the decision couldn't be reversed. The delegation said they weren't interested in making it a Bihar vs Bengal issue or making "parochial statements".

Editorial: Signs of degeneration, page 4
Mote reports on page 6

Samata quit threat over rail split review

9.2.2017 (Monday)

HT Correspondent
New Delhi, July 15

HTM 167

THE CENTRE'S decision to review Eastern Railway's bifurcation following Trinamool chief Mamata Banerjee's demands threatened to snowball into a crisis today when Samata MPs warned that party ministers, including Nitish Kumar, would quit if the Government reversed its original decision.

The Samata Party MPs met today in Parliament House, and later conveyed their position to Nitish Kumar and NDA convener George Fernandes. The party would not allow any dilution of the decision to set up the East-Central Railway zone at Hajipur, the MPs warned.

They said later that Fernandes had as-



Nitish Kumar
Pressure tactics



Mamata Banerjee
The anxious wait

sured them there would be no change in the original decision and Kumar told them that he fully shared their sentiments. The Samata Party has 12 MPs in the Lok Sabha.

The Government has referred the issue of zonal reorganisation to the Union Cabi-

net, which had cleared creation of seven new zones.

But before the Cabinet took up the issue, Parliamentary Affairs Minister Pramod Mahajan could meet Nitish Kumar to look for ways to end the standoff, sources said.

The Trinamool, which has forced the Cabinet review, expects the Government to take the "right decision". It has pointed out that all experts committees, including the Rakesh Mohan Committee, the CAG, three Standing Committees and even former Railway Board chairmen had disfavoured creation of new zones.

The experts felt that there was no need for the proposed zones. Zonal reorganisation of the Railways would "divide" the country, the Trinamool said.

JUL 15 2017

Delayed monsoon worries Govt.

By Gargi Parsai

NEW DELHI, JULY 16. The Central Government is keeping a close watch on the crop and weather situation in view of the delayed monsoon which has hit kharif sowing in parts of central and north India. The Union Ministry of Agriculture has drawn up a contingency plan and advised the States to be ready with alternative cropping strategies to mitigate the consequences arising out of a delay in the onset of the monsoon rain in oilseeds and rice-growing States of Central and North India.

There has already been a loss of acreage under bajra and soyabean due to the delay in monsoon in parts of Rajasthan, Madhya Pradesh, Uttar Pradesh and Haryana. The loss cannot be recouped even if it rains. Likewise, the delay has hit rice transplantation in irrigated States such as Punjab and Haryana.

A day after the Indian Meteorological Department forecast for monsoon to hit Orissa failed, the Union Agriculture Minister, Ajit Singh, today reviewed the situation with senior officials of his Ministry, the Indian Council of Agricultural Research and the IMD. Later, he said a contingency plan was in place and an officer of the level of a Joint Secretary would coordinate relief for farmers.

Now the IMD forecasts a renewal of the monsoon in the



A farmer in a village near Batinda, Punjab, takes a look at the sad state of his paddy crop due to insufficient rain. — PTI

North in the next five days. "The Government is keeping its fingers crossed hoping that the monsoon will come early next week as forecast by the Met Department, but in case it doesn't, we will not be caught napping," Mr. Singh said. States such as Madhya Pradesh and Rajasthan have been the worst-affected and even if the monsoon arrives now, it will be late to grow soya-bean and bajra.

These States have been asked to grow alternative crops such as 'gur' and 'mothh' for which the sowing time is a little later.

The Ministry's contingency plan also involves the promotion of pulses and oilseeds in

rice grown areas of Chhattisgarh.

The Area Officers in the Ministry have been in constant touch with the State Government authorities, particularly in the worst-hit Uttar Pradesh, Madhya Pradesh, Karnataka, Rajasthan, Haryana and Punjab.

Arrangements are being made to ensure that there is no shortage of certified seeds, tubewells are being repaired in time and power supply is adequate in the rural areas to use irrigation facilities for an optimal moisture in the soil. Facilities for credit and coverage under crop insurance are being geared up.

THE HINDU

4 7 JUL 2011

BATTLE OF ZONES

The Way To More Expenditure And National Disintegration

By AARTI KHOSLA

Railwaymen across the country would be feeling quite amused as well as frustrated over the controversy generated by the railway ministry notification of 14 June setting up an East Central Zone at Hajipur in Bihar. There is a battle going on between the two sets of politicians and the issue has developed into a Bihar vs Bengal conflict with an unprecedented alliance of hitherto political foes in both the states who have joined hands in praising or condemning the move depending upon to which state they belong — Bihar or West Bengal.

Resolution

The reason of the ire of the Bengal politicians is that the zone proposed to be headquartered at Hajipur has been carved out of the divisions at present attached to Eastern Railway headquarters at Kolkata. These divisions are Danapur, Dhanbad and Mughalsarai. This leaves only three divisions — Asansol, Sealdah and Malda — with the Eastern Railway. Why should this create such a stir in West Bengal that the state assembly should pass a resolution against this move? On the other hand, why should Bihar gloat over it and the state assembly pass an all-party resolution in praise of the railway minister?

The fight over the new zone completes the politicisation of Indian Railways. First, it was the fight over the portfolio. One wonders why the railway ministry is so coveted by politicians. Not that it throws a rare challenge to one's management skills with 11,000 trains operating through 7,000 railway stations carrying more than 12 million passengers (both suburban and non-suburban) every day and lifting more than a million tonnes of freight traffic daily on the network spread over 62,759-km route consisting of broad, metre and narrow gauges. Railway operations throw up many concerns which need to be addressed.

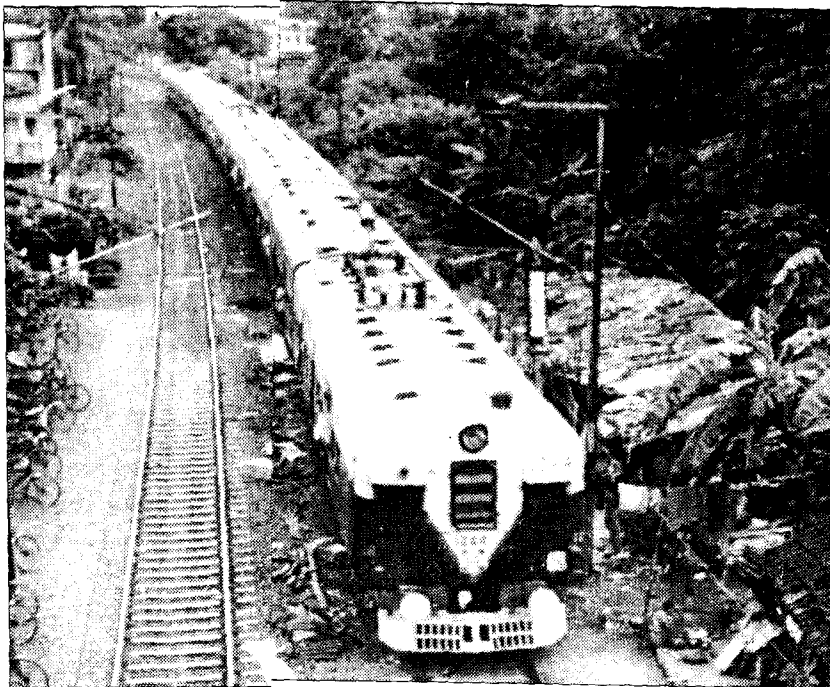
Safety, punctuality, cleanliness, maintenance of track and rolling stock, improving signalling and communication methods, handling a staff base of 15.5 lakh employees, the rising costs of fuel and material, the deteriorating operating ratio which is the index of its efficiency, the diversion of freight traffic to roads are some of the problems dogging the railways threatening the financial health of this national enterprise.

The author is former Executive Director Finance, Railway Board.

The railway portfolio is sought for what it can do to help the political fortunes of the incumbent ministers. How can one milch this asset for personal and political benefit? Many railway ministers have used the resources of this ministry in building up their political as well as private fortunes; and in constituency

organisation and regrouping of railways in 1951-52 after Partition.

At the time of Partition, the railway scene in the country was quite chaotic with so many types of railways: state-owned; state-managed; state-owned but company-managed; company-owned but state-managed; company-owned and



building not for development as such but for electoral gains.

Ignorance

The fight over railway zones indicates not only the ignorance of politicians but also shows their preoccupation with petty concerns in utter disregard of national interest. The Indian Railways have nine zones for administrative purposes: northern with headquarters in Delhi; central and western both of them having their headquarters in Mumbai; similarly two zones eastern and south-eastern both having their headquarters in Kolkata; southern with headquarters in Chennai; south-central at Secunderabad; north-eastern at Gorakhpur and north-eastern frontier zone with headquarters at Guwahati.

The zones have nothing to do conceptually with different states. The zones came into existence with the re-

company-managed; princely state railways, so on and so forth. Reorganisation and nationalisation of the railways have been as important a landmark after Independence as the reorganisation of Indian states. The Railways have played a vital part in nation-building and national integration. This role was understood by everyone.

Jawaharlal Nehru in his message on the inauguration of western and central railways said: "A great national and state-owned organisation, like the railways is not only an asset of importance but is also a great responsibility. It can only be run with the fullest cooperation of all those engaged in it, keeping in view always the good of the public as well as the good of those engaged in serving the public through this organisation". How far indeed we have travelled today from the day of these sublime sentiments!

Today we quarrel over zones. How is

the creation of another zone an erosion of authority of one state and gain to another? If at all the creation of more zones needs to be discussed, it is from administrative and financial angle. Is there a need for having multiplicity of zones for better efficiency?

At present the zonal railway entity is formed of a few constituents called divisions. While the general manager is the managing head of a zone, the divisional head is divisional railway manager. Having small zones with three or four divisions under it would not necessarily mean more efficient management. It will, on the other hand, involve a huge expenditure by way of buildings, staff quarters and other infrastructure and would require more posts at senior levels.

Cost-centres

The Federations of Railway Employees are, therefore, right when they oppose this idea of creation of more zones on the ground that these will be additional "cost-centres" rather than "income-generating centres". It is on the basis of the recommendations of the Tandon Committee that a decision had been taken to put in place six more zones without realising the implications or weighing the benefits of such a move vis-a-vis the expenditure. The recommendation, it seems, helped in constituency-building and has thus become more a political rather than an administrative exercise.

The Acworth Committee, which went into the whole question of railway policy, financial and administrative, in 1924 said: "If there is one thing the railway history teaches, it is that centripetal forces are stronger than centrifugal". Let the railways, which are at present the symbol of national integration, not be used for national disintegration. The fallout of the battle of zones is ominous.

The group of ministers or any other committee that the government of India may form to review the decision so as to stem this controversy may look not into this narrow matter of which division of the Eastern Railway should go to Hajipur but whether there is a need to have so many zones by bifurcating the jurisdiction of existing zones. Is the expenditure affordable and justified without commensurate income-generation? The decision to have more zones and more posts is also contrary to policy initiatives of the government of India to reduce government flab.

THE STATESMAN

17 JUL 2002

For the NDA Nitish Kumar is the only hope of neutralising the damage caused by Ramvilas Paswan's departure which foretold a loss of Dalit votes in the 2004 Lok Sabha poll

RAILWAYS AND POLITICS

WHATEVER the political fallout of the railway minister Nitish Kumar implementing a 1996 Union cabinet decision taken by Devegowda's United Front Government to carve six new zonal railways from the existing nine, there is no doubt that the bad blood it has generated will seriously undermine the administrative and operational efficiency of the national institution — the Indian Railways — both the nation's lifeline and demonstrative symbol of national unity and integrity.

Kumar clearly sets out to fulfil personal ambitions and score political gains for his Samata Party by retrieving a dubious cabinet decision of six years ago mooted by arch rival Ramvilas Paswan. A new headquarters in Hajipur, is intended to reap rich political dividends.

But since such a move would smack of blatant partisanship and certainly run into rough weather he gifted five more new zonal headquarters to as many states by bifurcating and trifurcating the existing railways. The mischief is in new zones on linguistic lines and state boundaries giving a go by to the time tested basis of administrative convenience and operational efficiency. He opens a Pandora's box with conflicting demands from chief ministers regarding jurisdiction of new zones and creation of additional ones in their states.

Paswan could not implement the cabinet decision because of the wobbly nature of the UF coalition and the constant Congress threat to pull it down. However, Kumar has succeeded where Paswan failed because of solid support from the prime minister and L.K. Advani soon after Paswan's controversial resignation both from the NDA Government and the alliance over the Gujarat riots. Paswan's departure foretold a total loss of Dalit votes for the NDA in Bihar in the 2004 Lok Sabha poll. Kumar was the only hope to neutralise the

The author, a veteran journalist, is associated with The Statesman.

electoral damage by implementing Paswan's brainchild which dovetailed excellently into his personal ambition and political agenda as well as NDA's scheme of things. To both NDA and Kumar implementing the UF cabinet decision became a "political necessity."

Kumar notified the two new railway zones with headquarters at Hajipur and Jaipur after Paswan resigned. By daring to bifurcate Eastern Railway more ruthlessly than

By MANASH GHOSH

Bihar-Bengal confrontation rather than as the destruction of Indian Railways. There was no hint of balkanisation in the latest Indian Railways Yearbook, which Kumar placed along with 2002-03 Railway Budget in parliament on 26 February. Nor is there any mention of it in the "Status Paper on Indian Railways: Some Issues and Options" that Ku-

The "reorganisation" of railway boundaries is being viewed by Delhi as a Bihar-Bengal confrontation rather than as the destruction of Indian Railways

Paswan to create East Central Railway he emerged as Bihar's most populist leader. Hajipur without any infrastructure is the biggest headquarter with five divisions. Merging ECR Eastern's two key divisions — Dhanbad and Mughalsarai — will make Hajipur bigger and richer than Kolkata's Eastern, which is India's oldest railway. Both Dhanbad and Mughalsarai had not figured in Paswan's railway reorganisation plan as this would have crippled Eastern both financially and operationally.

Merger of Dhanbad, Mughalsarai and Danapur with ECR, in Bihar's perception, does justice to the state since these were perceived as "Bihar's own" railway divisions at long last "rightfully" restored to the state. This strong sub-regional feeling got a tremendous boost as opposition to bifurcate Eastern in West Bengal became more pronounced. All Bihar cutting across party lines rallied round Kumar who further played on the local sentiment by his reiterations at public meetings to "dedicate myself for furthering the interest of Bihar".

Unfortunately the "reorganisation" of railway boundaries is being viewed by Delhi as a

mar as railway minister had

painstakingly prepared in 1998. So his announcement to create new zonal railways by implementing a UF cabinet decision is an afterthought.

The Railway Reforms Committee in 1984 had recommended the creation of three additional zones—Allahabad, Jabalpur and Ajmer—purely for administrative reasons so that the meter gauge systems in these regions could be better managed. In 1994 railway minister C K Jaffer Sharief, keen to have a new zonal railway in his native Bangalore, set up a study group to examine the creation of new railway zones. Its report, interestingly, suggested Bangalore as headquarters of a new zonal railway in addition to the three already recommended by the RRC. But the ruling Congress refused to implement it fearing adverse political fallout. Of course, financial problem was the other constraint.

