

Decisions taken by the Union Cabinet

- **Cabinet approves MoU between India and Austria**

The Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the signing of the Memorandum of Understanding (MoU) between the Ministry of Road Transport and Highways, India and the Federal Ministry of Transport, Innovation and Technology, Austria on Technology Cooperation in the Road Infrastructure Sector.

Impact: The MoU aims to create an effective framework for bilateral cooperation in the field of Road Transportation, Roads/Highways infrastructure development, management and administration, Road safety and Intelligent Transport Systems between both countries.

The MoU will further strengthen ties, promote long standing bilateral relations and enhance trade and regional integration between Republic of India and the Republic of Austria.

Benefits: The Indo-Austrian bilateral cooperation in the road transport sector would be beneficial both from the perspective of enhanced road safety as well as attractive financing possibilities for the sector, thus fostering and intensifying the already good relations between the two countries, through the proposed MoU in the Transport sector.

- **Cabinet approves grant of medical facilities under Ex-Servicemen Contributory Health Scheme (ECHS) to World War-II Veterans, Emergency Commissioned Officers (ECOs), Short Service Commissioned Officers (SSCOs) and pre-mature retirees**

The Cabinet Meeting Chaired by Hon'ble Prime Minister Shri Narendra Modi approved the grant of Ex-Servicemen Contributory Health Scheme (ECHS) facilities to World War-II Veterans, Emergency Commissioned Officers (ECOs), Short Service Commissioned Officers (SSCOs) and pre-mature retirees.

As a result, over 43,000 individuals not covered so far under ECHS will be able to avail the benefits of cashless medical treatment under ECHS facilities through a network of over 425 ECHS polyclinics, over 2500 empanelled private hospitals and all Government hospitals throughout the country, subject to certain conditions.

As a special dispensation, war-widows will be exempt from one-time contribution to join ECHS.

Launched by NDA Government in April 2003, ECHS provides quality medicare to 54 lakh ex-servicemen pensioners, their dependents and a few other categories.

- **Cabinet approves reservation in Teachers' Cadre Ordinance, 2019"**

The considering the University/ College as a unit instead of 'Department/ Subject'.

Impact: This decision is expected to improve the teaching standards in the higher educational institutions to attract all eligible talented candidates.

Benefits: This decision will allow filling up of more than 5000 vacancies by direct recruitment in Teachers' Cadre duly ensuring that the Constitutional Provisions of Articles 14, 16 and 21 shall be complied with and stipulated reservation criteria for the Scheduled Castes/ Scheduled Tribes and Socially and Educationally Backward Classes are met with.

Union Cabinet, chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the proposal for promulgation of "The Central Educational Institutions (Reservation in Teachers' Cadre) Ordinance, 2019"

- **Cabinet approves Mumbai Urban Transport Project Phase-III**

The Cabinet Committee on Economic Affairs chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved Phase-IIIA of the Mumbai Urban Transport Project.

Expenditure: The total estimated cost of the project will be Rs.30,849 crore with completion cost of Rs.33690 crore. The project is likely to be completed in five years.

Benefits:

- Introduction of air-conditioned coaches with automatic door operation to improve comfort level and safety of commuters.
- Seamless travel for long distance suburban passengers by extending and creating corridors.
- Improvement in passenger amenities, improved passenger movement at stations.
- Decongestion of entry/exit at the stations.
- Increase in safety, capacity and efficiency of suburban network by introduction of Communication Based Train Control System
- Segregation of suburban rail operation on Central and Western Railway.

• **Cabinet approves procedure and mechanism for Strategic Disinvestment of the CPSEs – delegation thereof**

The Cabinet Committee on Economic Affairs chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved delegation of the following to Alternative Mechanism in all the cases of Strategic Disinvestment of CPSEs where CCEA has given 'in principle' approval for strategic disinvestment:

(i) The quantum of shares to be transacted, mode of sale and final pricing of the transaction or lay down the principles/ guidelines for such pricing; and the selection of strategic partner/ buyer; terms and conditions of sale; and

(ii) To decide on the proposals of CGD with regard the timing, price, the terms & conditions of sale, and any other related issue to the transaction.

