



Info Capsule

THE UNION FINANCE MINISTER SHRI ARUN JAITLEY AND NDB PRESIDENT SHRI K.V. KAMATH DISCUSS OPERATIONS OF THE NDB INCLUDING ISSUANCE OF MASALA BONDS BY NDB¹

The Union Finance Minister Mr. Arun Jaitley and the New Development Bank (NDB) President Mr. K.V.Kamath had discussed the progress achieved by the NDB. They also discussed the Bank's operational plans for 2017. The bilateral meeting took place on the sidelines of the 3-day NDB Second Annual Meeting of its Board of Governors and Directors which is currently going on in the national capital.

The focus of the meeting was on the required steps in expanding the Bank's operations in India, including project pipeline. The forthcoming masala bond issuance by the NDB was also discussed.

The New Development Bank was created by the BRICS countries with an objective of financing infrastructure and sustainable development projects in its member countries.

MATERNITY BENEFIT (AMENDMENT) ACT, 2017²

Ministry of Labour and Employment vide Notification S.O. 1026(E) dated 31st March, 2017 hereby appoints

(i) the 1st day of April, 2017 as the date on which the provisions of the said Act, except sub-section (5) of section 3: and (ii) the 1st day of July, 2017, as the date on which sub-section (5) of section 3 of the said Act, shall come into force.

MIZORAM BECOMES 27TH STATE TO JOIN UDAY³

The Government of India and the State of Mizoram signed a Memorandum of Understanding (MOU) under the scheme Ujwal DISCOM Assurance Yojana (UDAY) today for operational improvement of the State's Power Distribution Department. With the signing of MoU by Mizoram, the total States/ Union territories covered under UDAY will be 27. Mizoram would derive **an overall net benefit of approximately Rs.198 crores** by opting to participate in UDAY, by way of cheaper funds, reduction in AT&C and transmission losses, interventions in energy efficiency, etc. during the period of turnaround.

¹ Available at: <http://pib.nic.in/newsite/erelease.aspx?relid=0>

² Available at: <http://egazette.nic.in/WriteReadData/2017/175151.pdf>

³ Available at: <http://pib.nic.in/newsite/erelease.aspx?relid=0>

The MoU paves way for improving operational efficiency of the Power Distribution department of the State. Through compulsory Distribution Transformer metering, consumer indexing & GIS mapping of losses, upgrade/change transformers, meters etc., smart metering of high-end consumers, feeder audit etc. AT&C losses and transmission losses would be brought down, besides eliminating the gap between cost of supply of power and realisation. **The reduction in AT&C losses and transmission losses to 15% and 2.50% respectively is likely to bring additional revenue of around Rs.166 crores during the period of turnaround.**

Demand Side interventions in UDAY such as usage of energy-efficient LED bulbs, agricultural pumps, fans & air-conditioners and efficient industrial equipment through PAT (Perform, Achieve, Trade) would help in reducing peak load, flatten load curve and thus help in reducing energy consumption in the State of Mizoram. **The gain is expected to be around Rs.30 crores.**

While efforts will be made by the Power Distribution Department of the State to improve their operational efficiency, and thereby reduce the cost of supply of power, the Central government would also provide incentives to the State Government for improving Power infrastructure in the State and for further lowering the cost of power. The Central schemes such as DDUGJY, IPDS, Power Sector Development Fund or such other schemes of MOP and MNRE are already providing funds for improving Power Infrastructure in the State and additional/priority funding would be considered under these schemes, if the State/DISCOMs meet the operational milestones outlined in the scheme. Further, with improved efficiency, the State Power department would be in a better position to borrow funds at cheaper rates for Power infrastructure development/improvement in the State.