The Standing Committee on Railways (1996-97) of 11th Lok Sabha, in their fifth report on the "Reorganisation of Zonal Railway Offices" had reacted adversely to Paswan's move to redraw jurisdiction of zonal railways.

The Railway Convention Committee also wanted money spent on procuring rolling stocks, renewal and doubling of tracks and improving operational infrastructure rather than incurring "infructuous" expenditure on new zones.

The Comptroller and Auditor General also "strongly disfavoured the creation of new zones on grounds of financial viability, operational necessity



and expected benefits". But the latest and harshest blow came from the Kumar appointed committee headed by Rakesh Mohan (presently deputy governor of RBI), which said that the "suggestion (of new zones) was of dubious merit that would add substantial cost but little value to the Indian Railways which remained integrated and a functionally oriented institution organised around its cadres."

Railway experts fear that the balkanisation of IR into 16 zonal railways will make it economically, operationally, strategically and human resource wise unviable and eventually spell its doom. The Chinese Railway, having identical structures like IR, has in the last decade reduced the number of its bureaus and divisions by 30 and 45 per cent respectively. Actually introduction of uni-gauge and new technology in the form of IT to track wagons and stocks all over the IR through a centralised system has made management of large zonal railway networks administratively and economically viable and made the rationale for creating new zones for

focussed attention and operation irrelevant.

In fact the fear is that too many zones for planning and decision making operations will neutralise the "immense benefits" derived by the IR through the use of IT-based Freight Operation Information System for which huge investment has been made. Too many zones mean multiplicity of controls and raising artificial barriers which will not only weaken the integrating strength of the railways but also impede the smooth flow of traffic causing avoidable bottlenecks and poor utilisation of IR's assets. Actually the movement of trains will be the worst casualty.

But it will be the finances of the IR that will be hit hard by the new zones. Since 1995-96 the IR's operating ratio has been getting worse. The IR now incurs an expenditure of Rs.96.6 to earn Rs.100 against Rs.82.5 in 1996. With the new zones the operating ratio will shoot beyond 100. Already the IR is burdened with Rs 17,000 crore special safety fund loan and serious arrears in track renewal, rolling stock replacement and purchase of spares. It has been forced to impose safety surcharge on passengers for meeting the basic safety needs. While its pension funds have been badly depleted it has been unable to meet its dividend liability for the last two years. In such a situation will it be right to spend Rs. 500 crores for each of the new 7 railway zones? There will be a lot more expenditure in making the new zones operational which undoubtedly will make IR bankrupt.

Experts say things wouldn't have come to such a pass if successive Chairmen and members of the Railway Board did not act as hatchet men of railway ministers. Most willingly complied with orders, which they knew were patently wrong and unethical. Experts are convinced that if they did not barter away their professionalism for lucrative post retirement benefits IR wouldn't be balkanised in its 150th year of its founding.

Is politics all?

Trinamul steps up the heat on ER bifurcation issue

STATESMAN NEWS SERVICE

KOLKATA, July 13. — The Trinamul Congress leadership stepped up pressure on the Centre on the ER bifurcation issue by organising *rail rokos* today, clinging on to the hope that the Prime Minister would offer a respectable solution.

The Prime Minister, his deputy and the NDA convenor are expected to meet to decide on if there is a need to review Mr Nitish Kumar's decision on ER bifurcation.

Yesterday, Mr Fernandes described Miss Mamata Banerjee's demand as "unjustified", and said there cannot be a review of a Cabinet decision.

With this, Mr Fernandes, however, kept the option of a review open by leaving it to the Prime Minister's discretion.

Miss Banerjee and Mr Sudip Bandopadhyay, the Trinamul's chief whip in the Lok Sabha, are scheduled to leave for Delhi tomorrow evening.

The mayor, Mr Subrata Mukherjee, today said his party would launch a massive movement, details of which would be finalised next week. This, only if the Centre fails to come up with

MAMATA FALLEN BEHIND: LEFT FRONT

KOLKATA, July 13. — Left Front leaders today denied that Miss Mamata Banerjee had stolen a march over them in opposing Mr Nitish Kumar's railway bifurcation plan. "Her MLAs did not join the all-party delegation to Delhi," Mr Rabin Deb, CPI-M legislator, said. "She is isolated and has in fact fallen behind."

Mr Deb was speaking at a press meet held to announce a programme of agitation against the bifurcation plan, taken up by the LF's Kolkata, North and South 24-Parganas units.

The respective district LF conveners, Mr Prasanta Sur, Mr Amitava Nandy and Mr Shanti Bhattacharya, said the North and South 24-Parganas units had already held sit-in demonstrations.

The Kolkata unit has started a signature drive with a target of 500,000. A 12-hour sit-in will be held at Sealdah on 16 July.

A sit-in will be held at Rani Rashmoni Road on 23 July, followed by a delegation to the Governor, Mr VJ Shah, with the 500,000 signatures. — SNS

a "favourable decision".

Asked if a positive decision from the Centre's side would be followed by a Trinamul Congress decision to re-join the ministry, Mr Mukherjee said:

"Our MPs will decide that. Our decision to stay away from the ministry on the ER issue had been decided by party MPs. It will be the same this time," he said.

The Trinamul leadership believes that the Prime Minister will not let Miss Bane-

jee down, but went for today's *rail roko* agitation to keep the issue alive and send a message to Delhi that the party is not in a mood to compromise.

Miss Banerjee has been avoiding any comment on the ER bifurcation issue since Wednesday's public rally, adopting a wait-and-watch policy. She told her party colleagues that she will not speak a word till the Prime Minister takes a decision.

THE STATESMAN

1 JULY 2002

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1377

'Row over rly. bifurcation unjustified'

India - (Continued)

By K. Balchand

PATNA, JULY 12. The Defence Minister, George Fernandes, came out in favour of the bifurcation of the Eastern Railway and the creation of the East Central zone for the first time today, saying that a dispute over the issue was "unjustified." Raising a dispute over a Cabinet decision amounted to challenging the democratic system.

Before leaving for Nalanda, his parliamentary constituency, to assess the areas affected by floods, Mr. Fernandes told presspersons here that the objectives behind the decision, taken in 1996, and its implementation had to be taken into con-

sideration, particularly because it was part of the action plan to replace the railway tracks and bring down accidents. Stating that the Prime Minister, Atal Behari Vajpayee, would be taking the final decision in the matter, Mr. Fernandes said he was against any attempt at politicising the issue and playing up one State against the other.

He ruled out the demobilisation of troops along the Line of Control in Jammu and Kashmir and hoped that the international community would appreciate the deployment of forces as part of the global war against terrorism. The situation had not changed "radically or permanently," despite the U.S. Deputy Secretary of State, Ri-

chard Armitage's "mission" to the subcontinent.

Mr. Fernandes described as "very unfortunate" the arrest of the Marumalarchi Dravida Munnetra Kazhagam leader and MP, Vaiko, under the Prevention of Terrorism Act in Tamil Nadu. Refusing to comment further on the issue, he, however, said that whenever there were instances of misuse of POTA, there should also be agencies to oversee its implementation.

PTI reports from New Delhi:

A decision on the bifurcation of the Eastern Railway will be taken at a meeting between Mr. Vajpayee and the Deputy Prime Minister, L. K. Advani, by Sunday.

'Rly. bifurcation: Mamata threatens stir

By Our Special Correspondent

KOLKATA, JULY 10. The Trinamool Congress chief, Mamata Banerjee, today charged the Railway Minister, Nitish Kumar, with trying to bifurcate the Eastern Railway zone for political gains and warned that her party would conduct a long campaign on the issue if the BJP-led NDA Government at the Centre did not review the move.

At a protest rally in central Kolkata, Ms. Banerjee, along with the party MPs, MLAs, the Kolkata Corporation mayor and councillors, said the Railway Minister "was playing with fire."

She accused Mr. Kumar of trying to create divisions among regions especially between Bengal and Bihar, on the issue of bifurcation of the Eastern Railway. "On one hand, we have a Mohammad bin Tughlaq as the Railway Minister, who would like to

do what he wants, on the other hand we have experts and railway unions who have put on record their opposition to the eastern railway bifurcation."

"How can we allow an individual to play with the lives of millions in this country just to fulfil his political objective," she asked.

Ms. Banerjee was critical of the State's ruling Leftists who she alleged were not "really serious" about protesting against the Centre's move on this issue.

"Their (the Leftists') only objective is to corner me. But my point is, let them spew venom against me on everything else but they should support me for fighting for a just cause," she said.

Ms. Banerjee added that while she was in office as the Railway Minister the Centre had told her to "go-slow" on this issue and also "send the proposals for division to the cold storage".

Explaining why the Railway Minister's decision to divide the Eastern Railway was a flawed one, she said the three parliamentary committees—the Comptroller and Auditor General (CAG), the railway convention committee, the five recognised labour unions and more important, the Rakesh Mohan Committee had advised the Centre not to make any move towards bifurcation of the Eastern Railway. For one, the railways did not have the requisite funds and, for another, funds were needed for the safety and security of passengers.

The Trinamool MP, Sudip Bandopadhyay, said the party had not closed the doors for discussion with the Centre on this issue and also it would wait for the outcome of the proposed meeting between the Prime Minister, Atal Behari Vajpayee, and the Deputy Prime Minister, L.K. Advani, on the issue.

THE HINDU

1 JULY 2002

Two days more for final word on rly split

EXPRESS NEWS SERVICE
NEW DELHI, JULY 9

THE decision on bifurcation of Eastern Railway will be taken in consultation with Prime Minister A.B. Vajpayee on Thursday. This is what Deputy Prime Minister L.K. Advani told a delegation from West Bengal — comprising MPs and MLAs from all parties except Trinamool Congress — which met him today.

The Trinamool Congress "preferred to stay back and agitate over the issue in Kolkata. But as far as we are concerned Ajit Panja is still in the Trinamool!" a senior Left MP, who accompanied the delegation, commented.

The delegation, headed by



An all-party team from West Bengal with Deputy PM L.K. Advani in New Delhi. Anil Sharma

Left Front's State Transport-Sports Minister and trouble-shooter

Subhash Chakraborty, wanted a review of the decision and in their representation to Advani said the Indian Railways should not be allowed to degenerate

and NDA convener George

Fernandes will also be present at the meeting, he said. In the meantime, Advani added, no decision had been taken to set up an expert panel or a review committee to examine the bifurcation issue.

Earlier, the 25-member

delegation led by West Bengal Transport Minister Subhash Chakraborty, also met the Union Railway Minister.

Addressing the media, Chakraborty said: "This bifurcation-trifurcation is not a technical affair, it is a socially, economically, politically charged affair. This is a question of national integration."

Panja claimed that there were issues relating to the bifurcation that even Kumar himself was not aware of. "No one had explained to him the question of unemployment, we did. Bengal already has 80,000 registered unemployed."

"Shifting of crucial railways divisions to Hajipur would cripple Bengal and increase unemployment ten-

fold. The issue of transfer of railway staff after the bifurcation would open up a Pandora's Box," he said.

But such emotional outpourings did not cut much ice with the Railway Minister. Kumar told the team that the bifurcation was not his idea, he was just "the implementing agent". "He told us that it is a Cabinet decision and he is in no position to alter it. The decision can be withdrawn only if the PM so desires," a member of the delegation said.

Kumar also told the delegation that it was not possible for him to set up an expert committee at this stage. "But whenever talks are held at a senior level, we will keep it in mind. I will convey their feelings to the PM," he said.

TUESDAY, JULY 9, 2002

HD-10 9/7
A QUESTIONABLE MOVE 9/7 HD-1

BY NOTIFYING THE creation of seven new zones (in two separate notifications), the Railway Ministry has apparently plunged itself into a deeper crisis which is likely to make the management of Railway finances even more difficult. Seven more zones at a time when the Railways is faced with a steep fall in revenue mobilisation (partly due to the stiff competition from the road transport sector) and the Rakesh Mohan Committee has pointedly recommended a rationalisation of staff strength can only be seen as imprudence. The creation of more zones will lead to a substantial increase in the strength of non-operating staff at a time when the Railway Minister has to put a stop to the indiscriminate additions at the top. The Railway Minister, Nitish Kumar, who went out of his way (soon after taking over the Ministry in 1998) to present a status paper on Railway finances, would have been expected to give priority to economic viability rather than giving in to populist pressures for the creation of new zones.

Mr. Kumar, instead, followed the path charted by his predecessors in the Ministry. The drain on the Railway finances caused by such measures as "Project Uni-gauge" (initiated by C.K. Jaffer Sharief) and the sanctioning of several passenger trains (by successive Railway Ministers) had affected freight movement at several stages and led to a substantial fall in the Railways' share of freight movement. All these had pushed upwards the operating ratio of the Railways. The situation hence demanded a corrective course and the financial health of the Railways had to be improved if such critical areas of operation such as track renewal, replacement of rolling stock and automation of signalling were to be carried out expeditiously. Mr. Kumar himself could not have been unaware of the pressing need for such projects. It was Mr. Kumar himself who had tabled the status paper containing such details about the tracks that need to be changed if accidents were to be prevented. He could not also have been ignorant of the Khanna Committee report that called for

substantial investments in improving the signalling system, which is urgently needed given the growth of traffic over the years.

The Railway Reforms Committee (RRC) had indeed recommended in 1984 the creation of at least four new zones by splitting up some of the existing ones. This proposal, however, was based on the technology that existed at that time and the objective was to rationalise traffic management. The technological strides since then, particularly in the field of telecommunication and information technology, have helped achieve the objective (insofar as management of mobilisation of rakes) and all these have rendered the RRC's recommendations redundant. It is strange that all these factors were simply ignored by Mr. Kumar when he notified (on June 14, 2002) the creation of two new Zones — East-Central Railway with its headquarters in Hajipur and North-Western Railway with the headquarters in Jaipur. The move, apart from raising a storm within the ruling NDA (with Mamata Banerjee reportedly refusing to join the Union Cabinet in order to register her protest against the decision which could push the Eastern Railway into the red) has also brought into focus the adverse implications of creating new zones for the Railways' finances.

It is indeed peculiar that the Railway Minister, instead of responding to the situation in a manner that will help restore the financial health of the Railways, has now gone about issuing a fresh notification setting up five more zones in addition to the two that were created on June 14. It is also baffling that the political leadership of the NDA allowed this to happen. At a time when the nation's interest (and that of the Railways) could be served better by concentrating on setting up production installations, maintenance of tracks and repair of bridges (such projects will generate employment and also make railroads safer), the Railway Minister's hurry in creating seven new zonal headquarters is simply a reflection of skewed priorities.

9 JUL 2002

THE HINDU

Mamata on beaten track, CPM on slippery ground

FROM OUR SPECIAL
CORRESPONDENT

New Delhi, July 6: Mamata Banerjee's Trinamul Congress today betrayed its lack of options by repeating the threat to launch an agitation against the move to carve up Bengal's railway zones and stay away from the Union ministry until the drive is suspended.

