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## Swadeshi Patrika:

### Beacon of Anti-Chinese Goods in India

*Swadeshi Patrika has done a commendable job by acting as a watchdog to safe-guard the national economic interests. Swadeshi Patrika has published series of well-researched essays on 'War on Chinese goods in India'. The domestic manufacturing industry in India like many countries have almost been shut down due to Indian market being flooded with Chinese goods. Inspire of the fact that we are major consumers of Chinese products, China has always been and continues to be inimical to India. China has illegally occupied parts of India and favours Pakistan supported terrorism. China continues to intrude into the line of control and with Brahmaputra River. China has not only infringed upon territorial sovereignty of India but has also systematically destroyed domestic, manufacturing units adding to the increasing problem of unemployment. Chinese economy is dependent on exports and hence over flooding the Indian market with its goods has given them an export-surplus at the cost of others. Swadeshi Patrika has fully covered the Maharatna against Chinese goods in detail and has highlighted every significant point of anti-Chinese products. It has alerted the government of Bharat towards banning Chinese products as these would completely destroy whatever is left of our local industry. India's electronic and telecom industries could not face the onslaught of cheap Chinese products and machinery, chemical and consumer goods industries have been hit affecting employment in the country. It is gratifying that govt. of India has imposed anti-dumping duties on more than 100 items of Chinese origin. Along with the government, Indian public must resolve to boycott Chinese goods.*

*It is equally important not to fear the trade war waged by US President Donald Trump, with some seeing recession in America and some predicting India to bear the brunt as a collateral damage the fight US-China fight. India's interest will not be hampered as we are not a part of the global supply chain.*

– Prof. NS Kapur, Delhi

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## Quote-Unquote



The world's opinion about India has been transformed. Today, the entire world sees India with great respect.

**Narendra Modi**

Prime Minister, Bharat



**JOBS, JOBS, JOBS!** Unemployment claims have fallen to a 45-year low. Together, we are making the economy great again!

**Donald Trump**

President, USA



The manufacturing sector continues its upswing. Index of Industrial Production (IIP) stands at 123.1 in Feb, 2018 which is 5.3 per cent higher as compared to index of Feb. 2017.

**Suresh Prabhu**

Industry & Commerce Minister, Bharat



With almost all of Revenues and Expenditure accounted for (some minor accounting adjustments remaining), I can confirm that both Fiscal Deficit and Revenue Deficit are lower than the Revised Estimates for 2017-18.

**Subhash Chandra Garg**

Economic Affairs Secretary

## Why RBI is not right?

Speaking at the Gujarat National Law University, Gandhi Nagar on March 14, 2018, the Governor of the Reserve Bank of India (RBI), Urjit Patel raised the issue of dual control in public sector banks (PSBs), saying that the RBI has, but only limited power to control them, whereas it is in a better position to control private banks. This is known to all that a large amount of credit had been given by the banks to unscrupulous borrowers under the nose of the Reserve Bank, which was no less than scams. Though Urjit Patel in his personal capacity cannot be held responsible for the present situation of NPAs of the banks, however this statement from Governor Urjit Patel is seen as an attempt to avoid taking responsibility of the institutional wrongs of the Reserve Bank. Before nationalization, banks were also not inclined to open branches in the rural areas nor were they lending to poor and private sectors. The circumstances changed and with nationalization of 14 nation's and government's banks in 1969 and 6 more banks in 1980, banks started operating according to the country's priorities. It is notable that till recently the PSBs has been making reasonable profits, a part of which was being contributed to government treasury as well. Banks also played a significant role in overall development of banking and economy. Banking did spread to rural areas as well. In recent times, not only financial inclusion was possible after the opening of more than 31 crore zero balance bank accounts, which helped direct benefit transfer to the beneficiary of government subsidies. This made possible a saving of more than rupees 70 thousand crore to the public exchequer. Significantly, there were less than one crore zero balance accounts opened by private banks in comparison with 30 crore accounts opened by PSB's. Further we note that private banks are more interested in high-worth people maintain higher minimum balance condition and try to keep away small depositors. Now the question arises, that when RBI can exercise more control on private sector banks, why they could not tweak minimum balance condition of private banks. Why it could not persuade private banks to open more zero balance accounts? So far as NPAs are concerned, despite over whelming control of RBI, why NPAs of private banks are increasing? Significantly today NPAs of PSBs are 5.2%, private banks NPAs have also reached 4%. Axis Bank's NPAs increased by 24% in last one year. Therefore, we can conclude that ownership of banks do not really affect NPAs.

