

## Decisions taken by the Union Cabinet

- **Cabinet approves India-Morocco Cooperation Agreement in Railway Sector**

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has given its ex-post facto approval to the Cooperation Agreement between India and the Moroccan National Railways Office (ONCF) to develop long-term cooperation and partnership in different areas of railway sector. The Cooperation Agreement was signed on 14th December, 2017. The Cooperation Agreement will enable technical cooperation in the following areas:-

- a. Training and staff development;
- b. Expert missions, exchange of experience and personnel; and
- c. Mutual technical assistance, including exchanging of experts.

- **Cabinet approves proposal for Mahanadi Water Disputes – Constitution of a Tribunal under Inter-State River Disputes Act, 1956 – request from State of Odisha**

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has approved the proposal for adjudication of dispute on Mahanadi River Waters. The Tribunal shall determine water sharing among basin States on the basis of the overall availability of water in the complete Mahanadi basin, contribution of each State, the present utilization of water resources in each State and the potential for future development. As per provisions of the Inter-State River Water Disputes (ISRWD) Act, 1956, the Tribunal shall consist of a Chairman and two other Members nominated by the Chief Justice of India from amongst the Judges of the Supreme Court or High Court. Further, services of two Assessors who are water resources experts having experience in handling sensitive water-related issues will be provided to advise the Tribunal in its proceedings.

As per provisions of the ISRWD Act, 1956 the Tribunal is required to submit its report and decision within a period of 3 years which can be extended to a further period not exceeding 2 years due to unavoidable reasons. It is expected that with adjudication of dispute by the Tribunal, the long-pending dispute between States of Odisha and Chhattisgarh on Mahanadi river will come to a final settlement.

- **Cabinet approves Agreement between India and Israel on Film Co-production**

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has given its ex-post facto approval to an Agreement on Film Co-production between India and Israel signed during the visit of Prime Minister of Israel Mr. Benjamin Netanyahu to India, in the presence of both the Prime Ministers in Hyderabad House in New Delhi on 15th January, 2018.

Co-production of an Indian film with an international party means that Indian producer can access international funds and can collaborate on the script, talent and distribution at international level. Co-production of a film under this treaty will qualify it to be national production both in India and Israel. This will also enable a common pool of creative, artistic, technical, financial and marketing resources of the two countries. The co-produced films will also be eligible for their participation as domestic productions in film festivals of both the countries and any other incentives which are available for carrying out production and post-production work in any of the countries.

The signing of the Film co-production agreement will lead to mutual exchange of art and culture, create goodwill and better understanding among the people of both the countries as well as various aspects of film making. The Agreement will also help in generation of employment among artistic, technical as well as non-technical personnel.

- **Cabinet approves setting up of bus bay near Indian Defence University Land in Gurugram, Haryana**

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has given approval for de-notification of 03 marla of land overlapping with NHAI for setting up of bus bay near Indian Defence University Land in Gurugram, Haryana. The Cabinet also approved refund of Rs. 1,82,719 by Government of Haryana towards de-notification of 03 marla of land to Ministry of Defence, which was paid to Government of Haryana at the time of acquisition in 2011.

- **Cabinet approves New Bill to ban Unregulated Deposit Schemes and Chit Funds (Amendment) Bill, 2018**

The Union Cabinet chaired by Hon'ble Prime Minister Shri Narendra Modi has given approval to introduce the banning of Unregulated Deposit Schemes Bill, 2018 in Parliament. The bill is aimed at tackling the menace of illicit deposit taking activities in the country. Companies/ institutions running such schemes exploit existing regulatory gaps and lack of strict administrative measures to dupe poor and gullible people of their hard-earned savings.

The Banning of Unregulated Deposit Schemes Bill, 2018 will provide a comprehensive legislation to deal with the menace of illicit deposit schemes in the country through,

- a) complete prohibition of unregulated deposit taking activity;
- b) deterrent punishment for promoting or operating an unregulated deposit taking scheme;
- c) stringent punishment for fraudulent default in repayment to depositors;
- d) designation of a Competent Authority by the State Government to ensure repayment of deposits in the event of default by a deposit taking establishment;
- e) powers and functions of the competent authority including the power to attach assets of a defaulting establishment;
- f) designation of Courts to oversee repayment of depositors and to try offences under the Act; and
- g) listing of Regulated Deposit Schemes in the Bill, with a clause enabling the Central Government to expand or prune the list.