Her rival, the CPM, too, is in a dilemma and indicated that it does not want to be associated with Mamata's campaign.

"Do not ask foolish questions," Bengal chief minister Buddhadeb Bhattacharjee shot back, asked if his party would be with Trinamul in the agitation. His predecessor, Jyoti Basu, threw up his hands in "despair". "What are these journalists asking?" Basu snapped. "Trinamul Congress is our main adversary in West Bengal."

Bhattacharjee, who attended the CPM politburo meeting which discussed the railway issue, also met deputy Prime Minister L.K. Advani in Delhi. Advani heard out Bhattacharjee's appeal to refer the issue to an experts' panel and said the proposal would be discussed with the Prime Minister.

Bhattacharjee's public statements echoed Mamata's opposition to the division of railway zones but CPM sources said in private the party would find it difficult to go full steam ahead with a campaign to block the move.

The CPM's problem lies in that it does not want to appear "parochial" and "anti-Bihar". But it also does not want to be seen as indifferent to an issue its state rival wants to capitalise on as was evident from Trinamul's extended general body meeting in Calcutta this afternoon.

At the meeting, Trinamul decided to launch a vigorous campaign against railway minister Nitish Kumar's move to bifurcate Eastern Railway and trifurcate South-Eastern Railway and also keep up the pressure on the National Democratic Alliance to make him revoke it.

The agitation will include street-corner meetings, demonstrations and even "rail roko". The party has also threatened to bring proceedings in the Lok Sabha to a standstill, if the Centre allows Nitish to go ahead.

But Nitish stuck to his guns today, saying in Jaipur that the opposition to the bifurcation was a "political and emotional issue that has no basis,

logic or justification".

Trinamul leader and Calcutta mayor Subrata Mukherjee said the meeting appreciated Mamata's stand not to join the Cabinet till the problem was sorted out. "Party workers are all praise for the kind of sacrifice she has made to protect Bengal's interests," Mukherjee said.

The meeting, attended by most of the party MPs, legislators and councillors, expected Prime Minister Atal Bihari Vajpayee and Advani to take suitable measures to resolve the impasse and maintain national integrity "threatened by the railway minister's move".

But Trinamul also betrayed its dilemma by saying it was not closing its options on joining the government. "That option is always open. But Trinamul Congress will consider joining the ministry only if the bifurcation move is kept in abeyance," Mukherjee said.

Mukherjee said Trinamul was not against Bihar's development. "We will be happy if the Centre offers assistance to Bihar for its economic development. But we cannot allow it at the cost of Bengal."

■ **Order to split South-Eastern Railway, Page 6**

7 JUL 2002

Nitish deals five-zone blow to Mamata

CL Manoj in New Delhi

July 5. — The railway minister, Mr Nitish Kumar, has notified five more railway zones and eight divisions.

The move, aimed at deflecting the focus from creation of the East Central zone — over which Miss Mamata Banerjee has been threatening to paralyse monsoon session of Parliament — has outmanoeuvred the Trinamul leader.

It comes on the eve of Mr Budhadheb Bhattacharjee's scheduled meeting with the deputy Prime Minister, seeking a reversal of Eastern Railway's division.

"The minister last evening signed the notification for creating five more railway zones after the Railway Board finalised the territorial jurisdictions. They are East Coast zone headquartered at Bhubaneswar, South-east Central zone (Bilaspur), North Central (Allahabad), West Central (Jabalpur) and South West (Hubli), a ministry official said while confirming the gazette notification.

Mr Kumar has notified eight new divisions at Rangiya (Assam), Raipur (Chhattisgarh), Ahmedabad (Gujarat), Ranchi (Jharkhand), Pune (Maharashtra), Agra (Uttar Pradesh), Nanded (Maharashtra) and Guntur (Andhra Pradesh).

His latest stratagem could isolate protesting MPs of West Bengal, as the five states where

the new zones will be located may rally behind the minister with Bihar and Jharkhand — which have openly opposed West Bengal politicians.

Of the five zones, three will be in Congress-ruled states while one each goes to BJD and BJP-BSP ruled states.

Mr Kumar's earlier move to set up a zone at Hajipur had the support of the parties in Bihar, including the CPI-M and CPI. Observers feel a similar backing in five other

states could fetch him wider support in Parliament against the West Bengal MPs when it reassembles on 15 July.

The decisions were announced after Mr Kumar met Mr LK Advani, who has endorsed Mr Kumar's decision to divide the Eastern zone.

Apart from the immaculate timing of the move, the decision will upset West Bengal politicians in other ways. For, the East Coast and South-east Central zones would be carved out of Kolkata-based South-eastern Railway.

When Mr Bhattacharjee meets Mr Advani tomorrow in Delhi, Mr Kumar will be in Jaipur to inspect the site for the North-West zone HQ and to flag off a train.

Trinamul agitation

The Trinamul Youth Congress will agitate against Mr Kumar's decision to divide Eastern Railways. The party has decided to take the stir to the districts.

Writ rejected

KOLKATA, July 5. — A public interest litigation challenging the division of Eastern Railway was rejected by the Division Bench of Chief Justice Mr AK Mathur and Mr Justice JK Biswas of Calcutta High Court today. "This is a purely policy decision and we will not allow this court to be turned into a forum for political agitation," the Bench said while dismissing the petition, moved by Dr Debiprosad Pal. — SNS

h 101 2002

SUDIP, LEFT MPs WALK OUT OF RAIL MEETING

Govt may review ER division

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A/7

Statesman News Service

NEW DELHI, July 3. — The government may set up a Group of Ministers to study the proposal of dividing Eastern Railways, which has brought Mr Nitish Kumar and Miss Mamata Banerjee to an eyeball-to-eyeball confrontation.

There is no indication who'll budge first. The railway minister told The Statesman: "No compromise, no withdrawal of notification," while the Trinamul chief reportedly told Mr George Fernandes that "at least a review committee be set up to look into the details" of the plan.

The controversy spilled over to a meeting of the Parliamentary Consultative Committee on Railways, from which all MPs from West Bengal, led by the Trinamul's Mr Sudip Bandopadhyaya, walked out.

The Eastern Railway issue was not on the meeting's agenda. But soon after it began, Mr Bandopadhyaya protested against the move and accused Mr Kumar of acting against West Bengal's interests. He then walked out of the meeting. He was soon followed by four Left MPs — Mr Basudev Acharya, Mr Anil Basu, Mr Amar Roy Pradhan and Mr Joachim Baxla.

Sources said Mr Kumar explained to other committee members that Eastern Railway would be divided for economic and administrative reasons. He argued that he was only implementing a Cabinet decision taken in 1996. Some MPs from Orissa and Bihar supported him.

The four Left MPs later alleged that the decision to create new zones was in violation of the recommendations of the standing committee and the railway reforms committee.

They were, however, evasive when asked why the Left did not block the Cabinet decision, taken

by the United Front government. The MPs said they were not demanding Mr Kumar's resignation and alleged that Miss Banerjee had a political motive in raising the issue.

Sources said Mr Fernandes was trying to work out a compromise formula: Setting up a GoM to keep the issue in abeyance and ease the tension. This could even enable Miss Banerjee to join the government. The GoM would hear all MPs from West Bengal and not restrict itself to Trinamul's grievances alone.

The Trinamul chief whip in the Lok Sabha, Mr Sudip Bandopadhyaya, told The Statesman: "We don't expect Mr Kumar to withdraw the notification but we have full faith in Mr Atal Behari Vajpayee's leadership." At least a review committee could be set up and the proposal put on hold till a decision taken, he said.

A BJP leader, however, said since it was a Cabinet decision, it couldn't be superseded by any committee.

Mr Kumar's comment that the proposal would not be withdrawn came after he met Mr LK Advani. Sources said he had briefed the Deputy Prime Minister about his plans. They denied that the minister had been under any pressure to reverse the decision.

Mr Kumar told The Statesman that he was only implementing a Cabinet decision and that not "an inch" would be taken from West Bengal to create the East-central Zone. He is also learnt to have discussed the matter with the Prime Minister and Mr Fernandes.

He argued that if the decision was reversed, it could affect the proposed restructuring of the railways.

More reports on page 6

Railways to have 9 more zones

NEW DELHI, July 3. — Mr Nitish Kumar has planned a massive restructuring of the railways, which will see territorial adjustments in all zones, except the North-east Frontier Railway. He plans to set up nine more zones, including Rangiya, Raipur and Ahmedabad.

Ahmedabad-Rajkot Intercity Express will be introduced on 9 July and Ahmedabad-Varanasi (weekly) Express on 10 July.

Blast: Ten people were injured tonight when a bomb exploded in New Delhi-bound train from Bareilly, Uttar Pradesh. The blast occurred around 8.05 p.m. in a sleeper class compartment at Chandausi station. — SNS/PTI

THE STATESMAN

1 JUL 2002

New rly zones, more populist than pragmatic

By Vinay Kumar

NEW DELHI, JULY 3. The creation of new railway zones has never remained free from controversies. Though the main considerations for the reorganisation have been operational efficiency, economy, inter-dependence of contiguous regions and natural flow of traffic, these parameters have been of little use as successive Railway Ministers have shown the tendency to succumb to political pressures and populist considerations.

At present divided into nine zones — Central, Eastern, Northern, North-Eastern, Northeast Frontier, Southern, South Central, South Eastern and Western — the need for further reorganisation of the Railways was felt about a decade ago.

The Railway Reforms Committee (RRC) in its 1984 report had favoured rationalisation of the zones and divisions and had opined that four additional zones were needed.

A decision was taken in 1996 for the creation of six new zones followed by the seventh in 1998. The 1984 recommendations remained unimplemented till 1996 on account of financial stringency. The Comptroller and Auditor General also called for reconsideration of the decision to create new zones and division from the point of view of financial viability.

The Standing Committee of Parliament on Railways advocated a phased approach to the creation of zones on the basis of workload, efficiency and effective management. The Railway Convention Committee said the money "wasted" on such work could have been utilised for procuring rolling stock, renewing lines, etc. The management cadres as well as staff federations too expressed themselves against the new zones and divisions.

The Rakesh Mohan committee considered the decision to create additional zones to be of dubious merit.

At its meeting on November 13 last year, the Railway Board favoured setting up of a high-powered committee to review the priority and the timeframe for such work in future. The Board said the Railways was not in a position to act fast in forming the new zones because of the financial crunch and strong reservations expressed by Parliamentary committees dealing with railway financing and policy.

The Board had also pointed out that the latest developments in information technology could profit the Railways immensely and freight operations could become more centralised, taking away much of the relevance for new zones.

Officials in the Rail Bhawan feared that it would be "very difficult" for the Railway Ministry to stand up to the pressure from various quarters for not going ahead with the notification of five other zones. The notification of Hajipur and Jaipur as headquarters of the East Central Railway and the North Western Railway respectively was issued on June 14.

The East Central Railway would have jurisdiction over the existing Sonpur and Samastipur division of the North-Eastern Railway and also gobble up the profit-making Danapur, Mughalsarai and Dhanbad Divisions of the Eastern Railway, which would be left only with Asansol, Howrah, Sealdah and Malda.

Officials pointed out that the Eastern Railway had an operating ratio of about 120 per cent at present, which was likely to plunge to 250 per cent. It would mean that to earn Rs. 100 in a year, the Railways would need to spend Rs. 250, taking the Eastern Railways deep into the red.

Sources visualised serious problems of coordination and operation in smaller zones apart from the financial drain it was likely to cause by way of setting up of infrastructure and administrative apparatus.

4 JUL 2002

THE HINDU

DIVIDE AND GAIN

According to budget papers, the Central government employs 3.4 million people. The railways employ 1.6 million. In December 1998, the government constituted an expert group to recommend required railways reform and the *Economic Survey* says that this report is "under examination". Were these reforms to be implemented, there would be an Indian Railways corporation and the government would be able to downsize 1.6 million people. Meanwhile, Mr Nitish Kumar has performed his own version of unbundling by carving East Central Railways out of Eastern Railways. Not surprisingly, ECR will be headquartered in Hajipur and Eastern Railways will lose the Mughalsarai, Danapur and Dhanbad divisions to ECR, while North Eastern Railways will lose Sonepur and Samastipur. Mughalsarai, Danapur and Dhanbad are lucrative. Pre-partition, Eastern Railways has the dubious distinction of the highest operating ratio of 129 in the country. For every one rupee earned, Eastern Railways spends Rs 1.29. Eastern Railways' finances will inevitably become worse. That Mr Kumar's decision is political is evident. More accurately, this seems to be a Ram Vilas Paswan decision that Mr Kumar appropriated and will now take credit for. After all, what is good for Hajipur and Bihar is good for the railway minister. A sum of Rs 50 crore will be spent on a new railway station for Hajipur, Rs 500 crore of extra material will be bought yearly, Rs 3,500 crore will be spent on projects and land prices will increase, for 200 acres of land will be acquired in Hajipur for staff quarters.

The three political parties in West Bengal are distressed at this division flight from Eastern Railways. But it is difficult to fathom what the Congress and Trinamool Congress are complaining about. The logic of using the railways to further political interests in the railway minister's state is one that has been used by both parties. Earlier, Ms Mamata Banerjee did not cover herself with glory in introducing railway reform, a performance she hopes to repeat soon. Beyond the myopia of railway ministers, the citizen's agenda is of downsizing and removing flab, improving productivity, rationalizing tariffs, upgrading technology and safety standards and improving service quality through unbundling, privatization and competition. Contrary to popular perception, all railway services are not natural monopolies and successful unbundling is possible. The IRC and the Indian railways regulatory authority will also allow decisions on headquarters, divisions and new lines and trains to be taken on commercial principles, rather than the whims and fancies of individual ministers.

Perhaps the first step is to abolish the railway ministry and club the railway budget with the general one. Since the prime minister is about to reshuffle his cabinet, he needs to appreciate that the railways ministry is crucial and needs to stay with the Bharatiya Janata Party, rather than be farmed out to relatively irresponsible allies. This was the logic behind reshuffling Mr Ram Vilas Paswan and Mr Sharad Yadav earlier. The name of Mr Yashwant Sinha, who continually sees light at the end of tunnels, suggests itself. With an ECR and Eastern Railways, it is doubtful that there will be scope for another railway in Jharkhand.

THE TELEGRAPH

1 JUL 2002

POLITICISED TRACKS

② Viability of new rail zones is all.

IT is unfortunate that Nitish Kumar is spending time in Bihar and West Bengal trying to garner political support for his proposal to carve a new railway zone in Hajipur out of the Eastern Railway. Implementing a Union cabinet decision taken way back in 1996 of new zones for "administrative" reasons is all the minister can say in response to criticism that, apart from the emotive aspect, it is likely to keep both Eastern Railway and the new zone in the red. The Eastern Railway is expected to lose 50 million tonnes of freight originating from Dhanbad which from 1 October will be part of the new East Central Railway. The operating ratio for the Eastern Railway for every Rs 100 earned is estimated to go up from Rs 121 to Rs 200. To all this the minister's assurance at Malda on Friday was that the loss-making Kolkata unit would be "compensated by other zones". That assumes other zones will be making a profit and that Nitish Kumar will be around to live up to his promise — two unsupported assumptions. The question the minister doesn't answer is why he needed to dig up a dubious decision after six years. The answer lies in the political support he has received from unexpected quarters in his home state — the Rashtriya Janata Dal. Laloo Prasad Yadav, striking common ground with the minister against George Fernandes and other Samata leaders, sponsored an all-party resolution in the Bihar assembly essentially to counter a similar move in Bengal.