The reserve bank says that only a few provision of banking law apply to PSBs, while they are more applicable to private banks. For instance Reserve Bank has the right to grant license to private banks and also has right to remove chairman and executive directors of private banks. The Reserve Bank can even pass instruction to close a private bank. Recently Ex-Governor Raghuram Rajan says that PSBs make lending which are risky under the pressure of bureaucrats and ministers. Raghuram Rajan had opined that though there is no harm in getting the services of PSBs for some useful public programs like opening of zero balance accounts, raising public debt through issue of government bonds lending to priority sector etc.; however, they (PSBs) should be adequately compensated for their work. It is not acceptable that due to dual control of central government and RBI over PSBs it has only limited power to control them. It is notable that Reserve Bank appoints directors in the banks and central government also does appoint directors. Directors appointed by RBI are their representatives in the banks. RBI also has representatives in different committee's of the banks, which give approval to loans beyond a threshold limit. Reserve Bank has representation in audit committee, vigilance affairs committee and remuneration committee of the banks. Not only that the RBI controls the PSBs and private bank alike on the basis of rule book, but also exercises control over PSBs through various committees. Therefore, it can be said that RBI does not have less information about PSBs as compared to private banks. It is true that PSBs being under government ownership by sheer nature of these banks they are expected to address social concerns like banking the unbanked; raising loans for the government expansion and growth of banking; and lending to priority sector more appropriately. Benefits of these functions of PSBs are available to the entire society especially the deprived sections. It is true that PSBs could be compensated for their socially useful tasks; we should not forget that social welfare is one of the objectives of PSBs. The attempt to blame the limited powers of RBI for scandals, which came to light recently by Governor Urjit Patel is no good. There can be a scope for improvement in the banking control mechanism, the government and the RBI can do the same by consulting each other. However, RBI Governor needs to exercise restraint in speaking out, because this can damage the image of Indian banking internationally and can stable people' faith in banks. We should not forget that when the banks of the United States and Europe were in grave crisis, banking experts around the world had been appreciating the Indian banking system. Recent banking scams leading to NPAs are only a fall out of the scam ridden regime of previous UPA and in any case, it should not be linked with the ownership of banks or control by RBI.

# Free trade can't be one-sided

In the past 27 years, due to ongoing process of globalisation, later getting manifested by the advent of rule-based trading system in the form of the World Trade Organisation (WTO), the tendency has been to shed all – tariff or non-tariff – barriers to trade. As per the constitution of WTO, of which there are now 168 members, if any country raises tariffs or erects non-tariff barriers to trade, the affected country can make use of dispute settlement mechanism to reverse these. Till recently, no country had been arguing explicitly in favour of protectionism; rather tariff and non-tariff barriers erected earlier were removed over time.

In India prior to WTO, import duties of more than 400 per cent used to be imposed on many commodities, and there were more than 1,400 items on which quantitative restrictions (QRs) were imposed. As against this today, leaving some exceptions import duty between zero and 10 per cent is imposed and QRs have been removed. A point of major concern is that because of offensive trade by China in the last more than 15 years, markets all over the world are overshadowed by Chinese products.

Metals like steel and aluminium; electronics and telecom equipment; infrastructure and project goods; fertilisers and chemicals; pharmaceuticals and APIs used therein; and goods of day-to-day use are all generally imported from China. In the process, most industries around the world started to shut down. China turned into the manufacturing hub of the world and trade deficit kept on mounting in most countries.

