

# Editorial

Tuesday, January 16, 2018

## Fight against corruption; we still need Lokayukta

Ombudsman, an institution started in Sweden in 1809, is a public officer whose function is to investigate the grievances, raised by citizens regarding maladministration of the authority. Through this institution the citizens have power to lodge complaint against the concerned authority if there are gross lapses in the functioning of the public administration. An Ombudsman can be empowered to investigate the cases of corruption (in any form) not only against the government officers but also against the judges of the highest court and Ministers. There is an inseparable relation between democracy and ombudsman. Usually, ordinary people are the victim of the negligence of public administration or wrong policy of the government or corruption of the government officials and Ministers. So, there shall be an institution in any democracy whose chief function shall be to oversee whether proper policies are adopted and more important, whether the adopted policy is executed properly. The institution of Ombudsman protects individuals from the injustice done to them by any of the three main organs of the government. It is independent of the three organs of state as neither of the organs of government has any control over it. Every man has free access to it.

The Lokayukta (meaning "appointed by the people"), constituted under The Lokpal and Lokayuktas Act, 2013, is an anti-corruption ombudsman to enquire into allegations of corruption against public functionaries in the Indian states. Once appointed, Lokayukta cannot be dismissed nor transferred by the government. He can be removed only by passing impeachment motion by the state assembly. Lokayukta investigates cases of corruption, where substantiated, recommend action. The institution is a great check on corruption, brings about transparency in the system, and makes administrative machinery citizen friendly.

Corruption is internationally recognized a major problem, capable of endangering stability and security of society, threatening social, economic and political development and undermining the values of democracy and morality. It has assumed alarming proportions recently public funds going into private hands leading to enrichment of a few. Corruption causes inefficiency, delays and insensitivity to people's grievances. As a result, citizens bitterly feel the distance that separates them from the decision makers. This distance, makes them feel abandoned or even rejected and they eventually lose interest in public matters and become marginalized. In states like Manipur this is one of the main causes of rampant extremism that is plaguing the society. Corruption does not mean only taking bribe but mal-administration. The short experience of Anti-corruption cell of Manipur government shows that people's grievances are many and the cell is unable to perform the assigned duty due to its limitations in authority being an organ of the executive machinery of the state.

So there is an urgent need of constituting Lokayukta under The Lokpal and Lokayuktas Act, 2013 in the state of Manipur with the following functions:-

- 1) Investigation into citizen grievances of injustice and hardship caused by maladministration, and
- 2) Inquiry into allegation of abuse of office, corruption or lack of integrity against public servant.

## IndiGo leaves 14 passengers behind at Goa airport

**TNN**  
**Mumbai, Jan. 16:** Fourteen passengers who had boarding passes for an IndiGo Goa-Hyderabad flight were left behind at Goa airport on Monday.

The stranded passengers alleged that the flight departed earlier than its scheduled time without making any announcement.

An IndiGoBSE -0.70 % spokesperson countered their claims, saying that the airline made several announcements calling the passengers to report at the gate.

Flight 6E 259 was scheduled for a 10.50 pm departure yesterday, but left 25 minutes before the scheduled time according to the passengers. The 14 passengers, who had their boarding passes and were waiting to board the flight, were left behind unaware at the airport.

The flight's scheduled time of arrival in Hyderabad was 12.05 am, but it landed at 11.40 pm.

An IndiGo spokesperson said that the passengers were declared "gate no-show".

"The boarding gate closed at 10:25 pm and they reached the gate at 10:33 pm. IndiGo staff looked for them at the airport while making frantic announcements over hand-

held loudspeaker," said the airline. "They (staff) had called them on the phone number provided by the passengers, but it turned out to be that of their travel agent, Thomas Cook, who refused to give us their phone numbers but promised that they will inform the passengers," the spokesperson said adding that many other passengers also witnessed the airline's efforts to search the passengers at airport. In the best interest of those who boarded on time, we closed the gates and deplaned the passengers who reached late. "Despite no fault on our part, we shifted them to the next morning flight free of charge," the airline added.

