



Being prepared

Coastal districts must continue to strengthen resilience against extreme weather events

Tamil Nadu was more prepared than before to deal with Cyclone Gaja when it made landfall between Nagapattinam and Vedaranyam on November 16, but it still took a toll of at least 45 lives. The severe cyclonic storm damaged infrastructure, property and agriculture. Even so, the effort to professionalise disaster management through a dedicated national and State organisation initiated more than 15 years ago appears to be paying off, with bureaucracies acquiring higher efficiency in providing early warning and in mitigating the impact of cyclones. The National Cyclone Risk Mitigation Project started by the Ministry of Home Affairs has been working to reduce the impact of such catastrophic events on Andhra Pradesh, Odisha, West Bengal, Tamil Nadu and Gujarat, classified as States with higher vulnerability; most western coastal States are in the next category. However, there is a lot to be done to upgrade infrastructure and housing in coastal districts to meet higher standards of resilience in an era of extreme weather events. The lead taken by the State Disaster Management Authority in issuing a stream of alerts ahead of Gaja helped coastal residents move to camps and adopt safety measures. The active measures taken by the State after the cyclone, notably to clear roads, remove fallen trees and repair power infrastructure and communications, helped restore some stability. In its destructive exit path, the cyclone has affected some southern districts, felling tens of thousands of trees and also 30,000 electricity poles along the coast. It also hit residents in some central Kerala districts.

Tamil Nadu's political parties have acted in a mature manner and kept partisan criticism from getting in the way of relief and rehabilitation after Gaja. This is in contrast to some earlier instances, such as the Chennai flood of 2015, when the distribution of relief became politicised. Today, if any pressure on the government machinery is necessary, it is to secure without delay the financial relief of ₹10 lakh that has been promised for families of the dead, compensation for lost crops, trees and livestock, provision of emergency health intervention and rehabilitation assistance to rebuild lives. The larger question, of course, is whether the coastal States have equipped themselves for an even bigger event, such as the super cyclone that hit Odisha in 1999 that killed about 10,000 people. Even with far fewer casualties, Cyclone Phailin in 2013 required reconstruction estimated at \$1.5 billion. India's coastline experiences a lower frequency of tropical cyclones compared to many other regions, but the loss of life and destruction is much higher. Coastal States must, therefore, focus on reducing the hazard through policies that expand resilient housing, build better storm shelters and create financial mechanisms for insurance and compensation.

Her toughest week

Theresa May is struggling to retain her party's support as the Brexit deadline looms

With just months left for the U.K.'s withdrawal from the European Union, there is little clarity on the terms of its exit, or indeed whether the verdict of the 2016 referendum can be honoured at all. Instead, Prime Minister Theresa May's government is facing a possible vote of no confidence, orchestrated by her own deeply divided Conservative Party, over the modalities of a future relationship with the EU. At the heart of this bitter dispute is the withdrawal deal with the other 27 nations in the bloc, which would leave the country largely bound to current regulations, with diminished influence over policy formulation. Brussels has indicated broad agreement over its terms, which are to be formalised at an EU summit this month. But Ms. May's government faces an uphill task to secure parliamentary approval for the deal in the wake of a spate of resignations by senior Cabinet colleagues in the last few days. Notable among them are the prominent pro-Europe Transport Minister Jo Johnson, brother of the principal Leave campaigner Boris Johnson, who stepped down in July; and Brexit Secretary Dominic Raab. The latter's exit, as that of his predecessor David Davis, underscores the extent to which Ms. May's blueprint for an exit has proved controversial even among Conservative eurosceptic Ministers and MPs. Even those pro-Brexit Ministers who have chosen to stick with Ms. May are anxious that the terms of withdrawal be altered. This group recognises the importance of a soft border between Northern Ireland and the Republic of Ireland. But they are opposed to the proposed compromise arrangement in return, which could lock Britain into a customs union with the EU for an indefinite period and constrain its ability to strike trade deals.

The unfolding Conservative leadership crisis could trigger a general election, a prospect the Labour Party has been eyeing ever since Ms. May formed a minority government after the 2017 polls. That danger also means she could yet rally support for the draft withdrawal deal among Conservative backbenchers anxious to avoid an election. Her failure to win parliamentary backing for the exit deal would raise the risk of a no-deal Brexit, with potentially chaotic ramifications. Both the U.K. and the EU know that averting such a nightmare is in their mutual interest. For that reason, it is conceivable that the 27 other states will see wisdom in deferring the March 29 deadline for withdrawal, should a request be put forward. Such a scenario would strengthen the case for a second referendum, articulated most eloquently by former Prime Minister John Major and echoed in a public demonstration in London. Meanwhile, growing uncertainties over Britain's future on the global stage only expose the hollowness of the Leave campaign and the fragility of its leadership.