Why does it have to turn into a Bengal versus Bihar conflict? The great contribution of the Indian Railways has been that it has unified regions at a time when parties have done their worst to divide the country on communal and caste lines. Why did Nitish Kumar choose this time to reinforce divisive tendencies by playing the Bihar card in Patna, then rush to Malda to inaugurate the Jan Shatabdi Express to seek support from Ghani Khan Chowdhury and Tapan Sikdar and mollify local sentiment with a weak assurance that Bengal has nothing to lose? The minister has no explanation why he had to kick off the bifurcation in Hajipur if not only to upstage Ram Vilas Paswan on home turf. Why couldn't he begin at Bilaspur where, he claims the Prime Minister wants a new zone? And what would happen if Chandrababu Naidu were to demand a zone carved out of the South Eastern Railway? Narrow political and intensely personal aspirations have done enough damage to the Indian Railways already. It can get worse with the creation of new jobs that aren't there apart from a boost for contractors. If Nitish were sensible, he would apply the brakes firmly. In the final analysis, viability of any new proposal is all that matters — not political and personal bonuses.

All-party team to meet PM on ER

Statesman News Service

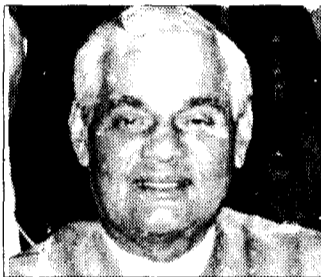
KOLKATA, June 27. — The Assembly today constituted an 18-member all-party delegation to meet the Prime Minister and the Union railway minister in Delhi and urge them to scrap the decision to bifurcate Eastern Railway.

Earlier, the House unanimously passed a resolution moved by the Congress chief whip, Mr Abdul Mannan, demanding the railway ministry not to implement its decision.

Mr Buddhadeb Bhattacharjee said the decision to split Eastern Railway and make Hajipur the headquarters of the proposed new zone was an unviable proposition. It would also "cripple" Eastern Railway and turn it into a totally loss-making zone, he said.

The chief minister agreed with the observation of Mr Debaprasad Sarkar (SUCI) that the bifurcation would lead to "unnecessary bitterness between West Bengal and Bihar".

Mr Bhattacharjee said he had written to Mr Nitish Kumar and Mr Atal Behari Vajpayee urging them to scrap the plan, but till



Mr Atal Behari Vajpayee

now he had not received response from either of them.

The Opposition leader, Mr Pankaj Banerjee, said though the decision to bifurcate Eastern Railway was first taken by the United Front government, the plan would undermine Eastern Railway's operations as its budget allocations would also be slashed.

Mr Banerjee claimed Miss Manmata Banerjee had kept the plan

in abeyance when she was the railway minister, but it was being given effect to by her successor.

Sikdar to meet Nitish: The Union minister of state for communication, Mr Jagan Sikdar, will oppose the splitting of Eastern and South-Eastern Railways at a meeting with Mr Nitish Kumar at Malda tomorrow, the state BJP president, Mr Asim Ghosh, said today. He said the Left Front's call for an agitation against the bifurcation was an attempt to divert attention from the Wafk scandal.

Unions protest: The Cita, Intuc, Aituc, HMS leaders today jointly protested against the bifurcation of Eastern Railway at the impending transfer of 3,000 railway employees from Kolkata and said the proposal was ill-conceived and "it would burden Eastern Railway".

Bihar welcomes move: The Bihar Assembly today adopted a unanimous resolution welcoming the Centre's decision to bifurcate Eastern Railway.

Nitish sticks to ER bifurcation

Statesman News Service

NEW DELHI, June 25. — The Union railway minister, Mr Nitish Kumar, today stuck to his decision to bifurcate the Eastern Railway zone and denied the Trinamul's claim that the Prime Minister has called a review meeting on the matter.

Mr Kumar said: "The bifurcation was approved by the Union Cabinet in 1996 and even I do not have the power to revert it." He said there are plans to create another five new zones.

These include "carving out" a Bilaspur zone and an East Coast zone, with headquarters at Bhubaneswar, out of the South-East zone, which incidentally, would be headquartered in Kolkata.

On the Trinamul's claim, he said: "Till now there is no move for any review meeting." This indicates that Mr Kumar has Mr Atal Behari Vajpayee's backing to create the new zone.

He said after the gazette notification about the East-Central and North-West zone, a committee of the railway ministry was looking into the territorial boundaries of the other proposed five zones and "I will sanction it as soon as the final proposal is submitted". He said the Prime Minister would lay the foundation stone at Hubli on 11 July.

Even as politicians from West Bengal continued with their protest — the CPI MP, Mr Ajoy Chakroborty, in a letter yesterday had warned of "popular resistance" against the move — Mr Kumar today said: "I will be visiting Malda on 28 June for a railway function and also to attend a public meeting arranged by Mr Tapan Sikdar. I will answer each question that has been raised. From now on, I visit West Bengal frequently to explain to various parties about the merit of the decision."

On the charges of favouring Bihar, the minister said: "Some people will only see a Bihar angle as I hail from that state. But what about the zone created in Jaipur simultaneously or the other zones coming up? I cannot be accused of being unfair to a particular state." He said smaller zones will be more administratively and economically viable. "This is a reform-process."

Terming the creation of a new zone as "territorial adjustment rather than bifurcation", he said opposition to his decision

Unilateral decision, says Left

KOLKATA, June 25. — The Left Front today decided to agitate against the Railway Ministry's decision to divide the Eastern Railway's zonal operations into two. The "unilateral" decision to create seven more railway zones out of the existing ones will particularly affect the Eastern Railway, the LF concluded at its meeting during the day. It is unscientific to create new zones because of a few particular state's interests. The decision will affect the present system of transporting coal from the eastern region, said Mr Biman Bose, LF chairman. —SNS

from a section of West Bengal political parties was "unfortunate and unwarranted".

There was "clear economic and administrative logic" behind the Cabinet decision in 1996 and "I am only implementing it".

Pointing out that none of his predecessors reverted the decision, he said: "Within a year I will show how the loss-making eastern zone will start making profits through focussed attention."

Taking an indirect dig at Miss Mamata Banerjee, the minister said he was surprised to see

how Eastern railway, with all its potential, was allowed to be a loss-making zone. "One has to remain focussed and should have a vision, to get things done in a better way."

Fiscal performance: Mr Kumar said the railways has shown an improved financial performance in the last financial year. The year saw savings in ordinary working expenses reaching Rs 1,487 crore compared to the budgetary estimates, and Rs 397 crore compared to the revised estimate. The operating ratio, improved from 98.8 per cent to 96.6 per cent and to 96.0 per cent. The Railways also repaid the Rs 249 crore loan to capital fund. He said against a target revenue of Rs 400 crore from the safety surcharge, only Rs 300 crore could be earned.

New zones a 1996 decision: Nitish

HT Correspondent
New Delhi, June 25

RAILWAY MINISTER Nitish Kumar today said he had notified the formation of two new railway zones only as a follow-up of a 1996 Cabinet decision.

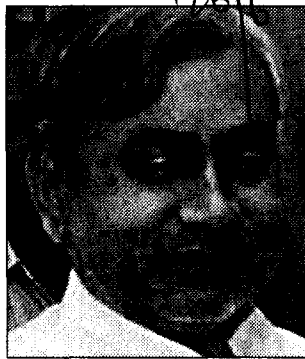
Talking to reporters, he said Cabinet decisions could be reversed by the Cabinet alone. As Railway Minister, he was expected to implement them, which he did. The other five new zones cleared by the Cabinet would be notified as soon as their territorial jurisdictions were earmarked.

The Minister said the West Bengal Government's reported objections about the division of the Eastern Railway were not justified. In the reorganisation process, practically all zones, save the North-east Frontier and Metro Railway, would be restructured.

Kumar said the United Front Cabinet had decided on six new zones in 1996, while the Vajpayee Government had added one more new zone of Bilaspur in 1998.

The Minister said annual Railway Budgets had made allocations for the proposed zones in the last few years and their infrastructure was slowly coming up. The notifications were held up only because their territorial jurisdictions were being worked out.

He said there would be no



Nitish Kumar
Firm stand

forced transfers of employees who had been given options to choose their zones. The Minister dispelled fears that the new zones would involve huge expenditure. In 1996, the estimate was Rs 100 crore per zone but it could work out even lesser with the help of IT, he said.

The two new zones notified are North Western Railway, Jaipur (Rajasthan) and the East Central Railway, Hajipur (Bihar). The other proposed zones would be located at Hubli, Bhubaneswar, Jabalpur, Allahabad and Bilaspur. Nitish said the railways' financial performance in 2001-2002 had turned out to be better than estimated. The operating ratio — indicating expenditure to earn Rs 100 — was Rs 98.80 in Budget estimates but improved to Rs 96 when calculated.

THE HINDUSTAN TIMES

26 JUN 2002

Education as a fundamental right

By V. Krishna Ananth

THE UNION Minister for Law and Justice, Arun Jaitley, takes his brief seriously while participating in a debate on the floor of the House. Mr. Jaitley indeed was in his elements when he defended the Bill replacing POTO (the Prevention of Terrorism Ordinance) in the "historic" sitting of the two Houses of Parliament recently. Making light of the argument that the proposed Act was likely to be abused (and Mr. Jaitley was right when he argued that this logic could apply to several other penal provisions and should it mean that all those laws be repealed), the leading lawyer explained that a resolution by the United Nations after September 11, 2001, had rendered a law of this kind imperative.

Mr. Jaitley's argument rested on the presumption that after the United Nations passed the resolution, it was mandatory for India to pass a Bill and that too on the lines of POTA (the Prevention of Terrorism Act). Mr. Jaitley did try to convey that there was no other option; as if the existing laws in India were not good enough insofar as the scope of the U.N. resolution — to declare terrorism and support to groups indulging in it a penal offence — was concerned. This certainly is not correct. It is also only too well known that the U.N. as such does not prescribe the articles and clauses of the desired law as conveyed by Mr. Jaitley to Parliament while defending the Bill.

Mr. Jaitley knows all this better than anyone else. But then, his brief in Parliament was not that of a lawyer; instead he was wearing a different hat. His brief was political. And the Law Minister, himself a victim of such emergency provisions (he was among those picked up and detained under MISA, the Maintenance of Internal Security Act, from the Univer-

sity of Delhi when Indira Gandhi and her police felt he was becoming a 'threat to democracy'), did not show any compunction in doing what H. R. Gokhale did then. Mr. Jaitley decided to follow the same path that Gokhale walked (Gokhale too was a leading member of the Bar who was revered by one and all then) and allowed himself to be guided by his political

ICESR declares that primary education be made compulsory and free. And Article 14 of the covenant states in no uncertain terms that "states are bound to work out a comprehensive plan to provide free, compulsory primary education" and even underlines the need to implement this in a time-bound manner. In this sense, it is imperative for the Government, in

The right to education, if implemented wholeheartedly, would help build a society where bigots and fundamentalists would find it more difficult to manufacture consent.

brief. Be that as it may, the Government managed to send across a clear message about its commitment to "international" public opinion and that a resolution of the kind passed by the U.N. would be put into effect in India even if it warranted an emergency measure, which in this case was to convene a joint session of the two Houses. But then, it is also clear that such commitment to "governance" will be displayed only on a selective basis.

Take for instance the need for a constitutional amendment that would ensure education for those in the age group of 6-14 years as a fundamental right. Mr. Jaitley (for all his knowledge on rights and freedom) and the NDA Government (for all its enthusiasm to follow U.N. resolutions) need to be reminded that an amendment to the Constitution to make education a fundamental right is what is expected of the signatories to the U.N. Covenant on Economic, Social and Cultural Rights (ICESR).

Apart from the fact that every state that is party to this agreement considers universal education as an inalienable right, Article 13 of the

India, to legislate in such manner that every child between the ages of six and 14 is guaranteed the right to education and such a right is enforceable.

In other words, the need for passage of the 93rd Constitution Amendment (now before the Rajya Sabha after its passage in the Lok Sabha in the winter session) should have appealed to Mr. Jaitley and his colleagues in the Union Cabinet at least as much as POTA.

In addition to the fact that the Bill is an imperative in the context of the ICESR, the Supreme Court, in its verdict in the J. P. Unnikrishnan vs the State of Andhra Pradesh case had even formulated the contours of such an amendment; that Article 21 of the Constitution be amended in such a manner to include a separate clause (Article 21-A) specifying the Right to Education as a Fundamental Right.

With such a clear-cut interpretation (that the right to life shall include the right to education too) based on an earlier ruling in the Olga Tellis vs Bombay Municipal Corporation and the principle that the right to life cannot be restricted to animal

existence and that it shall include the right to livelihood, the task before the Executive and Parliament has been simplified to the extent possible; to simply amend the Constitution on the lines prescribed by the apex court.

Yet, it has taken so long and the idea that all children between the ages of 6 and 14 be guaranteed the right to a meaningful life remains a dream and hopes of such an amendment in this session are indeed faint.

All this after the parties cutting across the spectrum "agreed" on December 14, 2001, to show the world their unity and determination against forces opposed to the Republic by agreeing to adjourn the winter session of Parliament *sine die*.

They could have conveyed the same message in a better fashion if only they had agreed to display their unity by way of passing the 93rd Constitution Amendment.

Similarly, the Opposition in both Houses had managed to force the Treasury Benches to agree to a substantive motion on the Gujarat issue. Why did it not occur to them to do something that could have forced the Union Minister for Human Resources Development, Murli Manohar Joshi to place the 93rd Constitution Amendment Bill in the Upper House too in this very session?

The right to education, if implemented wholeheartedly, would help build a society where bigots and fundamentalists would find it more difficult to manufacture consent to a socio-economic order that is inegalitarian and prone to fratricidal conflicts arising out of divisive and majoritarian campaigns.

Such a measure would also be in tune with the various U.N. covenants (to which India is a signatory) in general and the ICESR in particular.

National human development

By C. Rammanohar Reddy

RD-10 27/4
THERE HAS not been a more comprehensive compilation of information about where we are in basic socio-economic development than the National Human Development Report (NHDR) 2001. The Planning Commission's report, the first official nationwide assessment of human development, does not contain new information, it only puts together socio-economic data from a variety of Government sources. Some of its statistics are even dated, extending no further than the early 1990s. But unlike the Government of India's annual Economic Survey or the many publications of the Reserve Bank, which mainly cover the remote world of fiscal deficits, foreign exchange reserves and money supply, what we have in the NHDR is a series of snapshots of changes over the past two decades in the bread and butter world of final outcomes: nutrition, shelter, availability of electricity, access to sanitation, schooling, life expectancy, disabilities, the position of children etc.