This will facilitate quick decision-making and obviate the need for multiple instances of approval by CCEA for the same CPSE.

- **Cabinet approves the 3rd line between Narayangarh & Bhadrak (155 Km) on South Eastern Railway**

The Cabinet Committee of Economic Affairs chaired by Hon'ble Prime Minister Shri Narendra Modi has approved the construction of a 3rd railway line between Narayangarh in West Bengal & Bhadrak in Odisha of 155 kms length. At a total cost of Rs. 1,866.31 crore it is slated for completion during the year 2023-24.

The construction of the third line will help create capacity to cope with existing as well as additional traffic. The busy section between Narayangarh and Bhadrak is mainly used for the movement of coking coal to steel plants as well as the movement of export ore from the areas of Chakradharpur to several ports. Therefore, this 3rd line will help in easier movement of coal. This will help steel plants, power plants as well as the export industry, which will boost the economies of Odisha and West Bengal, and entire East India.

Third line will ease congestion on this route. Narayangarh – Bhadrak section forms a part of the Howrah-Chennai trunk route. The present utilization (with maintenance block) of the section between Narayangarh & Bhadrak is to the tune of 138% as per Line Capacity Statement 2014-15. Over and above the heavy freight traffic, the route has to accommodate 47 pairs of coaching trains including high-speed trains like Bhubaneswar Rajdhani, Howrah-Yesvantpur Duronto, Howrah-Puri Duronto, Sealdah-Puri duronto & Howrah-Puri Shatabdi Express. This makes it highly congested.

The project will also help generate direct employment for about 37.2 lakh mandays during construction, and has the potential to generate indirect employment as well.

- **Cabinet approves implementation approval for implementation of 1320 MW Khurja Super Thermal Power Project in Uttar Pradesh**

The Cabinet Committee on Economic Affairs chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the investment approval for 2x660MW Khurja Super Thermal Power Plant (STPP) in District Bulandshahar of Uttar Pradesh at an estimated cost of Rs.11,089.42 crore and Amelia Coal Mine in District Singraulli, Madhya Pradesh.

The project will be implemented at an estimated cost of Rs. 1587.16 crore and will be implemented by THDC India Limited, a Mini Ratna CPSU under the Ministry of Power, Government of India.

The Khurja STPP will be based on Supercritical Technology with two units of capacity 660 MW each, equipped with latest emission control technology to protect the environment and has high efficiency and uses less fuel to generate power. Amelia Coal Mine was allotted to THDC India Limited by Ministry of Coal, Govt. of India in January, 2017. The Khurja STPP will improve the deficit power scenario of Northern Region and particularly of Uttar Pradesh, which has already signed Power Purchase Agreement with THDC India Limited for purchase of 60% Power from the Project and the other beneficiary states i.e. Uttarakhand, Rajasthan, Himachal Pradesh and Delhi.

The project is expected to generate substantial direct and indirect employment and overall development of District Bulandshahar and nearby districts of Western Uttar Pradesh. The Khurja STPP will start yielding benefits from 2023-24.

- **Cabinet approves investment approval for 1320 MW Buxar Thermal Power Project in Bihar**

The Cabinet Committee on Economic Affairs, chaired by the Hon'ble Prime Minister Shri Narendra Modi, has given its approval for investment approval for 2x660 MW Buxar Thermal Power Project (Buxar TPP) in District Buxar of Bihar.

The project will be completed at an estimated cost of Rs. 10,439.09 crore and implemented by SJVN Thermal Private Ltd., a wholly owned subsidiary of SJVN Ltd., a Mini Ratna CPSU under Ministry of Power, Government of India.