Balance of power, in the balance

Any attempt by the Centre to override the RBI Governor using the RBI Act would be ill-advised



RAGHUVIR SRINIVASAN

The role of the Board of Directors of the Reserve Bank of India (RBI) and its powers vis-à-vis the RBI Governor have come into focus in the ongoing tussle between the Centre and the central bank. The Centre has hinted that it is examining the option of using the powers of the RBI Board to override the Governor.

There are several questions that arise from this unprecedented attempt by the Centre to use powers under the Reserve Bank of India Act, 1934. The most important of these is: Where does the balance of power lie between the Governor and the board? What is the legal position of the board in relation to the Governor? Does the latter draw his powers from the board as in a corporate set-up? Can the board give directions to the Governor on issues of policy and management of the central bank?

Before we get to answering these, let's get this out of the way first. The relationship between the board and the Governor is not comparable to a corporate set-up where the managing director (the corporate equivalent of the Governor) reports to the board and draws his powers from it.

While a managing director is an agent of the board in a company, in the RBI, the Governor is not. He draws his powers from the RBI Act and not from the Board of Directors. He is appointed by the Prime Minister in consultation with the

Finance Minister. The RBI Board has no say whatsoever in his appointment. In a company, the board of directors chooses one of its own to be appointed as the managing director. In the RBI, the Governor secures board membership only after he is appointed to the post. It is, thus, wrong to compare a corporate board to the RBI's and suggest that the Governor is subservient to it.

Constitution of the board

But what is the constitution of the RBI board like? As per the RBI Act, the board is made up of the following members: the Governor and four Deputy Governors, four directors (one each from the four regional boards of the RBI), 10 directors to be nominated by the Centre, and one government official who is also to be nominated by the Centre.

The present board is made up of 18 members, which is the Governor and four Deputy Governors, four regional board members and nine nominees from the Centre who include two officials, the Economic Affairs Secretary and the Secretary, Department of Financial Services.

So, where does the balance of power lie between the Governor and the board? The sections in the RBI Act dealing with this subject are rather vaguely worded. Eminent past Governors have interpreted Section 7, the relevant one, to mean that the powers of the board and that of the Governor are concurrent. The Governor draws his powers from Section 7(3) of the Act. He can exercise all powers and do all things that may be exercised and done by the RBI.

This is subject to a caveat though. The board, under Section



A.P.

58, can make regulations that will give it the powers to override those of the Governor's. But this is subject to two important conditions. First, the regulations have to be consistent with the provisions of the RBI Act, which essentially means that the board has to act within the framework of the Act. Second, these regulations have to go through an elaborate approval process before they become law (Section 58(4)). The board has to forward the regulations to the Centre, which will have to table them in both Houses of Parliament. Members have a period of 30 days within which they can either suggest modifications to the regulations or annul them.

And then, there is the brahmasthra of Section 7(1) which confers powers on the Centre to issue directions to the RBI "from time to time" in the public interest after consultations with the Governor. All bets will be off if this section is invoked as it will become untenable for the Governor to continue in his position.

Convention

This is the framework of the law but what has been the convention till now? The RBI Board has always functioned in an advisory role

with the understanding that the Governor would consider its advice while making policy decisions. In other words, there was mutual respect between the board and the Governor, with both operating in a spirit of accommodation.

The fact is that neither Section 7(1) nor Section 7(3) has been unleashed in the 83-year existence of the RBI. Not even when the RBI was privately owned between 1935 and 1949.

It is not as if there have not been any disagreements between RBI Governors and governments before this. You only have to read the memoirs of the former Governors, Y.V. Reddy and Duvvuri Subbarao, to understand the extent of meddling by the Centre in the RBI's affairs. Yet, things did not reach the brink and were sorted out quietly behind the scenes.

Another former Governor, C. Rangarajan, has spoken about how the RBI, under Governor R.N. Malhotra, was forced by the Centre to withdraw a circular freeing short-term rates of banks. Yet, there was no chatter of invocation of Section 7 or of the board arming itself with governance powers.

What's the difference between then and now? The short answer is that the spirit of accommodation, which flows out of mutual respect and understanding of each other's compulsions between the RBI and the Centre, and which was evident then, is absent now. And the blame for this has to be shared by the players involved in the current tussle.

It may not be very difficult for the Centre to have its way by using the board's powers to frame regulations overriding the Governor but this will necessarily come with a price. Such a move will not only

set a bad precedent but also lead to several ticklish situations.

The RBI Board has several representatives from industry. The present board includes N. Chandrasekaran, Chairman of Tata Sons, Dilip Shanghvi, MD of Sun Pharma, and Manish Sabharwal, founder of Teamlease. There will be a conflict of interest if industrialists are members of committees that run the affairs of the monetary authority of the country (and we are not for a moment suggesting that they will behave in any manner favourable to their interests).