The ultimate benefit of signing the MOU would go to the people of Mizoram. Reduced levels of transmission and AT&C losses would mean lesser cost per unit of electricity to consumers. Further, financially and operationally healthy State Power Distribution department would be in a position to supply more power. Higher demand for power would mean higher PLF of Generating units and therefore, lesser cost per unit of electricity which would again mean lesser cost per unit of electricity to the consumers. **The scheme would also allow speedy availability of cheaper power to 22,007 households in the State that are still without electricity.** Availability of 24*7 power to hitherto unconnected villages/households etc. would boost the economy, provide more employment opportunities for the people of the State and thereby, improve the standard of living of the people of the State.

UNION TEXTILES MINISTER LAUNCHES POWERTEX INDIA⁴

The Government has launched PowerTex India, a comprehensive scheme for powerloom sector development, simultaneously at over 45 locations in the country. Launching the scheme in Bhiwandi, Thane district, Maharashtra, the Union Textiles Minister, Smt. Smriti Zubin Irani said that Bhiwandi will be known for resurgence in Powerloom sector. Recalling that the powerloom sector alone employs over 44 lakh people, the Minister said that the scheme will especially benefit small powerloom weavers.

⁴ Available at: <http://pib.nic.in/newsite/erelease.aspx?relid=0>

The comprehensive scheme has the following components:

- In-situ Upgradation of Plain Powerlooms
- Group Workshed Scheme (GWS)
- Yarn Bank Scheme
- Common Facility Centre (CFC)
- Pradhan Mantri Credit Scheme for Powerloom Weavers
- Solar Energy Scheme for Powerlooms
- Facilitation, IT, Awareness, Market Development and Publicity for Powerloom Schemes
- Tex Venture Capital Fund
- Grant-in-Aid and Modernisation & Upgradation of Powerloom Service Centres (PSCs)

SOUTH ASIA SUBREGIONAL ECONOMIC COOPERATION (SASEC) PROGRAM OF ASIAN DEVELOPMENT BANK (ADB) EXPANDING TOWARDS THE EAST WITH MYANMAR BECOMING ITS NEWEST MEMBER IN 2017⁵

South Asia Subregional Economic Cooperation (SASEC) program of Asian Development Bank (ADB) is expanding towards the East with Myanmar formally becoming the 7th member of SASEC in 2017.

Shri Shaktikanta Das, Secretary, Department of Economic Affairs, Ministry of Finance of India noted that Myanmar is key to realizing greater connectivity and stronger trade and economic relations between the SASEC sub-region and the countries of East and Southeast Asia and that Myanmar's membership in SASEC can offer a host of opportunities for realizing synergies from economic cooperation in the sub-region.

SASEC member countries recognize that most of SASEC's multimodal connectivity initiatives include Myanmar. Road corridors in Myanmar provide the key links between South Asia and Southeast Asia. Ports in Myanmar will provide additional gateways to the landlocked North Eastern region of India. Development of multi-modal connectivity between North Eastern region of India, Bangladesh and Myanmar has the potential of unleashing tremendous economic energy in the sub-region.

SASEC's energy connectivity and energy trade prospects will be enhanced with the inclusion of Myanmar, involving its substantial resources of hydropower and natural gas. Moreover, developmental impacts of economic corridor in the SASEC sub-region will be maximized by exploring potential synergies with corridors in Myanmar that are linked to those in other Southeast Asian countries.

⁵ Available at: <http://pib.nic.in/newsite/erelease.aspx?relid=0>

The SASEC program was formed in 2001 in response to the request of the four countries of South Asia – Bangladesh, Bhutan, India and Nepal – from ADB to assist in facilitating economic cooperation among them. These four countries comprise the South Asia Growth Quadrangle (SAGQ), formed in 1996, as a vehicle for accelerating sustainable economic development through regional cooperation. As a project-based partnership, the SASEC program has been helping realize regional prosperity by enhancing cross-border connectivity, facilitating faster and more efficient trade and promoting cross-border power trade. Maldives and Sri Lanka joined SASEC in 2014, further expanding opportunities for enhancing economic linkages in the sub-region.

Team ICSI

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