Donald Trump, as the Republican candidate for the US presidency, also raised the issue of closure of US industry and resulting unemployment and linked it with free trade. He promised to revive factories and create jobs but also to restrict imports from China and from other countries by raising tariffs.

In India it's an open secret that due to mass-scale dumping by Chinese prod-



*Ultimately, while free trade is good in theory, its success depends on the honesty with which different countries practice it, says*

**Dr. Ashwani Mahajan**



ucts into India, most non-ancillary industries closed down. Many of our small industries are now ancillaries of large industries like automobiles, pharmaceuticals, chemicals and consumer goods, both durable and non-durable. As a result of this, share of manufacturing in GDP has either stagnated or even declined in some years.

It is well known that our domestic industry either couldn't withstand competition from cheap Chinese products or went out of the market. India's electronic and telecom industry couldn't really take off; and established machinery, chemical and consumer goods industries were badly hit.

Despite this, no effort was made to safeguard industry from the Chinese onslaught by imposing tariffs or even anti-dumping duties. One reason for lack of action from policy makers was their fear of action from WTO if China filed complaints in the Dispute Settlement Panel there. Another major reason for inaction was the overwhelming fervour of policy-makers and mainstream economists in India for the doctrine of free trade.

Belief in free trade was so profound that there was seldom any effort by them to even make use of flexibilities available in WTO agreements. It's notable that in these agreements every country has committed to a bound rate of tariff for each commodity. However, due to the belief in free trade, meaning thereby belief in dismantling all barriers to trade, India's applied rates of tariff are much lower than bound rates of tariff. This gives us flexibility to raise tariff in some cases. Apart from this every nation has the mandate in WTO to raise barriers to imports

for protecting health and environment by way of phyto-sanitary measures and security concerns. So far, we haven't made much use of these measures, because of the overwhelming belief in the doctrine of free trade. This is reflected from the fact that policy makers have been patting themselves on the back for increasing the size of foreign trade as a percentage of GDP, irrespective of the imbalanced trade. While on several occasions affected countries had filed cases before Dispute Settlement Panels against breach of WTO rules and agreements, these were exceptions. Generally countries have been following rules of the game.

However, in the recent past voices against free trade have become more pronounced in view of the adverse effects of globalisation on various economies.

Firstly, Donald Trump during his election campaign made several comments against free flow of imports from the rest of the world, especially China. After taking over the reins of power, his decision of increasing tariff on imports of steel and aluminum and his threat to stop imports from the rest of world have given rise to a new debate on whether the world will go on the path of protectionism.

At the recent Davos meeting of the World Economic Forum, Prime Minister Modi had also stated that protectionism is no less disastrous than terrorism. But, immediately after that meeting when protective tariff was imposed on various commodities in the budget, protagonists of free trade were not able to digest this decision and many of them have commented adversely on this.

Generally, it is correct that if

free trade is honestly adopted by all countries, it can benefit all. It is also correct that if we continue to protect inefficient domestic industry, inefficiencies would be in the system, hindering healthy industrial development. However, in reality we find that countries are not honestly adopting free trade. China has been dumping (selling at prices much lower than the ones they charge in their domestic market) their products all over the world.

The government of India has also initiated anti-dumping duties on more than 100 items coming from China. Imposition of anti-dumping duties is a tedious job, because the government has to investigate these thoroughly. But since we are imposing lower tariffs than the bound rate of tariff, there is flexibility available with the government to raise the tariff and safeguard the interest of domestic industry against dumping. In fact, if India is able to safeguard and promote domestic industry while following the international trade agreement using flexibilities available therein, it would be a welcome step. It is unfortunate that people who are criticising the government for being protectionist have generally not studied whether there is any breach of international agreement or not. After adoption of protectionist policies by the US government, other countries also need to think about the policy of free trade. Free trade cannot be one sided. We have to espouse our trade policy based on trends in other countries.

