



Clouds of prosperity

The monsoon forecast should galvanise the country to make the most of a good season

The 'normal' monsoon forecast of the India Meteorological Department brings the promise of a year of growth and good health for India's economy and ecology. If correct, India will have a second consecutive year of normal rainfall...

When more than half the population is sustained by agricultural livelihoods, highly efficient water utilisation holds the key to higher farm productivity. In fact, preparing for drought remains a top priority today...

A June date

Theresa May appears to hold all the cards as she calls a snap election in the U.K.

Given that she has ruled out a snap election on several occasions, British Prime Minister Theresa May's announcement on Tuesday caught most people by surprise. As the House of Commons a day later endorsed the advancing of the election...

The scope for the U.K. to bargain for a reasonable deal with the other 27 countries in the EU appears to be extremely limited. As the 2019 countdown has begun, there is now greater appreciation in London of this emerging scenario than there was a few months back.

United they exit?

A general election victory would give Theresa May the authority she needs to lead Britain out of the EU



VIDYA RAM

It's a testament to the unexpectedness of Theresa May's call for a snap general election that even in the hour before the announcement, when her office had indicated that the British Prime Minister would be speaking on the steps of Downing Street...

Explaining it

Ms. May acknowledged the need for an explanation of this change of heart, saying she had only recently and reluctantly recognised the need for an election to take place before 2020...

Her statement rings true for many a reason: while it may have been a U-turn, the need for an election has been palpable in British



DEEPAK HARICHANDAN

politics for a while now. Since taking over as Prime Minister last year, Ms. May has been vulnerable on a number of fronts...

While her government succeeded in getting its Brexit-authorising legislation un-amended through Parliament, the government's real battle is yet to begin, with reams of legislation needed domestically to bring about the Brexit process smoothly...

servatives' 2015 manifesto. It could also help her set her own agenda and further distance herself from that of Mr. Cameron...

Coming into her own Her statement rings true for many a reason: while it may have been a U-turn, the need for an election has been palpable in British politics for a while now.

The case for mediated settlements

To reduce NPAs, creditors and debtors need sufficient immunity to hammer out sound commercial solutions



SRIRAM PANCHU

The country's banking sector is severely stressed with one-sixth of the gross advances of public sector banks (around ₹7 lakh crore) being non-performing assets (NPAs). Existing statutory remedies of insolvency, restructuring of companies, securitisation of debts yield much litigation but insufficient recoveries.

Now attention is focussed on the concept of a "bad bank", which would purchase the large loans from the holding banks. The latter would then have better-looking balance sheets; however, the former will find recovery no less difficult.

profit-making rather than investment in the economic productive sense.

Roadblocks to settlement

Two core aspects appear to be the major roadblocks. The first is the limiting aspect of direct negotiations between bank and debtor, which usually run on the lines of high demands by banks and low offers by the debtor.

In face-to-face meetings between only creditor and debtor, the fuller gamut of settlement opportunities are not explored, because this



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would involve more information being exchanged or conditional concessions being made which borrowers fear will be seized upon by bank officers for enhancing demands and hard bargaining.

Mediation is now well accepted in India, both legislatively and through extensive use by the courts.

Agreements reached through this process are enforceable without difficulty. If the RBI sets up mediation panels consisting of bankers, accountants and experienced mediators...

Freedom from fear

The other major block, which paralyses decision-making in government and public sectors in India, is the fear of post-decisional retributive action by way of investigation and prosecution by multiple agencies such as the police, the Central Bureau of Investigation (CBI), the Central Vigilance Commission (CVC), the Lokpal, etc.

Freedom to take sound commercial decisions must be statutorily structured, else all our schemes will come to naught.

ate a high-level body before which settlement agreements can be placed for approval. This body will examine the settlement to see if it is commercially advantageous and is in the interests of the public sector financial institutions...

Such a body needs to be headed with high authority, drawn from the top echelons of the judiciary, the RBI and public sector banks, serving or retired. It should be a multi-tier body when the number of cases increases...

Sriram Panchu is a Senior Advocate and Founder, Concord Mediation Trust. E-mail: srirampanchu@gmail.com

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.

Grounding Mallya

The euphoria in government circles over the brief arrest of tycoon Vijay Mallya in London might evaporate soon as legal circles are of the opinion that the extradition process might well turn out to be a long-drawn affair ("Mallya, held, released on bail", April 19). Mr. Mallya's nonchalant tweet, wherein he has referred to media hype over his arrest...

J. AKSHOBHYA, Mysuru

Merger moves

The decision by the two factions of AIADMK party to try and reunite and keep out the Sasikala family is pragmatic ("AIADMK ruling group revolts against Sasikala", April 19). The party would do well to remain intact at least for now.

■ The government may have scored a victory over its many naysayers but now

that the embattled tycoon has received conditional bail, India must prepare for a long-drawn-out appellate process in British courts. The move to arrest him should not be seen in isolation, but as part of a multi-pronged effort by the government to tackle black money, bad loans, and nefarious corporate practices.

J. AKSHOBHYA, Mysuru

Dhinakaran, who constitute the power centre have now become liabilities, the ruling faction has acted in a smart way. But how long the newfound camaraderie can last between the two factions, especially when there is no strong leadership at the helm...

DR. D.V.G. SANKARAO, Nellimarla, Andhra Pradesh

People of the State are hardly concerned about the constant fissures in the AIADMK as these are quite common in Tamil politics. The party was founded by a charismatic and magnetic personality, which was then carried to new heights by another equally charismatic leader with an extraordinary ability to keep the cadre in check.

they emulate the qualities of the party's founders and govern well. VICTOR FRANK A., Chennai

■ The report, "An albatross called Sasikala" (April 19), says: "it was the list (Income Tax document which named several Ministers) that united them against the party leadership". Does this imply that the Ministers are hopeful or assured of escaping IT raids if they rebelled against the Sasikala family?

The Kejrival interview Delhi Chief Minister Arvind Kejriwal's charisma and his ideology appealed to youngsters who were drawn towards the AAP, which was intent on pushing for an era of governance free of scams, corruption, caste equations and communal politics.

have left people disillusioned. Mr. Kejriwal should realise that he cannot change things overnight and instead focus on development and creation of employment opportunities for youth. He must stop blaming EVM machines for the decline in the AAP's popularity ("Wednesday Interview" - "There is no negativity about AAP", April 19).

VEENA SHENOY, Thane, Maharashtra

Fuel conservation

One wonders whether the decision to close retail fuel outlets in Tamil Nadu and Puducherry for 24 hours on Sundays will reduce fuel consumption to any

mentable extent ("Fuel outlets to remain shut on Sundays from May 14", April 19). Instead of buying fuel on Sunday, people would do it on Saturday, just as tipplers keep adequate stocks of their favourite brands on October 1 when TASMAR outlets are closed on Gandhi Jayanti. If the Prime Minister is really interested in promoting fuel conservation, he should take steps to reduce the number of vehicles in VIP cavalcades and also promote public transport systems. The savings would be substantial.

P.G. MENON, Chennai MORE LETTERS ONLINE: www.hindu.com/opinion/letters/ CORRECTIONS & CLARIFICATIONS: The Editorial, "Equity in debt" (April 19, 2017) said that the FRBM (Fiscal Responsibility and Budget Management) law was enacted to 'limit the government's borrowing authority' under Article 268 of the Constitution. It should be Article 292 of the Constitution. An OpEd article - "The great climate churn" (April 18, 2017) - incorrectly said the area of India's land mass is about 1.3 million sq.km. Actually, it is about 2.973 million sq.km.