The salient features of the Bill are as follows:

- The Bill contains a substantive banning clause which bans Deposit Takers from promoting, operating, issuing advertisements or accepting deposits in any Unregulated Deposit Scheme. The principle is that the Bill would ban unregulated deposit taking activities altogether, by making them an offence ex-ante, rather than the existing legislative-cum-regulatory framework which only comes into effect ex-post with considerable time lags.
- The Bill creates three different types of offences, namely, running of Unregulated Deposit Schemes, fraudulent default in Regulated Deposit Schemes, and wrongful inducement in relation to Unregulated Deposit Schemes.
- The Bill provides for severe punishment and heavy pecuniary fines to act as deterrent.
- The Bill has adequate provisions for disgorgement or repayment of deposits in cases where such schemes nonetheless manage to raise deposits illegally.
- The Bill provides for attachment of properties/ assets by the Competent Authority, and subsequent realization of assets for repayment to depositors.
- Clear-cut time lines have been provided for attachment of property and restitution to depositors.
- The Bill enables creation of an online central database, for collection and sharing of information on deposit taking activities in the country.
- The Bill defines "Deposit Taker" and "Deposit" comprehensively.
- "Deposit Takers" include all possible entities (including individuals) receiving or soliciting deposits, except specific entities such as those incorporated by legislation.
- "Deposit" is defined in such a manner that deposit takers are restricted from camouflaging public deposits as receipts, and at the same time not to curb or hinder acceptance of money by an establishment in the ordinary course of its business.
- Being a comprehensive Union law, the Bill adopts best practices from State laws, while entrusting the primary responsibility of implementing the provisions of the legislation to the State Governments.

The Union Cabinet, chaired by Hon'ble Prime Minister Shri Narendra Modi, has given its approval to introduce the Chit Funds (Amendment) Bill, 2018 in Parliament. In order to facilitate orderly growth of the Chit Funds sector and remove bottlenecks being faced by the Chit Funds industry, thereby enabling greater financial access of people to other financial products, the following amendments to the Chit Funds Act, 1982 have been proposed:

- Use of the words "Fraternity Fund" for chit business under Sections 2(b) and 11(1) of the Chit Funds Act, 1982, to signify its inherent nature, and distinguish its working from "Prize Chits" which are banned under a separate legislation;
- While retaining the requirement of a minimum of two subscribers for the conduct of the draw of the Chit and for the preparation of the minutes of the proceedings, the Chit Funds (Amendment) Bill, 2018 proposes

to allow the two minimum required subscribers to join through video conferencing duly recorded by the foreman, as physical presence of the subscribers towards the final stages of a Chit may not be forthcoming easily. The foreman shall have the minutes of the proceedings signed by such subscribers within a period of two days following the proceedings;

- Increasing the ceiling of foreman's commission from a maximum of 5% to 7%, as the rate has remained static since the commencement of the Act while overheads and other costs have increased manifold;
- Allowing the foreman a right to lien for the dues from subscribers, so that set-off is allowed by the Chit company for subscribers who have already drawn funds, so as to discourage default by them; and
- Amending Section 85 (b) of the Chit Funds Act, 1982 to remove the ceiling of one hundred rupees set in 1982 at the time of framing the Chit Funds Act, which has lost its relevance. The State Governments are proposed to be allowed to prescribe the ceiling and to increase it from time to time.

- **Cabinet approves Six Laning of Nidagatta - Mysuru Section of NH-275 in Karnataka**

The Cabinet Committee on Economic Affairs chaired by Hon'ble Prime Minister Shri Narendra Modi, has given its approval for six-laning of Nidagatta - Mysuru Section of NH-275 from km 74.200 to km 135.304 on Hybrid Annuity Mode in Karnataka.

The development of six-laning of about 61 km is estimated to cost approximately Rs.2919.81 crore including the cost of land acquisition and pre-construction activities. The civil construction cost is approximately Rs.2028.93 crore.