Ultimately, while free trade is good in theory, its success depends on the honesty with which different countries practice it. □□

*The writer is Associate Professor, PGDAV College, DU.*

# Does the Government Really Need a New 'Pesticides Management Bill'?



The Ministry of Agriculture and Farmers' Welfare has put out the Centre's Pesticides Management Bill 2017 (in English) and has sought public feedback on the Bill through a small window of 15 days, ending on March 6, 2018. This Bill begs a question about the very need for new legislation for regulating pesticides when the Insecticides Act 1968 exists and is in force. It is worth remembering that the Insecticides Act 1968 was enacted in the first instance after a tragic accident in Kerala that claimed 102 lives in 1958, when people died after consuming parathion-contaminated wheat. The need to regulate this technology was born of safety concerns.



*It is unclear why the Government of India is choosing to put aside "biosafety" as the primary reason for new regulations and instead giving in to objectives suiting the pesticides industry.*

**Kavitha Kuruganthi**

The ostensible reasons cited for bringing in a new Bill now – and not just a set of Amendments to the existing law – are centred around a need to:

- Regulate all pesticides, not just those insecticides that appear in the Schedule of the 1968 Act;
- Lay down a condition that every pesticide should have its expected performance disclosed and usage instructions included in its application for registration;
- Lay down a further condition that no pesticide can be registered without its tolerance limits laid down under another statute on food safety;
- Increase penalties for different kinds of offences;
- Include a clause on segregation and disposal of pesticides;
- Expand the constitution of the Central Insecticides/Pesticides Board to include new departments and farmer representatives

... among others. But it is still not convincing that this requires a new law, and that it can't be achieved through comprehensive amendments to the existing legislation.

On the other hand, the government can indeed overhaul the pesticides regulatory regime in India by bringing in a new Bill. However, the Pesticides Management Bill 2017 (like the 2008 version brought in by the UPA) fails to do so.

## Oriented towards biosafety

The existing Insecticides Act 1968 has as its Objective the following: "to regulate import, manufacture, sale, transport, distribution of insecticides with a view to prevent risk to human beings or animals, and for matters connected therewith" (emphasis added). It goes without saying that a statute's edifice, includ-

ing institutional structures created for enforcement, will depend a lot on the objectives of the statute. Preventing risk is very different from managing risk, after having allowed it to occur, which in turn is very different from ensuring availability of (good) quality pesticides focusing on quality/efficacy rather than safety.

It is unclear why the Government of India is choosing to put aside “biosafety” as the primary reason for regulating, and giving in to objectives that would suit the pesticides industry, in a year that has seen dozens of deaths and hundreds of hospitalisations of farm workers due to acute pesticide poisoning in Maharashtra, Tamil Nadu, Telangana and Odisha. Even the fact that industry representatives got to see a draft version of the Bill before state governments and others did points to the fact that the industry lobby continues to be active in the Ministry of Agriculture’s corridors.

It is important that the objective of any regulatory statute related to pesticides is brought back to “bio-safety”, as well as the prevention of risks to human beings or animals. If regulation is about efficacy alone, farmers who purchase pesticides can always resort to the Consumer Protection Act and there is no need for another statute. Even here, quality regulation can’t be about drawing samples after a pesticide is manufactured or stocked but about doing something before.

If prevention of risks to human beings and environment is the main objective, it automatically follows that some much-needed mechanisms will need to be brought into our regulatory re-

gime. And once the correct objective is (re)installed, several long-pending regulatory improvements can be brought in. For example, institutionalising a precautionary approach that builds in a ‘Needs and Alternatives Assessment’ into the regulatory regime. This means that no pesticide can be registered without first proving that it is needed and that no other alternatives exist.

Registration should take place only after transparent, independent and long-term safety testing. Given that there is emerging scientific evidence on the adverse impacts of so-called “inert” substances, safety testing should cover inert ingredients as well as metabolites. Further, there should be an automatic review of every registered pesticide periodically (say, every five years, as exists in some other countries) or earlier, whenever a pesticide is banned or restricted elsewhere in at least two countries.

