

**Press Information Bureau
Government of India
Prime Minister's Office**

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Preliminary Transcript of PM's Onboard Press Conference on return from USA (01.10.2013)

I came to the United States at the invitation of President Barack Obama. I had a very good meeting with the President. The end results have been put out in a Joint Statement and our officials have also briefed you about the outcome of that meeting. In New York, I addressed the General Assembly of the United Nations and I also had a useful talk with Prime Minister Nawaz Sharif, Sheikh Hasina and the Prime Minister of Nepal. I believe the outcomes of all these meetings you have been briefed about by our officials and therefore I will not spend my time on going over the same territory over and over again. I will be very happy to answer any questions that you may have.

Question: Sir, you had a very successful meeting with President Obama and everyone in America believes that you share an exceptional personal rapport with the American President. My question is what is the specific outcome of your discussions with the President especially in the area of defence cooperation?

Answer: Well in the area of defence cooperation we are trying to move away from the buyer-seller relationship to a relationship based on co-production, based on co-research and the outcome of the deliberations on defence cooperation is in line with our own thinking. We would like our own domestic industry to get involved in domestic production. We would also like foreign direct investment to the extent of 26 percent to come into defence production. So, I think this is a step forward. And for the rest, we reviewed our cooperation in the area of civil nuclear cooperation. There is now an early works agreement between Westinghouse and also our NPCIL. At the inter-governmental level, there are no irritants in the implementation. There have been important steps forward in cooperation in the field of knowledge initiative, in the field of education, in the field of energy, in the field of environment related issues. In all these areas, it is an ongoing relationship and we reviewed and we re-committed our two countries to work together to enhance understanding and cooperation.

Question: Sir, Indo-US economic relationship has deteriorated somewhat with US business lobbying with the US government to investigate Indian trade practices. Did you get any sense of the scale or reasons for this disappointment in the US? Will the Indian Government be taking steps to re-assure US investors in business on your return?

Answer: There have been US business concerns but very largely these are concerns which arise out of the slowdown of the Indian economy. When Indian economy was growing at the rate of 8 to 9 percent, I think everybody was quite happy even when there were defects in our policies, they were overlooked, and when the economy slows down people try to find fault and excuses. The President did not go in detail with me. He did understand our concerns but he also said that it is time that the CEOs Forum on both sides sat together to discuss these issues and to find out the meeting ground.

Question: Sir, you met Mr. Nawaz Sharif and you said you had useful discussion with him. I recall that after

the beheading incident on LOC you had said that it can't be business as usual. Has that status changed?

Answer: It is at a stage in a sense that we are moving forward towards normalization of our relations and the first step has to be peace and tranquility on the line of control. And for that we have agreed that the DGMOs of the two sides will meet and work out arrangements. It will take time to find out what can be done and what is agreed upon is it implemented upon. But these are all steps towards normalization of the relationship.

Question: Prime Minister there were many scheduled appointments but also un-scheduled remarks. I would like to ask you specifically the Congress Vice President Rahul Gandhi's comments on the Ordinance came just few hours before you had meeting President Obama. There were PM Nawaz Shahrif's reported comments yesterday ahead of your conversation with him. I would like to ask how you see these un-scheduled remarks impacted your meetings?

Answer: I have learnt to take all these things in my stride but Prime Minister Nawaz Sharif has denied any such remarks.

Question: While you were in the US, your Party Vice President Rahul Gandhi trashed the Ordinance your Cabinet had just approved that gave immunity to serving law makers from being disqualified if convicted. Are you considering withdrawing the Ordinance? Has it undermined your authority, are you considering tendering your resignation?

Answer: Well, I think, I have seen Mr. Rahul Gandhi's statement. He has written to me on this subject also and let me say that when issues are raised in a democracy, in a democratic polity, right courses to start with and trying to understand what is it agitating the mind of the concerned people. When I go back, I will discuss these matters with Mr. Rahul Gandhi. He has asked for a meeting with me and I will also take my Cabinet colleagues also in to confidence. We will see which way the wind blows.

Well, there is no question of resigning. I said I will put all these issues before my Cabinet colleagues. These are all matters which are discussed before the highest body, the core group of the Congress Party. The Cabinet discussed this matter twice, not once. But it is always possible to change one's mind and I will consult my colleagues on all these issues.

Question: Sir, as you just mentioned that both the Core group and the Cabinet had cleared the decision on Ordinance. My question is a bit philosophical about governance. Do you believe that one individual no matter how senior he may be in the Party should have the space to actually undermine the decisions taken by the Cabinet and Core group? Do you think your authority has been undermined?