The project would also provide employment opportunities to locals during project construction. With the widening and improvement of the highway, the areas would experience greater economic growth resulting in higher employment opportunities for locals. An employment potential of 2,48,000 (approx.) mandays will be generated locally during the construction period of the Stretch.

- **Cabinet approves Silkyara Bend-Barkot Tunnel in Uttarakhand as part of 'Chardham Mahamarg Pariyojana'**

The Cabinet Committee on Economic Affairs chaired by Hon'ble Prime Minister Shri Narendra Modi, has given its approval to the construction of 4.531 km long 2-Lane Bi-Directional Silkyara Bend - Barkot Tunnel with escape passage including approaches on Dharasu -Yamunotri section between Chainage 25.400 Km. and Chainage 51.000 Km in Uttarakhand.

The project will be falling along NH-134 (old NH-94) in the State of Uttarakhand. The project will be built under Engineering, Procurement and Construction (EPC) Mode. This is funded under NH (O) Scheme of Ministry of RT&H and forms part of ambitious Chardham Plan.

The construction period of the project is 4 years. The civil construction cost of the project is estimated at Rs. 1119.69 crore, while the total project cost is Rs. 1383.78 crore, which is inclusive of the cost towards Land Acquisition & Rehabilitation and other pre-construction activities as well as Maintenance and Operation cost of tunnel for 4 years.

- **CCEA approves 116.95 Km long Bhatni-Aurnihar line doubling with electrification at a completion cost of Rs. 1300.9 crore**

The Cabinet Committee on Economic Affairs, chaired by Hon'ble Prime Minister Shri Narendra Modi has approved 116.95 Km long Bhatni-Aurnihar line doubling with electrification at a completion cost of Rs. 1300.9 crore and is likely to be completed by 2021-22. The project will cover the districts of Deoria, Ballia, Mau and Ghazipur in Uttar Pradesh.

Aurnihar is junction station of Varanasi division having connectivity towards four sides namely Aurnihar-Chhapra, Aurnihar-Bhatni, Aurnihar-Jaunpur and Aurnihar-Varanasi. Present line capacity utilization of the section is 118% leading to congestion and slower train movement. The doubling project will ensure higher speed, reduce train delays, enhance safety by allowing more time for track/block maintenance, and provide additional capacity for future increase in traffic.

Allahabad-Mughalsarai route of North Central Railway is over saturated and there is heavy congestion at Mughalsarai. Doubling of this route will allow shifting of traffic from Mughalsarai-Allahabad route to this route thereby decongesting it. This will benefit passengers traveling to Eastern India especially Bihar, West Bengal and

North East.

Further, by easing the connectivity in Varanasi district, often referred to as the Spiritual Capital of India it will give a boost to pilgrimage, tourism and the local economy. Electrification will lead to faster trains, reduce carbon emissions and promote sustainable environment. Further, It will reduce fuel import dependence, and result in energy costs savings for Railways and forex savings for the country. In addition, the project will generate direct employment during construction of about 28.07 lakh mandays.

- **CCEA approves 425 Km long Jhansi-Manikpur and Bhimsen-Khairar lines doubling and electrification projects at a completion cost of Rs. 4955.72 crore**

The Cabinet Committee on Economic Affairs, chaired by Hon'ble Prime Minister Shri Narendra Modi, has approved 425 Km long Jhansi-Manikpur and Bhimsen-Khairar lines doubling and electrification projects at a completion cost of Rs. 4955.72 crore. These are likely to be completed by 2022-23. The projects will cover the districts of Jhansi, Mahoba, Banda, Chitrakut Dham in Uttar Pradesh and Chhatarpur in Madhya Pradesh.

The present line capacity utilization of Jhansi-Khairar, Khairar-Manikpur and Khairar-Bhimsen is 126%, 160% and 107% respectively, which leads to congestion and slow movement of trains. The doubling will provide for easy movement of trains going/coming from Jhansi/Kanpur and coming/going to Allahabad without any stoppage for crossing of trains of opposite direction. It will improve punctuality of passenger trains and smooth running on the routes of Jhansi-Satna and Kanpur-Satna. It will also help in better safety through improved availability for maintenance blocks. It will also result in overall development of Bundelkhand region.