The incident also raises the question whether IndiGo carried out "passenger baggage reconciliation", a mandatory security norm which requires an airline to check whether all the passengers who have checked in their bags are onboard.

If any of the 14 passengers who were left behind had a check-in bag and the aircraft left without the airline offloading that check-in bag, then it is a breach of security.

## Piece by Piece, the Political Privatisation of Air India is Underway

By : Subir Roy

The government has taken one more small step in coming to grips with one of the most difficult parts of giving a decent burial to the Indian public sector - privatising Air India. It has allowed foreign airlines to own up to 49% of the national carrier. A year ago, it had announced its decision to strategically divest its stake in the carrier.

This puts Air India at par with other Indian carriers in which foreign airlines already have the liberty to own up to 49%. But the government has not gone the whole hog. Indians will still need to hold effective control over the company. Furthermore, the investment will have to come in via the approval and not automatic route.

Why an entity or a group with 49% stake in the company will be happy not to exercise control is not clear. The likely answer is that any investment coming in now will be with an eye on being ahead of other aspiring stakeholders while waiting for further relaxation of norms.

The 'one step at a time' approach by the government is obviously aimed at ensuring that even non-controlling partial ownership does not fall into "undesirable" hands which can have an adverse political fallout for the government. This is particularly so because the parliamentary standing committee for the ministry concerned has come out against privatisation and recommended a five-year wait during which time an effort can be made to turn the company around. The incremental approach to

eventual strategic disinvestment is also aimed at giving enough time to all the stakeholders to prepare themselves for privatisation, thus removing any chance of strong adverse reaction to any unexpected development.

Further, an incremental approach enables better price discovery. The status of assets (how effectively unencumbered they are) gets clarified as a promoter (in this case the government) takes steps to clean them up and dress them up as attractively as possible.

Aviation industry experts value Air India at around \$10 billion (excluding land), which means that disinvesting halfway will fetch the government \$5 billion (upwards of Rs 30,000 crore - no mean sum). The point is that, land, including prime assets like the Air India tower at Nariman Point, should also be sold. This is because the government is not good at speculating on land, that is holding on to it while waiting for property prices to peak.

Currently, the real estate market is down but at some point in the incremental journey towards privatisation, prices will pick up. The actual valuation realised will depend on how transparently and efficiently the auction process is conducted. Properly done, \$10 billion is a kind of a floor price. Eventual sale is preferable as the government is intrinsically not good at extracting the best value out of land, particularly in commercial areas, on an ongoing basis.

It is of course given that the

government will seek to maximise valuation but the worry is that in the current state of the fiscal, which is under pressure, and with elections around the corner putting a premium on distributing popular largesse, there is a risk of the government selling out quickly and a bit cheaply.

One reason why the government can look forward to securing a good valuation for Air India is the advantage it has as an incumbent government owned carrier in terms of routes (through bilaterals) and airport slots that it has historically come to possess.

All this brings up to the broader issue of privatisation - what has been the gain from persisting with state ownership and which are the stakeholders who have an interest in the status quo.

It made sense for the government to set up steel mills and fertilizer plants in the decades immediately following independence as private capital was not forthcoming. There was also much logic in consolidation and nationalization which enabled the country to eventually have two carriers - for domestic (Indian Airlines) and foreign (Air India) travel. You could even put a strategic spin on it by arguing that decent air connectivity for senior officials, politicians and business executives is imperative for governance.

But economic liberalisation in India, as also the deregulation of air travel across the world, changes the context. The final significant development was individual private

airlines taking off and acquiring viability in India.

Over time it made less and less sense for Air India to remain in government hands as it kept making losses. This has caused it to pile up massive accumulated loss upwards of Rs 50,000 crore and a debt burden of similar magnitude. The debt is bleeding Air India as interest payments take away a fifth of its revenue.

In 2015-16, Air India made a substantial loss of Rs 4,311 crore, which was in fact an improvement, the red ink for the previous year being Rs 6,280 crore.