When it comes to consumers and food safety related to pesticide residues, it is well known that maximum residue limits (MRLs) that are created from ‘good agricultural practices’ are not a ground for ensuring food safety. Tolerance limits should be fixed based on the theoretical maximum daily intake of multiple pesticides through complete dietary exposure to such toxins.

### **Doesn’t strengthen the state**

The new Bill can be seen as an opportunity to review all registrations thus far in the country and therefore disallow ‘deemed’ and provisional registrations, which are mechanisms that come in the way of ensuring biosafety as a primary *raison d’être* for the statute.

The Anupam Verma Committee review of 66 pesticides has shown that without independent data generation on the safety of pesticides, reviews are relying on the pesticides industry for the data. This is ridden with conflict of interest. We are proposing that the pesticides industry should be mandated to give a part of their turnover for a fund that will go to state governments, which in turn will generate independent data, and also to set up adequate surveillance and checks that make regulation scientific and effective.

The proposed Bill does not strengthen the hands of the state governments in any significant way. Agriculture is a state subject according to the Constitution. The Bill should empower the state governments not just in terms of licensing of trade but also give them a role in the registration process, an authority to prohibit or place restrictions on the sale of a pesticide, to regulate marketing and advertising and to lay down conditions that sale should be against prescription by specified authorities.

Farmers’ unions have rightly expressed their fears about farmers being criminalised under this Bill through penal clauses related to the “use” of pesticides. There is an exemption clause (Sec.50 (1)(a)) which seems to exempt farmers but not necessarily farm workers from penalties. Farmers and farm workers are actually the victims of an aggressive industry, in fact, and any provisions that seek to penalise them should be removed immediately.

Another feature that reveals farmers’ and affected persons interests are not being protected by

[Continued on page no. 11]

## Shame on the CBI for Marans' discharge

In a shocking verdict, the CBI court has discharged all the accused, including former telecom minister Dayanidhi Maran and Sun TV boss Kalanidhi Maran in the illegal telephone exchange case.

The facts of the case stare at the judgment. The undisputed facts, each of which indicate the fraud, are: One, 323 high speed BSNL ISDN telephone lines were found installed in the Boat Club Road residence in Chennai of the Marans from January to May 2007 when Dayanidhi Maran was the telecom minister. Another 400-plus lines were installed in their Gopalapuram residence —making it 764 lines in all. Two, the lines were in the benami name of the Chief General Manager of Chennai Telephones, but in Marans' home.

Three, all the telephones were given separate serial numbers, which were outside the telephone system itself, so their existence was kept secret. Four, the 323 high speed lines installed in the Boat Club Road residence of the Marans were linked by underground cable with Sun TV network.

Five, since the lines were kept outside the system, they were automatically outside the billing and accounting systems as well. Six, since they were out of the accounting system, the user charges of the 323 lines and the over 400 additional lines were not known. Seven, the CBI had estimated that at 70 paise per pulse, the user charges for the 323 lines would have been over Rs 440 crore for the period of installation. Eight, the installation charges paid by the BSNL amounted to just ₹1.72 crore.



*Even after the matter was exposed by The New Indian Express in June 2011, the probe did not pick up, says*  
**S. Gurumurthy**



The facts came out because Dayanidhi Maran resigned after the Marans had a tiff with their grand uncle M Karunanidhi who was the then chief minister of Tamil Nadu. But by the time the 2009 general elections came, their relations got repaired and the CBI officer who investigated the case was transferred and hounded. The investigation that was then being done by the Chennai team was transferred to Delhi.

Even after the matter was exposed by The New Indian Express in June 2011, the probe did not pick up. I had to move the Supreme Court to get the CBI register an FIR in December 2013, which they were not willing to do earlier. But when the Marans were to be arrested in the case, they approached the judiciary and a court observed that it was just a civil case and the amount of loss was just Rs 1.7 crore. This was because the CBI never disclosed the real loss. The CBI was supposed to get the real user charges from the national gateway details in Hyderabad, which it did not. The CBI was never sincere about this prosecution from the day the honest investigating officer was transferred out.