Second, there is a good reason why the RBI has been kept at arm's length from the Centre and bestowed with a certain independence. That is because the Centre is the spender and the RBI is the creator of money, and there has to be a natural separation between the two. The Centre arming itself with powers to run the RBI runs afoul of this precept.

Whichever way we look at it, such a move by the Centre would be ill-advised and will take its relations with the monetary authority into uncharted territory. There will be no winners in this dangerous game.

Enough dirty linen has been washed in public in the past month and it is time for the Centre and the RBI to behave like the mature entities that they are, uphold time-tested conventions, and act with mutual respect and a spirit of accommodation.

The board meeting today, November 19, will set a crucial precedent in the economic history of India, and one can only hope that it will be the right one.

raghuvir.s@thehindu.co.in

Further stressed by thermal power

The energy sector must be required to report its water consumption



DEEPAK KRISHNAN

The Composite Water Management Index (CWMI) by the NITI Aayog, which was released this June, shows that 600 million people face high to extreme water stress in India. The report, which was published in association with the Ministry of Water Resources, Ministry of Drinking Water and Sanitation and the Ministry of Rural Development, places India at a dismal 120 among 122 countries in the water quality index. It predicts that a persistent water crisis will lead to an eventual 6% loss in the country's Gross Domestic Product by 2030.

A significant key to this stress is the vast gulf – of about 1498 billion cubic metres (BCM) versus 744 BCM – that has been predicted between the demand and supply of fresh water, by 2030. In the projections that the Central Water Commission (CWC) released in

2015, the sector-wise requirement of water (that is, for drinking and domestic use, industry and energy) will rise steeply between 2030 and 2050.

This mounting rise in demand is starkly evident in the energy sector, which is key to India's ambitious developmental plan. The share of water consumed by this sector was 0.62% in 2010, which is pegged to rise up to 1.37% in 2030 and 8.98% in 2050.

The CWMI report covers these broad themes – ground water and surface-water restoration; major and medium irrigation; watershed development; participatory irrigation management; on-farm water use; rural and urban water supply; and policy and governance. The projected water demand of the energy sector makes it an important point for the NITI Aayog to consider while bringing out future iterations of the CWMI.

Competition inevitable

Here are some facts to mull over. As per the Central Electricity Authority (CEA), March 2018, thermal electricity accounts for more than 86% of India's total power generation. Analysis shows that



CH. VIJAYA BHASKAR

77% of India's total electricity comes from thermal power plants that are dependent on freshwater sources. Of all the freshwater-cooled thermal plants, 38.9% of generation capacity is installed in areas with high or extremely high water-stress. By 2030, more than 70% of India's existing thermal power utilities are likely to experience an increased level of water competition from agricultural, urban, and other industrial demands.

As the power sector consumes more water, competition between power and the other thirsty players is only likely to increase – a factor that future editions of the CWMI will have to consider.

The CWMI also raises three main issues related to data: limited coverage, unreliable data and limited coordination and sharing. Measuring water consumption by power plants has been a challenge for long. However, it can easily be tackled by using the existing CEA reporting mechanism for daily generation. To do so, daily water withdrawal and consumption reporting should be mandated. These can be measured with existing technology and added into this reporting framework.

Such information will also help in implementation of the Ministry of Environment, Forest and Climate Change Notification (dated December 7, 2015), which mandates specific water consumption norms for existing and new thermal power plants.

Seamless sharing

In addition, information about water stress, power plant siting (location) and so on must be shared seamlessly across departments – a service that the CWMI could perform. The NITI Aayog alludes to this while describing the CWMI: "This Index is expected to establish a public, national platform

providing information on key water indicators across states. This platform will help in monitoring performance, improving transparency, and encouraging competition, thereby boosting the country's water achievements by fostering the spirit of 'competitive and cooperative federalism' among the states. Further, the data can also be used by researchers, entrepreneurs, and policymakers to enable broader ecosystem innovation for water in India."

The CWMI concludes by noting that water-scarce States such as Gujarat, Madhya Pradesh, Andhra Pradesh, Karnataka, Maharashtra and Telangana are leaders in the Index. It notes that this is "likely driven by necessity in the face of looming water shortages". Factoring in the water-energy nexus linkages, especially the metrics around power plant water withdrawal and consumption, will only help make the Index better and the States better prepared to manage their water and power resources.

Deepak Krishnan works with the energy programme at the World Resources Institute India

LETTERS TO THE EDITOR

Letters emailed to letters@thehindu.co.in must carry the full postal address and the full name or the name with initials.