Even if we needed any reminding, the picture of progress at the State level, between men and women, between rural and urban India, and, of the Dalits and Adivasis, is not a very satisfying one. It is not, however, entirely a bleak world. We find in the NHDR, for instance, that in the 1990s there was a considerable rise in basic literacy rates, which rose from 44 per cent (1981) to 65 per cent (2001). The absolute number of illiterates declined for the first time between 1991 and 2001. And, the proportion of households with access to electricity increased from 26 per cent in 1981 to 42 per cent in 1991 and 60 in 1998-99. But gross failures in some of the most basic areas of human development overwhelm everything else. The NHDR reminds us that as food stocks began climbing to extraordinary levels in the late 1990s, over half of India's children under five were either moderately or severely malnourished, 30 per cent of new-borns were significantly under-

What we have in the National Human Development Report is a series of snapshots of changes over the past two decades in the bread and butter world of final outcomes.

weight and 60 per cent of women were anaemic. And, in the early 1990s, only 10 per cent of Dalit households had the luxury of a toilet in their homes. These statistics are not perfect, but the naked eye tells much the same story.

Ultimately, this first, even if belated, Government report on human development is important for two reasons. First, an exercise by the Government to prepare a human development index (HDI) for the country is as close an official recognition as is possible of the human development approach to guide policy as well as measure outcomes. (Like the UNDP reports, the NHDR has also constructed the human poverty index — a measure of deprivation — and the gender equality index.) Second, the estimation of HDIs for the States provides a richer picture than the summary national index since there are such striking regional variations in almost every measure of socio-economic development.

The components of the Planning Commission's estimate of HDI in India are much the same as that of the UNDP's index — measures of economic attainment, health and education. The indicators chosen to construct the HDI are, however, slightly different, to take into account the specifics of the Indian situation and the availability of information. The most important difference is that where the UNDP's measure of economic attainment is the per capita gross domestic product, the NHDR chooses per capita consumption expenditure adjusted for inequality. The NHDR describes the rise between 1981 and 2001 of the human development status of India as a significant

improvement. The national HDI did increase from 0.302 (1981) to 0.381 (1991) and then to 0.472 (2001). But while an improvement has taken place over 20 years, it is worth keeping in mind that in theory the HDI can rise to a perfect 1.0. (Norway with an HDI of 0.94 leads the UNDP's most recent ranking of countries.) So in spite of the increase in HDI since 1981, we are not even half way there. Likewise, while there has been a narrowing of the rural-urban divide and the gender inequities, the improvements have been small.

The NHDR is most informative in its discussion of State-level performance, though the lack of up to date information does leave some gaps. First, in the 32 States and Union Territories for which statistics are available for 1981 and 1991, the regions with the highest HDIs are either the Union Territories or small States in the North-east. In 1991, the only two major States in the first 12 were Kerala and Punjab. What is open to interpretation is if this better performance of the smaller entities is because of large amounts of Central assistance to Chandigarh, Delhi, Mizoram, Manipur etc, which provides for better health and education services and also props up per capita consumption expenditure. Second, a longer term comparison (between 1981 and 2001) is possible only for 15 major States, though here as well the estimates of HDI should be seen as provisional. Kerala, with its past emphasis on education and health, naturally led in 1981 and 2001 as well. It should, however, also be noted that while per capita GDP in Kerala is less than average, the remittances from Keralites in West

Asia keep per capita consumption at higher than average. So this too contributes to a high HDI for the State. Third, the changes in some States are revealing. The substantial improvement in the position of Tamil Nadu between 1981 and 1991, maintained in 2001, is not on account of a growth in consumption but perhaps because of the improvement in literacy rates.

Likewise, the less than satisfactory HDI rank of Andhra Pradesh and West Bengal — two States where for very different reasons a better performance should have been expected — is also perhaps the result of their mediocre results in health and education. Fourth, the NHDR observes that there is a broad correspondence between income and HDI levels among the better-off and poor States. This correspondence breaks down in the middle-income States, which is revealed in the varying achievements of Andhra Pradesh, Tamil Nadu, West Bengal and even Karnataka. The lacklustre achievement in human development of some of the Southern states in the 1990s is a question mark over the so-called superior performance of the South in the previous decade. Fifth and last, the most worrying observation in the NHDR is that while it sees economic growth having accelerated in the 1990s by a full percentage point this led to less human development in that decade. A tentative explanation is that the States at the bottom (Bihar and Assam) are achieving only limited progress while those at the top (Kerala and Punjab) are also finding it difficult to further improve their human development. This then is a reiteration of two familiar lessons about the links between economic growth and human development. A higher rate of economic growth does not necessarily mean more rapid improvements in human development, but at low levels of income you cannot improve human development without growth (Bihar) and beyond a point human development cannot be raised without faster growth (Kerala).

27/4/2002

THE HINDI

FRIDAY, APRIL 26, 2002

RANKING INDIA

AFTER A DECADE of an uneasy relationship with the concept of human development, the Government of India — through the Planning Commission — has prepared the first national human development report. While countries such as Myanmar and the Central African Republic put out their national reports some years ago, India is one major developing country that has until now avoided preparing a country study though some States such as Madhya Pradesh, Rajasthan and Sikkim have already compiled State reports. The Government's suspicion of the idea of human development, as formulated by the United Nations Development Programme, did have something to do with a ranking system which (earlier) placed India below Pakistan. But it is unfortunate that a country where the economic and social database, in spite of all its shortcomings, is still among the best in the developing world, delayed its own estimation of national and regional levels of human development.

India's first national report confirms the trends presented in the UNDP studies, that the all-India human development index (HDI) has been increasing but slowly. The additional information we now have is of the trend from the early 1980s onwards, the HDI having increased by 26 per cent between 1983 and 1993, rose by 24 per cent between 1993 and 2001. The difference in the two time spans do not permit any inference to be drawn on the success or failure of reforms to make a dramatic difference to the average level of human development in the country. Besides, the HDI is only a number, a composite index of income, longevity and educational status which is a surrogate for a measure of human capabilities; so what matters is the direction in which this index moves and not the percentage increase or decrease. Far more revealing is what the national index masks by way of regional variations of progress since the early 1980s. It is not surprising that among the 15 large States, Kerala, with its achievements in

health and education, has consistently been ranked first between 1981 and 2001, which is considerably different from what a ranking based on per capita incomes would show. However, unlike many countries and sub-national entities which would take pride in a high HDI rank, Kerala today is more concerned about how to use its past achievements in human development to expand work and income opportunities. While Bihar, again not surprisingly, ranks the lowest in the league of major States, the surprise must be in the positions of Tamil Nadu and Andhra Pradesh. The former shows a dramatic improvement over two decades while the latter is confined to the lower echelons. This is possibly the result of more rapid improvements in the health and education indicators in Tamil Nadu, though it would be inappropriate to pass any prediction of the long-term potential of either State on the basis of these indices.

The statistics apart, the India report is unusual in one aspect of the agenda it suggests for improving human development in the country. Where most policy prescriptions in this area take the route of greater resource allocation, especially to the health and education sectors, the Planning Commission has suggested improved governance and decentralisation in decision-making and delivery of Government services. Consistent with this prescription is the advocacy of a middle role for the state — neither heavily interventionist nor entirely minimalist. It may be an unexceptional observation but nevertheless requires reiteration, as the India report does, that one requirement for better governance must be reform of regulations and greater accountability of Government staff. Public discourse is often about high-level corruption but it is corruption at the low levels, at the citizen's interface with the Government, which is oppressive and also contributes so much to the low quality of public services, which in turn directly impacts on levels of human development.

Plan to shrink provident fund withdrawal options

FROM JAYANTAROY
CHOWDHURY

New Delhi, April 24: The Group of Ministers on pensions and provident funds plans to make withdrawals from Employees Provident Fund (EPF) more restrictive.

The group also proposes to take away powers of regulating the corpus from the Employees Provident Fund Organisation (EPFO) and relax norms for investing the funds.

The new rules, which have been drawn up by the finance ministry, insist that premature withdrawals should only be allowed in the event of permanent disability or death.

Henceforth, provident fund contributors will find it increasingly difficult to withdraw money prematurely and, even if allowed, will have to replace the amount through annual repayments.

Employees can now withdraw up to 90 per cent of their accumulated contribution in the provident fund to pay for medical emergencies, education,

marriage and house construction without any need to return the money once withdrawn.

While the proposed rule may cause consternation among employees who have been banking on the fund for emergencies, even more startling is that the note drawn up for the GoM (E.No 11/13/2001-Ins-VI) speaks of taking away the regulatory functions of the provident fund organisation. "Regulatory functions should be de-linked from the EPFO and vested in the pension regulator," the note states.

The finance ministry has stated that the EPFO's role as both fund manager and regulator results "either in dilution of regulatory functions or overstatement (of it)".

The EPFO covers about 2.15 crore citizens employed with 3 lakh establishments and the funds at its disposal run to nearly Rs 1 lakh crore.

This move to strip the EPFO of its powers comes in the wake of a standoff between labour minister Sharad Yadav, who has demanded that the interest payout on EPF must remain at 9.5

per cent even though his counterpart in finance, Yashwant Sinha, has made it clear this is not financially feasible.

Officials say Yadav has used his control over the EPFO to ram through his decision, much to Sinha's resentment and the BJP government's consternation. Yadav had apparently bypassed a directive he had received from the Prime Minister's Office on this score, they claimed.

Even the EPFO's role as fund manager is sought to be diluted by the note for the GoM, with a proposal that it farm out this job to "professional fund managers".

EPF funds are now invested in government securities to ensure highest safety of the investment. However, the note says the rules that require most of the funds to be parked in government securities should be changed to allow greater investment in private sector financial instruments that are floated to raise cash for infrastructure development. If the move comes through, it will channel sorely needed funds into the infrastructure sector.

Multi-purpose identity cards soon: Advani

AD-11
12/1/2
By Our Special Correspondent

NEW DELHI, APRIL 11. The Union Home Minister, L.K. Advani, said here today that the Centre would soon initiate steps to revive the proposal to issue multi-purpose national identity cards to all citizens, which was earlier derailed following reservations expressed by some States.

Speaking to reporters after inaugurating a two-day workshop on 'infant mortality' organised by the Registrar General of India (which comes under the Home Ministry) in collaboration with the Ministry of Health and Family Welfare, he said that he would soon hold consultations with political parties and States to see that the important proposal came through. Not much opposition was expected this time considering that there have been great developments in the IT sector.

The earlier move had fallen through after some States expressed reservations on the ground that it was too gigantic a task to issue such a card to each and every citizen.

Mr. Advani said that to begin with a legislation would be required to make the cards mandatory and, consequently, the immediate focus would be on enacting it. He, however, declined to set any timeframe for the project.

Mr. Advani confirmed that the recent events in Gujarat would come up for discussions at the meeting of the BJP national executive beginning at Goa on Friday. "Naturally, the issue would come up," he said, replying to a query. He, however, declined to comment further stating that the statements made by him on the subject had been "interpreted in varying ways".

He also refused to comment on the statement by the LTTE chief, V. Prabhakaran, during his press conference in Sri Lanka on Wednesday that India had a crucial role to play in solving the ethnic conflict in the Island nation.

At the function, he rued that India continued to be a developing nation even though it had all the potentials to be a part of the comity of developed countries and specifically asked the various stakeholders in the health sector to take a pledge to significantly reduce the infant mortality rate, which had remained stagnant at about 70 per 1,000 for the past several years, after having recorded steep declines earlier.

Mr. Advani asked the participants of the conference to focus on proper collection of data, as correct statistics was required to ensure right planning.

CII-SR MEET / ENGG., TEXTILE SECTORS TO BE STRENGTHENED

Industrial policy to focus on IT

By Our Special Correspondent

CHENNAI, APRIL 6. The new industrial policy to be released "very soon" by the State Government will seek to strengthen sectors in which the State enjoys a "distinct comparative advantage," the Chief Minister, Jayalalithaa, said here today.

Giving a "broad outline" of the policy, Ms. Jayalalithaa said these sectors included engineering, textiles and leather. The policy would also aim at boosting biotechnology and information technology, radically improving the physical infrastructure, basic amenities in rural and urban areas, expanding research and development, strengthening the linkages between academic experts and business and improving skill formation and basic literacy.

The Chief Minister, who was inaugurating the annual session of the Confederation of Indian Industry-Southern Region (CII-SR) devoted to the theme "India in the era of globalisation", said the Government would also streamline administrative regulations and processes. It was keen on having more foreign direct investment (FDI) in horticulture, IT and IT-enabled services, basic engineering, textiles and leather, among others.

She said the results from economic liberalisation and integration with the global economy, undertaken by India in the past decade, had not been as expected. However, unmindful of several constraints, her Government was determined to



The Chief Minister, Jayalalithaa, inaugurating the construction of the office of the CII-Southern region on the occasion of its annual conference in Chennai, on Saturday.

Looking on (from left) are the CII president, Sanjiv Goenka, the CII-SRR chairman, S. Mahalingam, and the CII vice-president, Ashok Soota. —Photo: T. A. Hafeez

ensure that the State became the number 1 in the country in terms of human development indicators.

The budget for 2002-03 incorporated the Government's vision.

When her Government assumed power in May 2001, it had inherited a negative balance of Rs. 2,500 crores from the previous DMK government.

"I discovered that I had only two options —either we remained a mute witness to the fiscal paralysis that had taken over the Government or we resolved to take necessary tough

decisions to find a solution to the problem. Naturally, I chose the second option", she said.

She said the White Paper on Government finances tabled in the legislature last year "was discussed threadbare by the political parties" and legislators expressed "serious concern over the quagmire the State had been allowed to sink into".

The current budget, with its emphasis on wasteland reclamation, rainwater harvesting, rural infrastructure, etc., aimed at creating employment and purchasing power in the hands

of the people.

Road policy coming

Indicating that a road policy was also in the offing, the Chief Minister said a video conference on investment in the IT and biotechnology sectors, being organised jointly with the Indo-American Chamber of Commerce on April 29 was part of Government's efforts to market the State, which already was a prime destination for foreign investment.

S. Mahalingam, chairman, CII-SR, suggested reconsideration of the levy of entry tax in the budget. The Secretary (Revenue) to the Union Government, S. Narayan, said the indirect and direct tax concessions to the tune of Rs. 16,000 crores given by the Central budget for the current year, besides tax refunds of Rs. 5,700 crores, had not led to any revival of demand. Still, the Government had retained all those concessions, and gone in for a "small tax burden" to part finance additional Plan outlays of Rs. 16,000 crores. It had also relaxed FDI and external commercial borrowing norms, and it was now for the industry to perform its role.

Pankaj Ghemawat, Harvard University's School of Business Administration, said the lead enjoyed by southern States over the rest of the country in terms of factor costs including capital, power and import delays was only marginal. The Chief Minister inaugurated work on a new building for the CII-SR office at Guindy.