What has happened now is a travesty of justice. The Special Court has said that there is no charge to be framed and the Marans are innocent. That a case like this has been handled so casually by the CBI is shocking and that the Special Court has not found the case fit enough even for trial is even more shocking.

The installation of hundreds of lines outside the system is a national security risk. And at that time there was a huge war in Sri Lanka with the Liberation Tigers of Tamil Eelam (LTTE) in which India was

strategically involved. There was also the shadow of arrest of a former DMK minister who was earlier booked under the National Security Act for harbouring the LTTE. None of these issues were brought to the notice of the court in the chargesheet, which does not even mention the user charges. It was a prosecution launched to lose the case.

If the CBI and the Central government are sincere about cleaning the polity of corruption and abuse of power, this case has to be taken up seriously. The CBI

ought to file an appeal against the discharge and make further probe, get the details of user charges, fix the losses involved and prosecute the case in the right earnest.

The Marans who are now boasting about their victory ran away from filing a defamation suit, which they threatened The New Indian Express with in June, 2011. TNIE accepted the challenge with an article "Welcome, Mr Maran". The CBI has now made them claim to be honest. It is a tragedy. □□

*The author is a well-known commentator on economic and political affairs*

[Continued from page no. 9]

## Does the Government Really Need a New 'Pesticides...

this Bill is a clause laying down that they should take resort to the Consumer Protection Act if needed. This ignores the fact that affected persons may not even be 'consumers' as defined in the said Act. The Pesticides Management Bill 2017 itself should include a time-bound, simple and accessible mechanism as clauses for compensation, redressal and remediation.

The government should realise that regulation is not just about quality and efficacy based on which pesticide industry's business is facilitated by framing a statute (the Bill is mainly centred around this) but, more importantly, that regulation should be around safety from the deployment of a toxic technology, in a context when the science of pest management has evolved to show that synthetic pesticides are dispensable.

In either case, the current Bill falls significantly short in protect-

ing the interests of common citizens, including farmers, farm workers and consumers and their environment. It is not out of place to suggest that the Bill should come from the Ministry of Health & Family Welfare and not the Ministry of Agriculture, which appears to be promoting the use of pesticides.

Without taking care of the several lacunae in the existing regime as well as in the proposed Bill, the Government of India is doing a disservice to its citizens, especially after the recent deaths and hospitalisations of dozens of citizens due to pesticide poisonings. The Pesticides Management Bill 2017 needs to be recast in significant ways before it can protect citizens from the ill effects of synthetic pesticides. □□

*Kavitha Kuruganti is a national co-convenor of Alliance for Sustainable & Holistic Agriculture (ASHA).*

# A manmade water crisis

The per capita availability of water in Delhi is more than that in Amsterdam. China, with a larger population, uses 28% less fresh water than India. We have ample water yet we face a huge water crisis.

About 80 percent of our water is used for agriculture. We are cultivating water-guzzling crops like grapes in Maharashtra, sugarcane in UP and red chilies in Rajasthan. Often times we export these crops. In doing so, we pack our scarce water into sugar and chilies and send that water for the consumption of foreign nationals. This huge use of water is the main cause of our crisis. We are diverting almost all the water of our rivers for irrigation through the canals. Further, our extract large amounts of water from the groundwater aquifers. The water level in the aquifers is falling by up to 1 meter every year. That is leading up to less availability of water. The depletion of groundwater also results in water of our rivers percolating into the ground and the rivers going dry. The Yamuna has become dry for 100 kilometers below the Hathnikund Barrage in Haryana for this reason.