The Buxar TPP will be based on Supercritical Technology with two units of 660 MW each, equipped with latest emission control technology to protect the environment and has high efficiency and use less fuel to generate power. The Buxar TPP will improve the deficit power scenario in Bihar and Eastern region. Govt. of Bihar has already signed Power Purchase Agreement (PPA) for supply of not less than 85% of generated power.

The project is expected to generate substantial direct and indirect employment apart from various other socio-economic development in the project area. The Buxar TPP will start yielding benefits from 2023-24.

- **Cabinet approves Teesta Stage-VI HE Project (4x125 mw), Sikkim**

The Cabinet Committee on Economic Affairs chaired by the Hon'ble Prime Minister Shri Narendra Modi has given its approval for the investment sanction for acquisition of M/s Lanco Teesta Hydro Power Ltd (LTHPL) and execution of balance work of the Teesta Stage-VI HE Project by NHPC Ltd in Sikkim.

The project will be implemented at an estimated cost of Rs 5748.04 crore (at July, 2018 Price Level), which includes Bid amount of Rs 907 crore for acquisition of LTHPL and estimated cost of balance work of Rs. 3863.95 crore which includes Interest During Construction (IDC) and Foreign Component (FC) of Rs. 977.09 crore.

Teesta Stage-VI HE Project is a Run of River (RoR) Scheme in Sirwani Village of Sikkim to utilize the power potential of Teesta River Basin in cascade manner. It consists of construction of a 26.5 m high Barrage across river Teesta; Two nos Horse Shoe shape Head Race Tunnels of 9.8 m dia with 13.76 km length; an underground Power House having 4 no Units of 125 MW each.

The project would generate 2400 MUs in a 90% dependable year with Installed Capacity of 500 MW (4x125MW).

By taking up this project, this sink cost will be utilized and this investment till now will also be used for

generation of energy. Further, the bid amount will be used to discharge the liability of banks and financial institutions etc. The project shall help in meeting peaking demand of energy; balancing & ramping requirement of the grid and shall accelerate process of development of Sikkim State.

- **Cabinet approves Kiru Hydro Electric (HE) Project (4 X 156 MW) in Jammu and Kashmir**

The Cabinet Committee on Economic Affairs, chaired by Hon'ble Prime Minister Shri Narendra Modi has approved the investment sanction for construction of Kiru Hydro Electric (HE) Project (624 MW) by M/s Chenab Valley Power Projects Private Limited (M/s CVPPPL) in Jammu & Kashmir.

The project will be implemented at an estimated cost of Rs.4287.59 crore (at July, 2018 price level) which includes Interest During Construction (IDC) and Foreign Component (FC) of Rs.426.16 crore and infusion of equity of Rs 630.28 crore by NHPC in M/s CVPPPL, for construction of Kiru HE Project (624 MW) including Rs.70 crore for pre-construction activities already approved by the Cabinet, while according the approval for execution of the Pakal Dul HE Project.

M/s CVPPPL, is a joint venture company amongst NHPC, Jammu & Kashmir State Power Development Corporation (JKSPDC) and PTC with equity shareholding of 49%, 49% and 2% respectively.

The project is located on River Chenab in Kishtwar district of Jammu & Kashmir. It envisages construction of a 135 m high concrete gravity Dam above deepest foundation level, 4 Nos circular, Pressure Shaft of 5.5 m internal dia of length varying from 316 m to 322 m, an underground Power House and 4 Nos Tail Race Tunnel, Horseshoe shape, 7 m dia and length varying from 165 m to 190 m.

The project shall provide much needed power in northern grid and shall accelerate process of development of remote areas of Jammu and Kashmir. The Project is scheduled to be completed in a period of 4 1/2 years.

Kiru HE Project is envisaged as a Run of River (RoR) Scheme, designed complying with the requirements of Indus Water Treaty 1960, with installed capacity 624 MW (4 x 156 MW). The Project would generate

2272.02 MU in a 90% dependable year.

- **Cabinet approves recommendations of Group of Ministers constituted to examine the specific recommendations of High Level Empowered Committee (HLEC) constituted to address the issues of Stressed Thermal Power Projects**

The Cabinet Committee on Economic Affairs chaired by the Hon'ble Prime Minister Shri Narendra Modi has approved the recommendations of Group of Ministers (GoM) constituted to examine the specific recommendations of High Level Empowered Committee (HLEC) constituted to address the issues of Stressed Thermal Power Projects.