Answer: No, I don't feel that way. I honestly feel that if there is an important point of view, any member of the Congress Party, any member of my Cabinet is free to raise issues and require reconsideration of issues. I think that's what a democracy is about. I don't think we are an authoritarian structure in which one person lays down the line all the way and therefore my humble feeling is that when a point of view has been expressed, we must sit together and understand what is agitating the mind of the person who has raised these issue and that's what we will do.

Question: Pakistan se hamare rishte hamesha chunavi mudda bante rahe hain. Aapne ek himmat to dikhai

lekin kya lagta hai ki aane wale vakt mein aisa kuch ho sakega jiska desh aur Party donon par koi asar padega?

Answer: Well we have whatever time is left to us, our intention will be to see the country's economy is better managed, growth rate improves, inflation is brought under control and the country's external borders are safe and secure. These are our immediate concerns and they should be the concerns of any government. Plus, also, I think we have now several people oriented programmes. We have to ensure that they are properly implemented. The National Food Security Act has been enacted and it will be our effort to see that its benefits reach people as early as possible.

Question: Arunachal Pradesh is being given permission to build as many as 350 dams. The people downstream are worried about the eventuality of these high number of dams. Can this number be reviewed or reduced?

Answer: If you are referring to dams in Tibet, then we raised that matter with the Chinese Government every time I have been to China in the last three or four occasions. We have raised this matter with the Chinese Government. And as of now our understanding is that these are run-of-the-river systems, they do not involve storage and they do not interfere with the flow of water. We will, as we have in the past, keep on drawing the attention of the Chinese Government to have better cooperative arrangements to manage the rivers which are of inter-state concern.

Question: Sri Lankan sources in the UN told me that President Rajapakse was keen to meet you on the sidelines of the UN and with the Tamil coalition having a stupendous victory in the north of Sri Lanka. Should we not use that opportunity to ensure that there is more devolution of power in the Northern Province.

Answer: As far as the devolution of more powers for the Northern Province is concerned, our views are well known. On umpteen number of occasions, we have discussed with the Sri Lankan President the need to implement 13th Amendment. Therefore, our position is fully well known to the Government of Sri Lanka. As regards the meeting with President Rajapakshe, I would have no hesitation in meeting with him. He asked for a meeting on dates which were not convenient to me, because I came to New York only on the 27th and he asked for a meeting between 24th and 27th. So the meeting could not be arranged. There is no other reason.

Question: Do you think that the emergence of Mr. Narendra Modi on the national scene is a threat to the secular polity of our country.

Answer: I sincerely hope that all secular forces would combine to face the onslaught of people like Mr. Narendra Modi. And I have every reason to believe that that will happen. You wait for some time before the people realise what they are up against.

Question: This is a question on your meeting with Sheikh Hasina. There is discontent in Bangladesh that we have not achieved to implement Teesta and Land Border Agreement. If you could enlighten us on your discussions?

Answer: Our relations with the Prime Minister of Bangladesh are very good. I am myself disappointed that it has taken us much too long to ratify the agreement and I have assured her that we still have time in the next

session of Parliament we will make every effort to convince our opposition parties who have been a problem up till now to fall in line.

Question: Do you think your 10 years performance is good enough for UPA - 3 coming to power ?

Answer: It is too early for me to make an assessment. It is for the people to make an assessment. I have every reason to believe that we may have done something wrong but we have done many good things and the people of India, generous and tolerant that they are, they will take into account the good work , the solid achievements of the UPA into account before they cast their votes.

Question: Aap Hindustan vapis ja rahe hain. Bahut mumkin hai ki aapki Cabinet mein Telangana ka masla discuss hoga. Aap kuch apni rai dena chahenge?

Answer The Telangana issue is receiving the attention of the government in right earnest. As soon as I go back I will find out from the Home Minister what stage he has been able to reach up to. But this is very much on our minds.

Question: Would you have preferred that the whole issue which Mr. Rahul Gandhi raised had happened when you were in the country and it should not have happened when you were outside the country?

Answer: Well I am not the master of what people say. It has happened and as I said when I go back I will try to find out the reasons why it had to be done that way and how do we handle it.

Interjection: Were you upset?

Answer: I think, I have been used to ups and downs and I don't get easily upset.

Interjection: Was it a down?

Not even when.....(inaudible).....

Question: This was your first interaction with Mr. Nawaz Sharif. Did you get the impression that he is the master of his own destiny or like your External Affairs Minister who said that he is being held back by the ISI and the Pakistan Army.

Answer: I very much hope that Nawaz Sharif succeeds. He is the democratically elected Prime Minister of a neighbouring country and he has said all the right things about Indo-Pakistan relations. So I sincerely hope and pray that he does succeed in carrying out his mission.

SC/SH