A RECORD HARVEST

THE RECOVERY IN agriculture in 2001-02 has now been confirmed with the Government placing the first estimate of grain production at a record 210 million tonnes (m.t.), which is 6.8 per cent higher than the output in the drought year of 2000-01. Yet, positive as this achievement may be, it is apparent that all is not well with Indian agriculture.

In the first place, the record production of 2001-02 does not mark a very large leap from the previous peak. Besides merely marking a recovery from last year's low production of 195.9 m.t., the grain harvest this year is only marginally larger than the 1999-2000 production of 209.8 m.t. Second, agriculture in the second half of the 1990s has witnessed fluctuating levels of production and the overall trend is one of deceleration. Economists estimate that value addition in agriculture (food and non-food crops) has grown by just 2.1 per cent a year in the period 1997-2002, which is less than half the 4.7 per cent annual growth rate in 1992-97. So, while the bounce in food production this year holds out hope for an expansion of rural demand for manufactured products, the larger picture is disappointing and has contributed in no small measure to a slackening of the overall growth rate of the economy. Moreover, while pulses and the non-food crop of oilseeds have recovered from the slump of 2000-01, the longstanding gap between domestic supply and demand in both crops is not going to end this year. The output of pulses in 2001-02 is estimated at 13 m.t., which is less than what was produced during much of the 1990s, and the oilseeds crop of 22 m.t. is appreciably lower than production in 1998-99. A different question altogether is whether Indian agriculture should be asked to keep producing more when what is produced only gets stored in godowns which are overflowing with unsold stocks of rice and wheat. But this is a simplistic view of the problems that

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afflict production and consumption of food crops. The surpluses, if they can be called that, are in rice and wheat, and there is more of the latter than of the former. The combined Government stocks are now a mammoth 58 m.t. because the grain has been made very expensive, making worse a situation caused by an insufficiency of demand. There is evidence of a change in food consumption, with cereals constituting a smaller proportion than before of average household food consumption. However, if incomes of the poor grow the total demand for cereals will, up to a point, increase and not decrease. Unless production of food and non-food crops rises and this is accompanied by greater processing, it will be difficult to boost rural employment and incomes since the shift towards non-agricultural employment is still taking place very slowly. All said and done, the record grain production of 2001-02 looks like a mixed blessing only because the economy is not able to generate adequate domestic or export demand and not because we are in a situation of "surpluses".

Indian agriculture is still stuck in a situation of low productivity, a problem common to food and non-food crops. During the 1990s, the annual growth of production of rice and wheat slowed down sharply and was just a little above the population growth rate. The slowdown in non-food crops is even more dramatic, with the growth rate half of what it was in the 1980s. In all cases, the cause is the very slow annual increase now in crop yields. The Economic Survey of 2001-02 pointed out that yields of non-food crops rose between 1990-91 and 2000-01 by just 0.6 per cent a year, which was not even a third of the growth rate of 2.3 per cent that was recorded between 1980-81 and 1989-90. It will therefore take a lot more than a peak production of food crops in one year to be confident that Indian agriculture is on a sound footing.

Why didn't the government pre-empt Godhra and the backlash that followed?

A nation shamed

By J.N. DIXIT

THE ARSON and murder of passengers in the Sabarmati Express near Godhra and the orgy of violence that followed in Gujarat and other parts of India is more than an incident of communal rioting. It is a watershed signifying another descending step towards the disintegration of the basic socio-political terms of reference of the Indian polity and its civil society. It signifies the erosion of the capacity of governance of the political and administrative classes. This is apart from the profound damage it has done to India's credibility as a secular democracy in the international community.

The incident took me back to a conversation which I had with Benazir Bhutto in September 1991 when I was India's high commissioner to Pakistan. She was then out of power. The conversation took place at a reception in the Turkish embassy in Islamabad. The agitation about the Babri mosque was gaining momentum in India at that time. She asked me for a speculative assessment of whether the government of India would be able to prevent the destruction of the mosque. She wanted to know what was the attitude of the majority of people in India on this issue.

My response was that while the agitation to destroy the mosque shows the emerging trends of religious intolerance and extremism, the government will not allow the mosque to be demolished. I was proved wrong on the demolition but I was entirely correct about the public reaction. The majority of the people of India acknowledged the destruction of the mosque as a tragic incident challenging the very foundations of democracy.

However, I now realise that my claims about India to Benazir Bhutto proved to be spurious. I seemed to be over-optimistic about my faith in India's commitment to the ideals on the basis of which it sought national consolidation.

Godhra proves, if proof is needed, that the poison has spread in our civil society. Pointing an accusing finger at the ISI cannot absolve us of our failure. Even if Pakistani agents provocateurs played a role, a number of questions need to be answered.

The tension generated by the VHP and its allies by continuing their activities to build the Ram temple at Ayodhya has not only been an incremental phenomenon since the destruction of the Babri mosque, the



ADD FUEL TO INSANITY: A bus set afire by a mob in Ahmedabad

Centre did not take any decisive steps to defuse this tension or put a stop on the preparatory activities over the last decade. Why?

As for the violence at Godhra, reports indicate that 3,000 to 4,000 people had assembled outside the railway station equipped with diesel, kerosene and other incendiary material. It is inconceivable that the Gujarat police and the branch office of the intelligence bureau of the government did not have advance information about this crowd. It is difficult to accept that the incident occurred because the Ram *sewaks* in the Sabarmati Express shouted slogans and this provocation suddenly led to thousands of people bent on wreaking vengeance emerging — like Jupiter over the head of Minerva.

Why was no action taken to disperse the crowd in time?

There is a similarity between the thousands of *kar sewaks* who assembled in Ayodhya and who succeeded in destroying the mosque despite a huge contingent of police force being deployed just a few kilometers away from the mosque site. Once the horrendous act of arson and killing was perpetrated, it was obvious that there would be widespread backlash in Gujarat and even in other parts of the country. Why did the government not take timely action to deploy the police in different parts of the state to prevent the spread of violence?

What the people of India heard instead were pusillanimous explanations. Chief Minister Narendra Modi was blasé. He stated that given the violence perpetrated on the Sabarmati Express, a backlash was natural. He then proceeded to re-

mark that he was trying to do whatever was possible.

Even more extraordinary was the remark of Director General of Police Pande — that people should not expect the police to be everywhere, that sufficient police force was not available. He added that police personnel also have their personal sentiments in such matters, implying that the main operational instrument for maintaining law and order is no longer a commitment to national duty but is subject to ethnic and religious inclinations. The DGP might have been factually correct but it shows the disintegration of the functional integrity of the police force and, more important, the incapacity of the higher command — political and administrative — to ensure discipline in the force.

What is dangerous is that the Gujarat government did not mind a backlash. This speculative conclusion gains some substance in terms of party politics because latest reports are that the ring-leaders of the Godhra violence were local leaders of the Congress. One does not have to elaborate on the possible motivations about the lethargy of the Gujarat government to react to the violence in Godhra.

Then again, why did the government take nearly three days to deploy troops from the army's southern command in Gujarat? The excuse that it takes time to get the army deployed does not wash. Our armed forces are efficient and prompt in coming to the aid of civil authorities if the directions are given in time. There is something more to it, something unexplainable in the delay in the army's deployment.

Compounding all this is the fact

that for nearly a week after the Godhra incident, and despite the imposition of curfew and deployment of police and regular army troops, the violence continued. There was no effective action against the *bandhs* declared in Gujarat and Maharashtra. Have the processes of governance become so inefficient and lethargic that authorities are not capable of taking counter-measures in time against clearly discernible and anticipated violent disturbances (shades of the way the government dealt with the anti-Sikh riots in Delhi in 1984)?

Instead of public declarations that the government will take firm action against the instigators of communal disturbances regardless of their ethnic and religious identities, Prime Minister Atal Bihari Vajpayee appealed for peace and harmony. Home Minister L.K. Advani accepts the tragedy, and says corrective action would be taken. Instead of calling for an explanation from Narendra Modi and directing him to take immediate action, he is engaged in consultations with the central government.

The home minister, whose constituency is in Gujarat, delayed going to the state by nearly three days. It was Defence Minister George Fernandes who proceeded to Gujarat first. This also reflects the undercurrent of party-political affiliations and ideological inclinations of different members of the coalition in the BJP-led NDA government.

Should this not have been transcended by a display of united intention and action?

Godhra and its aftermath clearly indicate that the integrity of the ideological and constitutional foundations of the Indian republic have been dangerously eroded, and this process will continue if we do not wake up in time. It also shows that there is no link between our claims of being a secular, pluralistic and tolerant democracy and the political realities emerging in India.

It is equally clear that India's international credibility as a democracy, committed to the ideals mentioned above, is subject to serious doubt, which can have negative ramifications in terms of our relations with important powers and the Islamic countries. Pakistan will take full advantage of our vulnerability in this regard.

It is time to wake up and stem the rot. To paraphrase the poet, "Things will fall apart if the Centre does not hold."

THE HINDUSTAN TIMES

13 MAR 2002

Nitish collects Mamata dues

Subsidy slash with fare hike

OUR BUREAU
New Delhi, Feb. 26: In the space of one year, the entire economic philosophy behind the railway budget has changed under the same government, with the people in charge of the portfolio making the difference.

The lack of policy consistency is reflected in the U-turn railway minister Nitish Kumar has taken from the road followed by his predecessor, raising passenger fares by 12 to 40 per cent after a two-year freeze under Mamata Banerjee. This is one of the sharpest fare hikes in several years.

In an attack on cross-subsidisation of passenger fares through higher freight rates, Nitish has stepped up rates for second class ordinary, mail and express trains and monthly tickets. Freight rates are rising, too, but in the garb of "rationalisation". The 2002-03 rail budget presented today intends to generate an additional revenue of Rs 1,360 crore a year.

In two previous budgets put together, Mamata had proposed both times through freight increases — to raise additional revenues of Rs 1,100 crore.

That is not the only departure from the past. Most railway ministers have milked freight for extra cash and to subsidise passenger travel, but Nitish has done the opposite. He is collecting an additional Rs 910 crore through fare increase and Rs 450 crore from freight without any cross-the-board rise by tinkering with the structure for "proper tariff rebalancing".

Industry welcomed the attempt at reducing cross-subsidisation. "The move towards rationalisation of passenger and freight tariff was long overdue and is a positive measure," the Confederation of Indian Industry said.

The budget does not raise fares of Rajdhani and Shatabdi express trains while airconditioned first class travel will become

marginally cheaper in some cases to make it "competitive" with air travel. These areas have been the traditional sources of raising revenue in the past.

Explaining the rationale for the steps he has taken — touching politically sensitive passenger fares for most of his revenue mobilisation — the minister said the railways had not been passing on fully the cost of running the system to users.

"I feel that the time has now come that railways just cannot do without transferring at least some of the increase in the cost of operating the system," he said, adding that in the last two years there had been no fare increase.

His fare-freeze predecessor was scathing. "This is a positive budget for the business class and a negative one for the common people," Mamata Banerjee said.

She said the railway minister had chosen the "cheap" option of raising fare and freight. Mamata said as railway minister she had tried to generate revenue from non-traditional sources. The railway minister has reduced the fare of AC first class and mostly used by students and common men, she added.

Mamata pointed out that unlike her, Nitish had received budgetary support from the government. But that is a reward Nitish has possibly received from the finance minister, who provides budgetary support, for attempting to clean up the railways' balance sheet, which Yashwant Sinha could not get Mamata to do in the way he wanted.

He also paid a dividend to the government, of Rs 2,679 crore, which Mamata had not done at all. In return, the finance minister has provided Rs 5940 crore as budgetary support.

Again, in a departure from the past, none of this is triggering a quit threat from the mercenary Trinamul leader. "I will give my opinion to the NDA," Mamata said.

Passenger fares have been calibrated in

HOW IT WILL AFFECT YOU

Distance	Second Class		Sleeper Class		First Class	
	OLD FARE	NEW FARE	OLD FARE	NEW FARE	OLD FARE	NEW FARE
10	3	4	5	6	15	15
20	5	6	8	9	56	56
50	10	11	16	17	97	97
100	16	19	25	31	144	144
200	29	31	45	50	228	228
300	39	42	60	68	315	315
400	48	53	74	85	400	400
500	55	63	85	101	469	469
600	59	72	91	115	533	533
700	64	81	99	130	602	602
800	69	89	107	142	679	679
900	73	96	113	154	707	707
1000	77	103	119	165	766	766

Fares in Rs
Rates for ordinary services. Fares are exclusive of reservation fee and safety surcharge

RAILWAY BUDGET 2002

THE NITISH INDEX
If a passenger travelling second class (ordinary) on a mail/express pays Rs 100, corresponding fares in the following classes will be:

- Sleeper class: Rs 180
- AC chair car: Rs 360
- AC-III: Rs 450
- First class: Rs 525
- AC-II: Rs 720
- AC-I: Rs 1400

KEY FARES

Route	AC 3-tier		AC 2-tier		AC 1st class	
	OLD FARE	NEW FARE	OLD FARE	NEW FARE	OLD FARE	NEW FARE
New Delhi — Howrah (via Gaya)	977	1048	1140	1222	1563	1676
New Delhi — Guwahati (via Barauni)	1139	1284	1418	1498	1828	2054
Howrah — Patna	527	548	615	639	846	876
New Delhi — Patna	824	856	961	999	1318	1370
New Delhi — Puri (via Tatanagar)	1121	1250	1385	1458	1794	2000
New Delhi — Howrah (via Gaya)	217	233	337	373	551	615
New Delhi — Guwahati (via Barauni)	253	286	393	457	793	999
Howrah — Patna	117	122	182	195	353	426
New Delhi — Patna	183	191	284	305	549	666
New Delhi — Puri (via Tatanagar)	249	278	386	445	774	972

What's in it for the east?

Launch of superfast inter-city or Jan Shatabdi-expresses

- Tatanagar-Ranchi
- Howrah-Bhubaneswar
- Howrah-Malda
- Guwahati-Dimapur
- Kathar-Palna

NEW TRAINS

- Hatia-Mumbai (weekly)
- Howrah-New Delhi (bi-weekly)
- Howrah-Bhopal (weekly)
- Howrah-Gorakhpur (weekly)
- Guwahati-Jodhpur-Bikaner (weekly)
- Berhampur-Bhubaneswar to run daily

FREQUENCY INCREASE

- Sarnath-Rajpur Budh Purnima Express via Gaya (tri-weekly)
- Patna-Indore (weekly)

New Delhi-Guwahati Rajdhani Express

Off the beaten track

Free food for children below five on Rajdhani and Shatabdi
Near brand name - and sell it at stations
Fifty food plazas to come up at different stations
Six budget hotels to be set up
Computerised ticketing system to enable people to buy unreserved tickets from any place

such a way that the rise increases with distance. The new rates come into effect from April 1. Monthly ticket prices will be equivalent to fares for 15 single journeys in second class irrespective of distance. First class season tickets will continue to be priced at four times the rate for a second class ticket.

Railway Board officials justified the rationalisation efforts, saying this is the first time such an exercise has been carried out to remove "distortions" in the fare structure. Railway Board chairman R.N. Malhotra said the main objective of this year's budget was to chart a "route map" to improve the railways' financial health. Officials parried questions about the average increase in each class of travel, saying the hike this time was not "across the board".