The CCEA has approved recommendations of the GoM mainly relating to grant of linkage coal for short-term PPA, allowed existing coal linkage to be used in case of termination of PPAs due to payment default by DISCOMs, procurement of bulk power by a nodal agency against pre-declared linkages, Central/State Gencos may act as an aggregator of power, increase in quantity of coal for special forward e-auction for power sector, coal linkage auctions to be held at regular intervals, non-lapsing of short supplies of coal, ACQ to be determined based on efficiency, payment of Late Payment Surcharge (LPS) made mandatory, non-cancellation of PPA/FSA/LTOA post NCLT scenario and non-cancellation of PPA for non-compliance of COD. With the implementation of these recommendations, many of the issues affecting the Thermal Power Sector are likely to get resolved.

- **Cabinet approves revival and development of un-served and under-served air strips of State Governments, Airports Authority of India, Civil enclaves, CPSUs, helipads and water aerodromes**

The Cabinet Committee on Economic Affairs, chaired by Hon'ble Prime Minister Shri Narendra Modi has given its approval for extension of time and scope for revival and development of un-served and under-served air strips of State Governments, Airports Authority of India (AAI), Civil enclaves, CPSUs, helipads and water aerodromes at the total cost of Rs.4500 crore with the budgetary support of Government of India.

Impact: As an outcome, small cities/towns shall be connected on commencement of operation of flights to under-served/un-served airports and it will further boost the economic development in these as well as surrounding areas in terms of job creation and related infrastructure development.

Details: The Ministry has received overwhelming response from the airlines in two rounds of RCS Bidding held so far. In the first round of UDAN bidding, 128 routes were assigned to five airline operators for 43 un-served/underserved airports/airstrips on 31.03.2017. The response from airline operators have considerably improved in second round of RCS bidding wherein 86 proposals involving 325 routes were awarded to 15 selected airline operators in January, 2018.

During RCS-UDAN version 1.0 & 2.0, 66 airports were identified and 31 heliports (28 unserved heliports and 3 unserved airports). During UDAN version 3.0, to increase the tourism potential at the coastal areas, Tourism routes in coordination with Ministry of Tourism and Seaplanes for connecting Water Aerodromes were included.

- **Cabinet approves additional funds under the Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity**

The Cabinet Committee on Economic Affairs, chaired by Hon'ble Prime Minister Shri Narendra Modi has given its approval for funds amounting to Rs.2790 crore towards interest subvention for extending indicative loan amount of Rs.12900 crore by banks to the sugar mills under "Scheme for extending financial assistance to sugar mills for enhancement and augmentation of ethanol production capacity" for the 268 applications/proposals, in addition to Rs.1332 crore already approved by CCEA in June, 2018.

CCEA has also approved Rs.565 crore towards interest subvention for extending indicative loan amount of Rs.2600 crore by banks to the molasses based standalone distilleries to augment capacity through installation of incineration boilers and other methods in the existing distilleries for achieving ZLD and additional equipment for ethanol production as well as for setting up of new standalone distilleries for ethanol production. A separate scheme for the molasses based standalone distilleries would be formulated accordingly by Department of Food & Public Distribution.

Both the interest subvention would be payable @6% per annum or 50% of commercial rate of interest charged by banks, whichever is lower, as per scheme approved by CCEA in June, 2018.

The approval of interest subvention will help in:

- improving liquidity of sugar mills by way of value addition to their revenues from supply of ethanol under Ethanol Blended Petrol Programme (EBP);
- reducing sugar inventories and thereby facilitate timely clearance of cane price dues of farmers and
- achieving 10% blending target of EBP.

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