If Air India could have been turned around under government ownership then it would have been done by now. In 2012, the UPA government infused equity of Rs 6,750 crore and worked out a decade long turnaround plan. Virtually every trick conceivable has been tried, including a botched-up merger of Indian Airlines and Air India.

One reason why Air India has not yet been privatised is because of opposition from its unions which are politically well connected. This is often cited but what is not the reality of the existence of a key beneficiary of state ownership - senior government officials and politicians who have enjoyed freebies and upgrades.

Government resources are better spent on areas like public healthcare rather than footing Air India's losses and at times even giving it cash to allow it to simply keep running. *Courtesy The Wire.in*

## National & International News

### 9 years after devastating 26/11 carnage, 'Baby' Moshe returns to Mumbai

**PTI**

**Mumbai, Jan. 16:** Moshe Holtzberg, who lost his parents during the 26/11 Mumbai terror attacks, returned to the Nariman House in the city this week for the first time since the tragedy struck the family more than nine years ago. Moshe was two years old when his parents - Rabbi Gavriel Holtzberg and Rivka - were killed during the siege at the Nariman House by 10 Pakistani terrorists in November 2008. The terrorists carried out the attacks over three days and killed 166 people.

The Jewish couple ran a cultural and outreach centre for the Chabad-Lubavitch movement at the Nariman House in South Mumbai's Colaba area.

Moshe will later fly back to Israel with Prime Minister Benjamin Netanyahu on January 19.

Netanyahu's India visit began on January 14, 2018. Accompanying Moshe was Sandra Samuels, the brave Indian nanny who saved him during the terror attack. Samuels, who was awarded an honorary citizenship by the Israeli government so that she could live in the country and be with Moshe, continues to share a

unique bonding with the little boy.

Prime Minister Narendra Modi met Moshe and his grandparents during a visit to Israel in July last year and told him that he could visit India anytime.

While meeting Modi, Moshe had

said, "I remember our connection to Nariman House. I hope I will be able to visit Mumbai and when I get older, live there."

"Dear Mr Modi, I love you and the people in India," Moshe had said.

While accepting the long-term visa

which India issued to Moshe and his grandparents, Rosenberg had requested the Indian ambassador that the Nariman House building be registered with the land registry department as belonging to Moshe Holtzberg.

### SC sets up five-judge Constitution Bench to hear eight crucial cases including Aadhaar tomorrow

**PTI**

**New Delhi, Jan. 16:** Amid the ongoing rift between the Chief Justice of India Dipak Misra and four senior-most judges over the assignment of important cases, the Supreme Court on Monday announced the composition of a five-judge Constitution Bench headed by the CJI. This bench will hear eight crucial cases on Wednesday, including Aadhaar, the validity of Section 377 of Indian Penal Code which criminalises homosexuality, the validity of adultery law under the IPC, Sabarimala women into Kerala's Saniyals and other cases. None of the four judges who spoke out against the CJI - justices J

Chelameswar, Ranjan Gogoi, MB Lokur and Kurian Joseph - feature on the Constitution Bench.

The Aadhaar case will take a look at the legality of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act which was enacted in 2016. The bench would sit at 2 pm on Wednesday to take up the interlocutory applications seeking interim relief against the Centre's decision on linking of Aadhaar with various schemes. The Centre had on 7 December told the apex court that the deadline for mandatory linking of Aadhaar to avail various services and welfare schemes would be extended until 31 March next year. On 27

November, the apex court had said it may consider setting up a Constitution Bench to hear pleas challenging the Centre's move to make Aadhaar card mandatory for availing various services and benefits of welfare schemes. It had on 30 October said a Constitution Bench would commence hearing on the clutch of petitions against the Aadhaar scheme from the last week of November. Back in August, a nine-judge bench of the apex court had held that Right to Privacy was a Fundamental Right under the Constitution. Several petitioners challenging the validity of Aadhaar had claimed it violated privacy rights.

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