The fares were "kinky" in certain slabs and the railways have tried to smoothen them out, they said. Nitish said freight rationalisation had wiped out cross-subsidies of Rs 4,000 crore.

A similar rationalisation, according to the minister, has taken place in freight rates. Freight has been raised marginally for commonly-used commodities like foodgrain, pulses, salt and groundnut oil, something that railway ministers in the past have avoided doing.

QUOTE

This is a positive budget for the business class and a negative one for the common people

MAMATA BANERJEE

Rates will go up also for coal, iron ore, raw materials supplied to steel plants and urea. They will drop for cars, iron and steel, pig iron, cement, sugar and most petroleum products.

On the occasion of the railways completing 150 years on April 16, sixteen Jan Shatabdi express trains will be started, one from Howrah to Malda. The allocation of trains among states is fairly even-handed. Here, too, Nitish has broken from the past by cutting the bias railway ministers, including himself in 1998, have shown for their home states. Mamata, for instance, had given Bengal seven new trains.

Survey signals cut in small savings rate

The ambitious target of opening up Rs 12,000 crore by selling some of the crown jewels through disinvestment will not be met this year. The survey doesn't acknowledge this — but it talks rather radiantly of a big sell-off, including in Indian Airlines and Air-India — in the next fiscal year. It also talks about selling government stake in Maruti Udyog and nine other PSUs, including Jessop and Paradeep Phosphates, within the next month.

The finance minister based his otherwise upbeat survey on high farm and service sector growth. Farm sector growth in the current year is expected to reach a five-year high of 5.7 per cent compared with a negative growth last fiscal. Higher farm growth is expected to fuel consumption demand, which has fallen from 7.4 per cent in 1998-99 to 2.9 per cent.

If the rain gods have been merciful to Mother India, her teeming millions plying their trade in various services have also boosted the chances of an economic recovery. The service sector grew at 6.5 per cent during 2001-2002 compared with 4.8 per cent in the last fiscal.

The survey also indicates the path of the next round of taxation reforms by highlighting the need to bring down customs tariff rates from a current average of 35 per cent to 20 per cent within the next few years. It says the way to compensate any giveaway will have to be through wholesale removal of excise exemptions and curbing leaks from exemptions granted to small-scale firms.

POINTERS



- Small savings rate cut
- Removal of some income-tax exemptions
- Customs and excise duty reforms
- Sell-off in two airlines
- Fertiliser subsidy cut
- End of reservation for small industry
- Services tax exemption

FROM OUR SPECIAL CORRESPONDENT

New Delhi, Feb. 26: If anyone was looking for pointers to the budget just two days away, Yashwant Sinha provided them in the Economic Survey unveiled today: a small savings rate cut, removal of certain corporate and personal income-tax exemptions and deductions, a reduction in customs tariffs, a rollback of excise exemptions and extension of the 5 per cent service tax to more areas.

"The current signals indicate that a recovery is expected in 2002," Sinha said. But he hedged his predictions by warning in the same breath of the dangers of a high fiscal deficit — where government spending outstrips its revenues and the hole has to be filled with borrowings — which is currently running at 5.1 per cent of the gross domestic product (GDP).

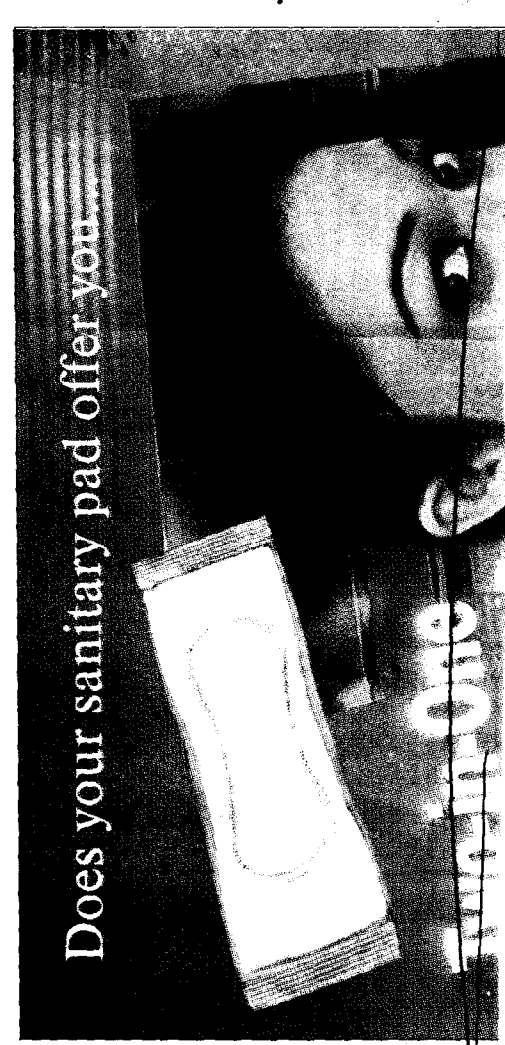
He also spoke of an "external shock" by which he implied a possible surge in global oil prices that could derail the Great Indian Railroad Express.

Of real concern to the common man, however, was a warning that continued high administered real interest rates would not be tolerated. What this boils down to is that there could be a 1 per cent rate cut in small savings schemes like NSS, NSC, postal deposits, kisan vikas patra and the public provident fund (PPF).

Fixed interest rates on small savings schemes like the PPF and post office saving schemes currently stand at about 9.5 per cent, while interest on fixed deposit schemes run by banks

range between 8 and 8.5 per cent. Finance ministry mandarins argue that this will trigger further interest rate cuts in the financial market and boost sluggish industrial investment. But the real reason for the government wanting to cut this rate lies in its own huge outgo in interest payments which have hit an all-time high of Rs 1,12,300 crore.

The government's need to go in for this measure has been made more pressing by what the survey calls "significant shortfalls in indirect taxes due to slowdown in industrial production and deceleration of imports... Direct tax collections too are likely to be below target in the current year."



Does your sanitary pad offer you...

RAILWAY BUDGET 2002-2003

Highlights

- Minimum fare for II class (Mail / Express) to be increased from Rs. 15 to 16 and for II class (ordinary) from Rs. 3 to 4.
- Sleeper, AC chair car fares to rise with increase in relativity index for sleeper class (Mail and Express) from Rs. 155 to 160 and AC chair car from Rs.300 to 350.
- No change in relativity index for other classes.
- Fares for distances beyond 100 km for II class (ordinary) to be fixed at 55% of II class (Mail / Express) fares.
- Fares for II class monthly season tickets to be fixed equivalent to fares for 15 single journeys by II class (ordinary).
- No changes in system of charging quarterly season tickets' existing fare structure of Rajdhani and Shatabdi express trains.
- Free food for children below 5 in Shatabdi and Rajdhani express trains.
- Plants to package drinking water to be set up under 'Rail Neer'.
- 50 food plazas at various stations to be commissioned.
- 16 services to be extended, 7 new passengers to be introduced.
- Frequency of 14 pairs of trains being increased.
- Number of freight classes reduced from 59 to 32.
- Commodities of common use — edible salt, fruits, vegetables, jaggery etc — to be carried in the lowest class.
- Marginal increase in rates of coal, iron ore and raw material to steel plants.

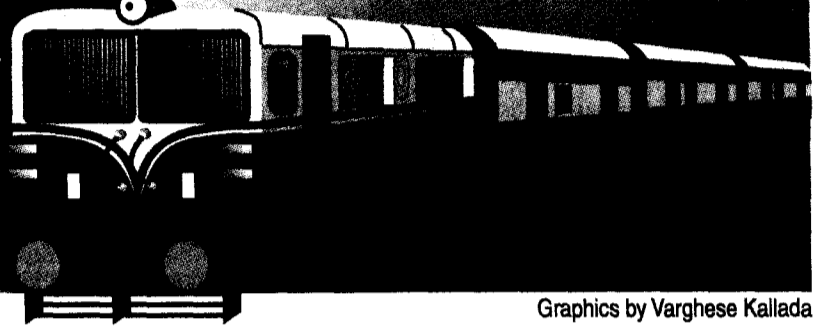


Nitish Kumar
Railway Minister

New inter-city trains

Sixteen superfast trains called Jan Shatabdi Express to be launched. These will have second class chair cars also.

- | | |
|----------------------------------|------------------------------|
| ■ Madgaon — Mumbai | ■ Bhubaneswar — Howrah |
| ■ Guwahati — Dimapur | ■ Dehra Dun — New Delhi |
| ■ Raigarh — Raipur — Durg | ■ Howrah — Malda Town |
| ■ Ahmedabad — Bhuj | ■ Varanasi — Lucknow |
| ■ Tatanagar — Ranchi | ■ Chandigarh — New Delhi |
| ■ Bangalore — Hubli | ■ Chennai — Mysore |
| ■ Ernakulam — Thiruvananthapuram | ■ Hazrat Nizamuddin — Jaipur |
| ■ Kota — Nizamuddin | |



Graphics by Varghese Kallada

Nitish tough on II class passengers

■ 25 new express trains to be introduced

■ Freight tariff rationalised

■ Measures to net Rs. 1,360 crores

By Vinay Kumar and Sandeep Dikshit

NEW DELHI, FEB. 26. The Railway Minister, Nitish Kumar, today opted for politically tough measures to tackle the financial paradox facing the Railways. The passenger fare and freight rate increases proposed in the Railway budget for 2002-03 are expected to net an additional Rs. 1,360 crore — 910 through passenger fares and 450 through freight.

Presenting the budget in the Lok Sabha, Mr. Kumar proposed higher charges for most passenger classes, but refrained from the easier alternative of an across-the-board hike in freight rates. Thus, while losses from the passenger services are sought to be curtailed, freight rates have been finetuned and concessions reduced to counter the stiff competition posed by the road transport sector.

The passenger fare hike, the highest-ever resource mobilisation effort, addresses the problem of unrealistically low second class fares, but the Minister failed to resist the annual ritual of an upward revision in the middle-class patronised AC-3 tier and AC-2 classes. However, the fares of Rajdhani Express and Shatabdi trains have been left untouched to increase occupancy levels. In a sop to young families, Mr. Kumar proposed free food for children under five years on these trains.

The AC-1 fare has been marginally reduced to bring more paying passengers on board. This class has low occupancy rates and most passengers are from the "non-paying" category because on some sections the fare is more than that of air travel.

Mr. Kumar attempted to spread the fruits of liberalisa-

tion by proposing 'Jan Shatabdis', whose running time would be the same as that of their elite versions but the fare would suit the pocket of the common man.

Explaining the rationale behind the passenger fare hike in the 'Passenger Amenities Year' and sparing of the freight segment, Mr. Kumar said the tariff structure had to be finetuned to attract larger volumes and ward off competitive pressures on the Railways in the liberalised economy. He pointed out that despite an increase in the working expenses, there had been no increase in passenger fares for the past two years except for a safety surcharge, levied from October 2001, to create a non-lapsable fund for replacing overaged assets.

Mr. Kumar promised computer-based unreserved, monthly and quarterly season tickets even from locations other than the boarding station. A

pilot project would begin in the next fiscal to extend the benefits of the IT revolution to the 12 million unreserved passengers daily, out of a total 13 million patronising the Railways. The computerised passenger reservation system (PRS) would be extended to the hinterlands by relaxing the criteria to include stations where the workload is above 100 transactions per day. A total of 150 more PRS terminals are planned in the next fiscal, taking their total number to 850.

Terming the Railways as a "visible symbol" of the Government, Mr. Kumar tried to address concerns relating to passenger safety and hygiene. The Railway Protection Force may be entrusted with the safety of passengers by making legislative changes. This task is now performed by the Government Railway Police, whose personnel are on temporary

deputation from the State police forces.

On the food front, 50 "food plazas" — to be run by well-known operators — would be opened at railway stations while the water problem would be alleviated by a Railways-marketed bottled drinking water under the 'Rail Neer' brand.

While restraint on the freight rate front is a cornerstone of the railway strategy to hold on to its market share, the other policy initiative proposed includes the handing over of booking and handling facilities to private entrepreneurs to make customer interface more responsive. Construction of revenue-yielding lines are being encouraged by entering into joint-ventures with ports on a cost-sharing basis.

On the modernisation front, the Railways would breathe easier since Rs. 2,200 crores would accrue from the PM's Special Railway Safety Fund. This would enable the Railways apportion an additional Rs. 1,000 crores for replacing overaged tracks, Rs. 300 crores more for rolling stock (as compared to revised estimates for 2001-02) and double the funds for bridges and signalling and telecom.

Reforms run out of steam?

By Alok Mukherjee

NEW DELHI, FEB. 26. The Union Finance Minister, Yashwant Sinha, today presented to the Lok Sabha an official report on the state of the economy where, implicitly, it has been acknowledged that the economic reforms launched in 1991 have run out of steam.

The Economic Survey 2001-2002, presented to the House, admits that the wide-ranging reforms of the 1990s, which removed entry barriers to investments, opened trade, provided free access to foreign technology, opened up foreign direct investment and removed barriers inhibiting access to capital markets, were expected to result in high growth in industrial production. It was expected that, in keeping with the country's comparative advantage, the structure of investment in industry would shift from more capital-intensive to more labour-intensive ones.

It was also expected that such a shift would provide for greater profitability and earnings growth, more export-oriented production and greater employment op-

portunities in industry.

However, progress in this direction has been limited after the initial growth episode. Similarly, after the exuberance of growth in the Gross Domestic Product (GDP) in the initial period of the reforms process, there has been an unmistakable slowdown in subsequent years, the survey admits.

In fact, the survey acknowledges many other shortcomings. Referring to the fiscal situation, which has been judged as the most difficult of the problems facing economic management in the country, the survey says that "there has been a popular tendency to focus excessively on expenditure reduction, but this has proved difficult with the rigidity in the structure of Government expenditure.

Revenue enhancement now lies more in enforcing compliance in direct taxes and in exceeding the service tax".

The survey confesses that though there has been considerable progress over the last 10 years in the reform of the tax system in all its aspects, tax revenues have remained below 10 per cent of the GDP

throughout the period.

Since the potential for increase in tax-GDP ratio through indirect taxes (excise and customs) is limited, the survey points to the tertiary sector, which has been witnessing greater growth and underlines the importance of extending the service tax to this sector to improve the overall tax-GDP ratio.

As another matter of fiscal consolidation, the survey highlighted the need to reduce food subsidy considerably by reforming the existing food management system, which would see a limited role for the government in ensuring food security by maintaining adequate stocks while there would have to be more efficiency and greater investment of private trade in the overall food management. Similar comments have been made about fertilizer subsidy, which is being seen as providing no incentive for improvement in productivity or for energy efficiency of fertiliser plants.

The point has been underscored that a substantial portion of the fertilizer subsidy actually goes to inefficient high cost production rather than to farmers.