- **CCEA approves 130 Km long Jeypore-Malkangiri New Line project at a completion cost of Rs. 2676.11 crore**

The Cabinet Committee on Economic Affairs, chaired by Hon'ble Prime Minister Shri Narendra Modi has approved 130 Km long Jeypore-Malkangiri New Line project at a completion cost of Rs. 2676.11 crore and is likely to be completed by 2021-22. The project will cover the districts of Koraput and Malkangiri of Odisha State. Malkangiri and Koraput districts are among the identified left wing extremism (LWE) affected districts in the country. These areas are also amongst the 115 aspirational districts. Prime Minister Shri Narendra Modi has given a clarion call to develop these districts to help achieve the vision of New India by 2022.

The proposed new line will connect Malkangiri, Boipariguda, Tanginiguda, Mathili, Pondripani Road and other major towns to Jeypore station on the existing Kottavalasa-Kirandul line. Further, connectivity to important towns viz. Koraput, Jeypore, Jagdalpur, Dantewara will improve. It will also result in short lead to many other places of Odisha, Chhattisgarh and Andhra Pradesh.

- **CCEA approves 100.6 Km long Muzaffarpur-Sagauli & 109.7 Km Sagauli-Valmiki Nagar lines Doubling projects with electrification at completion costs of Rs. 1347.61 crore, Rs. 1381.49 crore respectively**

The Cabinet Committee on Economic Affairs, chaired by Hon'ble Prime Minister Shri Narendra Modi has approved the 100.6 Km long Muzaffarpur-Sagauli & 109.7 Km Sagauli-Valmiki Nagar lines Doubling projects with electrification at completion costs of Rs. 1347.61 crore, Rs. 1381.49 crore respectively. These projects will cover the districts of Muzaffarpur, East Champaran (Motihari) and West Champaran (Bettiah) in Bihar.

Areas served by this route are densely population regions of north Bihar. At present passenger trains suffer congestion and stoppages on Muzaffarpur to Valmiki Nagar route as the line capacity utilization is upto 213%. 38 mail/express trains are running in this section with thousands of passengers travelling daily. Additional capacity will ease congestion and allow faster and reliable movement with minimum delays. In addition, it will enhance safety through more availability of maintenance blocks.

In addition to decongesting the entire route from Muzaffarpur to Valmiki Nagar, doubling will improve capacity and connectivity, thus paving way for economic prosperity and overall development of the region. Development of eastern regions of the country is important for achieving the 'New India' vision of Hon'ble Prime Minister by 2022. Champaran is on the border with Nepal, thus doubling of this line will lead to better connectivity with neighbouring countries as well.

- **Cabinet approves methodology for auction of coal mines / blocks for sale of coal under the Coal Mines (Special**

## **Provisions) Act, 2015 and the Mines and Minerals (Development and Regulation) Act, 1957**

The Cabinet Committee on Economic Affairs, chaired by Hon'ble Prime Minister Shri Narendra Modi has approved the methodology for auction of coal mines / blocks for sale of coal under the Coal Mines (Special Provisions) Act, 2015 and the Mines and Minerals (Development and Regulation) Act, 1957. The opening up of commercial coal mining for private sector is the most ambitious coal sector reform since the nationalisation of this sector in 1973

The Supreme Court of India vide its order dated 24.09.2014 cancelled 204 coal mines/blocks allocated to the various Government and Private Companies since 1993 under the provisions of Coal Mines (Nationalisation) Act, 1973. To bring transparency and accountability, the Coal Mines (Special Provisions) Bill 2015 was passed by the Parliament which was notified as an Act on 30.03.2015. Enabling provisions have been made in the Coal Mines (Special Provisions) Act, 2015 for allocation of coal mines by way of auction and allotment for the sale of coal.

The methodology gives highest priority to transparency, ease of doing business and ensures that natural resources are used for national development. The auction will be an ascending forward auction whereby the bid parameter will be the price offer in Rs./tonne which will be paid to the State Government on the actual production of coal. There shall be no restriction on the sale and/or utilization of coal from the coal mine.

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