Curbs on the CBI

The Central Bureau of Investigation has been in the eye of a storm not only now but even earlier if one is to go by the sobriquet "caged parrot" and other such examples. It has become the refrain of some in the political class to carp about the agency having become a tool used by the ruling dispensation to muzzle Opposition parties. Therefore, the decision by Andhra Pradesh and West Bengal to withdraw "general consent" to the CBI can only be viewed as a tit-for-tat response (Page 1, "Fear of probes led to curbs on CBI," November 18). The warring officials in the CBI will go but the CBI will still remain. A.P. and West Bengal have only allowed room for the perception that they are indeed afraid of being investigated in corruption cases. Has the time come to have the CBI overseen by the Supreme Court?

R. SRIDHARAN,
Chennai

Krishna sings

Perhaps Carnatic singer T.M. Krishna is being targeted unfairly. The fact

that he is a recipient of the Ramon Magsaysay award speaks volumes about the recognition he has received as an Indian in the field of music. His reformative style in his efforts to spread Carnatic music to the grass-roots is commendable, which might help the richness of this musical tradition pass down to other generations. Any social reformer will have to face many obstacles along the path he or she chooses, and this is the case with Mr. Krishna. I do not agree with and even dislike some of the aspects of his style of music in his concerts these days and I even find a noticeable shift from his original style in the strategy of application in the music he is uniquely skilled at. But I do not allow this to influence my views about his mission. It is heartening that the Delhi government hosted the singer ("T.M. Krishna enthralled Delhi with his songs", November 18).

N. VISVESWARAN,
Chennai

■ Being openly critical of the establishment was perhaps the prime reason behind the

mysterious cancellation of the AAI-sponsored concert. To this one can add Mr. Krishna's audacious feats of going against the grain of Carnatic music. What his detractors fail to understand is that being open to criticism is also a sign of good governance.

LINTA TITTY JOHN,
Palakkad, Kerala

■ The "noble mission" of the Aam Aadmi Party government in Delhi to eventually sponsor the concert of T.M. Krishna had politics written all over it. Anyone could have seen through the game. Music is pure and it should stay this way. Finally, *The Hindu*, with its Editorial, cartoons and reports, seems to have gone a bit overboard in fighting his cause. Is Mr. Krishna the only Carnatic singer in India, and the only singer to have faced obstacles?

JAYANTHI SUBRAMANIAN,
Chennai

■ No one objects to the ace singer attempting to break down the barriers of orthodoxy, caste and class. But trying to do so by trampling upon the very essence of classical music

which has been nurtured for centuries by singers of repute to sustain itself in the same form as it was rendered by the Trinity of Carnatic music is unacceptable in my view. T.M. Krishna is mistakenly mixing up music with the right to live in a secular and casteless society. These are separate issues altogether. He can use his popularity to take forward his forward-looking thoughts. But while doing so, he has to draw a line to ensure that his experimentation of exploiting music to suit his ideology does not in any way leave a jarring note in the ears of music lovers.

V. SUBRAMANIAN,
Chennai

■ *The Hindu's* attempts to take up the cudgels for Mr. Krishna are highly subjective and smack of politics. I find it hard to recollect any protests against Carnatic artistes in the past based on their personal and political ideas. If there have been protests, as for example recently, it was out of a lament over traditions being violated. Trying to single out the present government as being a reason only reflects the

narrow-minded judgment of some in the daily. Some subscribers to this newspaper such as me find this to be jarring.

S. JAYARAMAN,
Chennai

Beyond name change

As Rabindranath Tagore has mentioned in his book, *Nationalism*, every successive race that has inhabited this land has contributed immensely in its cultural development and has ultimately got assimilated into it. In the same manner, Mughal and Muslim rulers have left indelible and inextinguishable imprints on our society which cannot be erased by just changing the name of a city. A nation is not made up of just cities, buildings and structures. It is composed of people where everyone sees themselves as part of one national identity. Our political leaders must promote development rather than dispute.

GAGAN PRATAP SINGH,
Noida, Uttar Pradesh

■ The sarcasm in the article, "What's in a name?" ("Open Page", November 18), made for enjoyable reading. In the course of the next decade, it may not be a surprise if places and persons are named after the characters and places as found in the epic, the Ramayana.

D. SETHURAMAN,
Chennai

Cricket Down Under

Playing cricket in Australia is different from playing at home. The fast and bouncy wickets at the WACA and the MCG will test even the best batsmen. Murali Vijay, known for playing long innings, has made a comeback as an opener after being dropped for a dismal performance against England in the middle of the Test series. He should prove his mettle now. So should offie R. Ashwin. Both players can be devastating.

K. PRADEEP,
Chennai

MORE LETTERS ONLINE:
www.hindu.com/opinion/letters/

CORRECTIONS & CLARIFICATIONS:

The percentage change in Brent oil price was erroneously given as -4.75 in the Market Watch column (Business page, Nov. 14, 2018). It should have been -3.37.

The Readers' Editor's office can be contacted by Telephone: +91-44-28418297/28576300; E-mail:readerseditor@thehindu.co.in