VRS Eyewash

Yesterday, these columns showered bouquets on the government for imparting impetus to the privatisation process and freeing the movement of foodgrains. Unfortunately, some of the other measures announced by the government leave us no choice but to deal mainly in brickbats. None more so than the decision to proceed with a toothless voluntary retirement scheme (VRS) for government employees. According to the original proposal, employees who did not avail of the VRS, or were not redeployed within a year of being declared 'surplus', were to be compulsorily retrenched. The cabinet, however, developed cold feet at the thought of taking on the government employees' lobby. So, it took pains to clarify that there would be no forced retrenchment — which, in effect, will take the 'voluntary' out of the VRS. Frankly, that defeats the whole purpose of the downsizing exercise. Sure, some brave souls may avail of the VRS. But many more might decide to simply hang around, killing time till retirement day. Since they will already have been declared surplus, they will not even be expected to perform any official duties. In short, they will get paid for doing sweet nothing. Cynics would argue that this is precisely what happens even today. But at least the illusion of working for pay is maintained; the government's new proposal would strip away even that fig-leaf and legitimise the concept of the free lunch. Of course, the government's timidity hardly comes as a surprise. Though the expenditure reforms commission had reportedly identified nearly eight lakh employees as surplus, various ministries stoutly refused to accept that they were overstaffed, and only fell in line after the prime minister cracked the whip. According to some reports, the retrenchment clause will be introduced once the assembly polls conclude. If that proves to be true, then all one can say is, better late than never.

Even then, though, don't be surprised if the government resorts to statistical jugglery, like counting employees of public sector units that have been privatised among the people who have been ostensibly downsized. Clearly, fears of a political backlash overpower considerations of efficiency and sound economics. This, even though the VRS package being offered is quite attractive, and the Centre has sensibly decided to let officers take up private jobs as soon as they quit, rather than forcing them to cool their heels for two years. However, there is still one way the VRS deal could be made even sweeter. At present, there is a proposal to grant some income-tax relief on the ex-gratia payment to voluntarily retiring government employees. A sum of up to Rs 5 lakh will be completely exempted; the remainder will be taxed at prevailing rates. Why not simply exempt the entire amount? After all, many of the people availing of the VRS may never get another job — especially in light of the prevailing slowdown. They may wish to use the money they receive to start some small venture, or invest it to make their retirement a little more comfortable. Why grudge them the chance to do so? Indeed, why not extend this logic to the private sector — where employees typically don't have pensions to fall back on — and grant complete tax exemption on all VRS proceeds? Doing so is unlikely to cost the government much in terms of lost revenue, but it would probably help in garnering some much-needed support for the reforms.

THE TIMES OF INDIA

0 199 7002

VRS for surplus Central staff

Statesman News Service

NEW DELHI, Feb. 5. — The government today decided to offer a Voluntary Retirement Scheme to surplus employees in a bid to trim the bureaucracy.

It also decided to remove the requirement of licensing of dealers as also restrictions on storage and movement for wheat, paddy and rice, coarse grains, sugar, edible oilseeds and edible oil. Twelve of 29 commodities, including cement, household appliances and silk textiles, have been removed from the purview of the Essential Commodities Act, 1955.

The Union Cabinet, which met twice today, decided to set up a

special Afghanistan unit in the ministry of external affairs to deal with all Afghanistan related proposals and suggestions. It also approved further purchase of electronic voting machines worth Rs 142 crore in the current fiscal. The Election Commission has 283,800 and a total of 716,000 voting machines were required.

The Cabinet, however, at its second meeting in the evening, didn't approve the proposal to retrench employees found to be surplus and who could not be re-deployed after being on training for about a year. Under the proposal, approved by the Cabinet, permanent government employees rendered surplus will be eligible for VRS and will be

offered an ex gratia amount equivalent to emoluments, basic pay and Dearness Allowance of 35 days for each completed year of service and 25 days for each year of the balance of service left until superannuation.

The total number of years to be counted for payment of ex gratia will not exceed 33 years excluding any weightage that may be allowed for pension/commutation of pension and gratuity. The ex gratia may be subject to a minimum of Rs 25,000 or 250 days' emoluments, whichever was higher. The government also decided to give income-tax rebate on a portion of ex gratia for which necessary amendment will be made to the

CCS Pension Rules, 1972 and the Indian Income-Tax Act separately. The tax exemption will be limited to about Rs 5 lakh.

In view of the relatively comfortable food situation, it was felt that restrictions like licensing of dealers, limits on stock and control on movement are no longer needed. Restrictions only hampered the growth of the agricultural sector and promotion of food processing industries in a rapidly changing economic scenario and liberalisation. Facilitating free trade and movement of foodgrains would enable farmers to get best prices for their produce, achieve price stability and ensure availability of foodgrains in deficit areas.

THE STATESMAN

6 FEB 2002

The Agni-II missile on display at the Republic Day parade in New Delhi on Saturday. — Photo: V.V. Krishnan

Security concerns overshadow R-Day parade in Delhi

By Our Staff Reporter

NEW DELHI, JAN. 26. The 53rd Republic Day parade here today reflected the turbulent times, held as it was against the backdrop of recent terrorist attacks and the tension prevailing on the border with Pakistan. The parade was cut short by 20 minutes from the earlier 90 and witnessed only a token presence of the armed forces; also a shorter route was taken because of security concerns.

A miscalculation in the timing of the fly-past, an error in coordination by the NCC marching contingent and the absence of the Army, Air Force and Navy marching columns, bands and equipment added to the sombre mood on Rajpath.

Even the enclosures were sparsely occupied. Only the stands for which tickets had been sold had a sizeable attendance. The security cover was heavy in the wake of threats from militant organisations.

The President, K.R. Narayanan, took the salute of the parade, commanded by the General Officer Commanding of Delhi Area, Maj. Gen. N.S. Pathania. The President arrived at Rajpath along with the visiting President of

Mauritius, Cassam Uteem, who was the Chief Guest.

Before the start of the parade, the Defence Minister, the three Service chiefs and the Defence Secretary received the Prime Minister, A.B. Vajpayee, at India Gate, where he paid homage to martyrs by laying a wreath at Amar Jawan Jyoti. They then reached the saluting area to receive the Vice-President, Krishan Kant, his wife, Suman Krishan Kant, the First Lady, Usha Narayanan, and the First Lady of Mauritius, Zohara Uteem.

Soon after the unfurling of the tricolour, followed by the national anthem and a 21-gun salute, a brief investiture ceremony took place. The highest peacetime gallantry award, Ashok Chakra, was conferred posthumously on Naik Rambeer Singh Tomar of Rashtriya Rifles for killing four militants in a counter-insurgency operation in Jammu and Kashmir.

The President also gave away the Ashok Chakra posthumously to the CRPF Constable, Kamlesh Kumari, and the Rajya Sabha Watch and Ward employees, M.S. Negi and J.P. Yadav, who laid down their lives while thwarting the attack on Parliament.

Four Mi-8 helicopters carrying the national flag and ensigns of

the Army, the Navy and the Air Force then flew past, showering flower petals on the supreme commander of the armed forces, the President.

The participation of the defence forces was limited to the 61st Cavalry and the Defence Research and Development Organisation, which showcased the remote-controlled vehicle, Nishant, the multi-span mobile bridging system, Sarvatra, and Agni-II, the state-of-the-art surface-to-surface intermediate range ballistic missile.

Contingents of para-military and other auxiliary forces such as BSF, Assam Rifles, Coast Guard, CRPF, ITBP, CISF, RPF, Delhi police and Home Guard were present in strength along with those of NCC and National Service Scheme. The parade stopped momentarily as the NCC contingents resorted to on-the-spot marching for correcting their steps.

The colourful tableaux from 16 States and 12 Ministries this time not only depicted the progress made by the nation and its rich cultural heritage but also reflected thoughtfully on the earthquake which rocked Gujarat exactly an year ago. Other issues of concern such as communal harmony and the Chipko movement were also addressed.

Thereafter it was the turn of the 25 Bravery Award-winning children to bask in their new-found glory as they came riding atop caparisoned elephants and waved to the spectators.

The parade also witnessed a colourful cultural pageant presented by children from nine schools from across the country. They were followed by the 90 BSF trick-riders, who presented daredevil acrobatic feats atop 19 motorcycles. But as 29 of them were riding past the saluting dais on seven motorcycles, three Sukhoi SU-30 aircraft flying in formation reached the venue "unannounced".

The mistiming left the gathering disappointed as the fighter-planes were the only ones to take part in the truncated celebrations.



The BSF contingent taking part in the parade. — Photo: Anu Pushkarna

THE HINDU

27 JAN 2002

Hoist the Tricolour ... without curbs

Statesman News Service

NEW DELHI, Jan. 15. — The rules governing display of the Tricolour are being revised. You can soon hoist the Tricolour on the top of your house or office without running the risk of being dragged to court as industrialist, Mr Naveen Jindal and former Miss Universe, Sushmita Sen, were.

But you still can't wear the flag, as fashion designer, Malini Ramani, did, at the India Fashion Week in August 2000 unless you are prepared to have the police knocking at your door.

That will still be construed as an insult to the National Flag. And if a person deliberately insults the Tricolour a second time, he, or she, better be prepared to spend much more than three years — the maximum imprisonment under the existing law — in jail.

Pushed against the walls by the courts, the Union Cabinet today decided to not only lift restrictions on display of the National Flag but also amend the existing law to make it more stringent for

people who break this law a second or third time.

Of course, all this would be after the government gets down to defining what all an "insult" to the Tricolour would comprise.

The right to display the Tricolour by the public, however, would make it incumbent on them to observe certain conditions so that the national flag's dignity and honour is maintained.

This includes the stipulation to fly the flag — which will have the ratio of width to the length as 2:3 — from sunrise to sunset irrespective of weather conditions and not placing any other flag or bunting either higher or at the same level

as the Tricolour.

The details of the new Flag Code are being worked out, said Union parliamentary affairs minister, Mr Pramod Mahajan.

He said though the code — an executive order — was not legally enforceable so far, it was usually adhered to.

Mr Jindal, the man who relentlessly fought for this right, when he was prevented by government officials from hoisting a flag on the top of his factory, obviously is all smiles.

It has been a long fight right till the Supreme Court. Mr Jindal had initially moved the Delhi High Court, which ruled in his favour in 1996, holding the

right to display the National Flag as a part of the Fundamental Right of Freedom of Expression.

An unrelenting government, however, next approached the Supreme Court against this order, which stayed the High Court order but allowed Mr Jindal to fly the National Flag, describing the restrictions as prima facie "unsustainable".

The Supreme Court also observed that there was no reason why citizens of the country could not express patriotism by displaying the national flag, prompting the government to constitute a committee to look into all aspects of flying of National Flag on all days.

The committee submitted its report last April. The Prevention of Insult to National Honours Act was enacted in 1971, following several incidents of burning of the national flag and the Constitution during the previous decade, a period which was marked by students' movements, strikes, workers' agitation and the peak of the Naxalite movement, a government official said.



THE STATESMAN

16 JAN 2002

Double mockery

57-A
11/11 Insult Parliament, fool the people

Appalling is too mild an adjective to describe the government's ordinance amending the Central Excise Tariff Act (Ceta). To begin with, there's the slap on Parliament's face. The budget is a month and a half away, and for the government to arm itself with emergency fiscal powers now is nothing short of gross insult to the legislative process. The Opposition should take the treasury benches to the cleaners for this. But given the Opposition's recent parliamentary conduct, it will probably give the game away by shouting instead of debating. In fact, given the government's propensity to ignore the legislature and the Opposition's failure to use the forum properly, Parliament's de facto status has rarely been lower than it is now. Government managers will argue that concerns over principles will have to be balanced against fiscal reality — revenue collections have been hit by the slowdown, and the costs of post-December 13 military mobilisation. That's a trick, not an answer. Government finances are in a mess partly because absolutely no effort has been made to cut and rationalise expenditure. The Geetakrishnan report on expenditure control has met with dogged resistance and has been rendered hopelessly ineffective. But even if one were to accept the emergency situation argument, waiting a few weeks for the budget would have hardly made a difference to the fiscal. That brings up the question whether amending Ceta was in fact a strategy to make the budget look better. Leaks over the past few days suggest this may well be the case.

Apparently, the ordinance-vested powers to raise excise rates will apply to oil products but the increase will not be passed on to the consumers — no political backlash. This will work via the oil pool account — the instrument which pays oil PSUs the difference between what they get from retail sales and the import parity prices. In fact, the oil pool account has been in deficit for a long time now, given that the administered pricing mechanism keeps consumer prices below unit import costs. Reportedly, the government hopes to get around Rs 2,000 crores from the additional duties on oil products in the remaining three months of the 2001-2002 fiscal year. This will dress up the budget appropriately, that is, reduce the fiscal deficit. The oil pool account will go deeper into the red but since it does not show up in the budget, Yashwant Sinha can relax. Those who dreamt up this sleight of hand should feel ecstatic for devising the most painless method of fiscal "correction". Of course, oil pool dues do not go up in Delhi's smog. They represent a government deficit as much as the fiscal deficit does. But as clever, and crooked, accountants will point out off balance sheet items are a wonderful way to ignore reality, and real costs.

So, Parliament, and the people, will be treated to a double mockery. Which seems fine by the government. There is the little matter of reviving demand to tackle the slowdown. But since that cannot be managed either by ordinances or by accounting tricks, we suppose Yashwant Sinha is not bothered.

THE SCOTSMAN

11/11/01

Dual citizenship plan for NRIs

HT Correspondent
New Delhi, January 8

THE GOVERNMENT plans to grant dual citizenship to persons of Indian origin (PIO) residing in Europe, Canada, the US, the UK, Australia, New Zealand and Singapore. This has been recommended under the Citizenship Act by the High-Level Committee on Indian Diaspora.

The proposal will not involve any amendment to the Constitution. The Government is now in the process of working out the broad details for implementation of the committee's report.

After receiving the report, Atal Bihari Vajpayee said: "I am in favour of dual citizenship but not dual loyalty. We will implement the proposal soon and are trying to sort out the problems

in this regard."

The panel on diaspora was headed by noted jurist and former High Commissioner to the UK, L M Singhvi. Among other things, the panel has recommended a special welfare fund for PIOs facing retrenchment, especially in Gulf countries and elsewhere. The report has also proposed special economic zones for PIOs and NRIs and urged the Government to issue special infrastructure bonds to attract investment from them.

The committee has recommended modifications in the PIO card scheme besides making major suggestions on diaspora issues such as consular matters, investment, international trade and cultural interaction.

Also, the Government has decided to celebrate January 9

each year as Pravasi Bhartiya Divas (NRI Day). On this day, 10 prominent NRIs will be conferred the Pravasi Bhartiya Samman, the Prime Minister announced.

Vajpayee said the jury for the award would be headed by the Vice-President and the awards announced on August 15 each year. January 9 was chosen for the Pravasi Bhartiya Divas as Mahatma Gandhi returned from South Africa on this day to participate in the freedom struggle.

External Affairs Minister Jaswant Singh said the setting up of the diaspora committee was an election commitment of the Government. "It was aimed at taking concrete steps on some of the longstanding expectations and requirements of the Indians settled abroad."



ATAL BIHARI VAJPAYEE

THE HINDUSTAN TIMES

9 JAN 2002