We are encouraging our farmers to grow the water-guzzling crops because the use of canal water is also not metered. Farmers have to pay a small fixed amount based on the area irrigated irrespective of the numbers of irrigations. Thus, farmers flood the fields many times over even though such excessive irrigation adds precious little to the crop production. Further they are being given free electricity to pump out the water from the groundwater aquifers. The simple solution is to price canal water on the basis of the volume of water used and remove subsidies on electricity. That will force the farmers to use the water judiciously. It will become uneconomic to cultivate grapes, sugar cane and chilies because farmers will have to pay huge amounts for the water used. They will themselves give up the cultivation of these crops. That will reduce the agricultural



*The urban people would have to buy costlier sugar by increasing the price of water for the farmer leading to decreasing agricultural demand and availability of water for drinking and bathing.*

**Dr. Bharat Jhunjunwala**



demand for water substantially; and make more water available to the industries and urban habitations.

However, our farmers are already reeling under financial crisis. It is wrong to suggest an increase in the cost of water for their use. The way out is to increase the sale price of the crops simultaneously. Say the cost of cultivation of sugar cane is Rs 250 per quintal today and the sale price is fixed by the government at Rs 300 per quintal. Now, the cost of cultivation increases by Rs 30 to Rs 280 per quintal because of the increase in the price of water. The purchase price of sugar cane can be simultaneously increased by Rs 30 to Rs 330 per quintal. Then there will be no impact on the farmer. His margin will remain unchanged at Rs 50 per quintal. The difficulty here is that the cost of sugar for the urban consumer will increase.

The urban people have to choose between cheap sugar and plentiful water. They can seek an increase in the price of water for the farmer and a corresponding increase in the price of sugar. That will reduce agricultural demand and make available more water for drinking and bathing. Alternatively, they can argue in favour of the present low price of water for the farmer and correspondingly maintain the present low price of sugar. The solution of the water crisis lies in the hands of the urban people.

We have made the problem worse by storing water in large dams like Tehri and Bhakra. However, the open storage in the reservoirs leads to about 10 to 15 per cent water being lost to evaporation. Secondly, these dams hold monsoon waters and reduce the floods. These floods spread the

water over large areas and recharge the ground water. Reduction in the floods, therefore, means less recharge of ground water and less availability of water for irrigation. The large dams, therefore, have two contrary effects on the availability of water. On the plus side, they store water which is provided through canals for irrigation. On the minus side they lead to loss of water by evaporation and less irrigation due to less recharge of groundwater. Instead of dams, we can store the monsoon waters in the ground water aquifers by making

***Similar high price of fresh water for urban consumers will make it economical for them to install two supply streams for fresh and recycled water.***

check dams on the streams and bunds in the fields. We can store more water in this way. The storage capacity of the groundwater aquifers in UP alone is about 76 billion cubic meters which is about 30 times the storage capacity of 2.6 billion cubic meters of the Tehri dam.

River interlinking is equally misconceived. It will not add to the availability of water. It only shifts the irrigation from one area to another. In fact, it may reduce the total irrigation. The loss of irrigation due to less floods in the so-called "surplus" areas may even be more than the increase in the so-called deficit areas.

Action is also needed in re-

ducing the water usage by the urban people. The urban sewage can be recycled. Treated sewage can be used for washing cars, watering gardens and flushing toilets. Urban buildings must have two supplies of water. One supply should be of fresh water to be used for bathing and drinking. Second supply should be of recycled water to be used for washing cars and the like. Industries in Nagpur and Mumbai buy sewage from the Municipal Corporation, treat it and use it for industrial purposes because price of fresh water is high. Similar high price of fresh water for urban consumers will make it economical for them to install two supply streams for fresh and recycled water. The Mahanagar area of Lucknow previously had such a two-stream system. Need is to re-establish that system.

Action is also required to require industries to move to "Zero Liquid Discharge" (ZLD). The consortium of 7 IITs that made a Ganga River Basin Management Plan has suggested adopting this policy. Industries will be required to treat and reuse the waste water. This will reduce the amount of water by them because they will meet part of their requirements from the recycled water.

At the end of the day, the urban consumers have to take a call. The present policy provides them with cheap sugar and low-priced water for washing their cars; but it is leading to a crisis. The alternative is that they may pay more for sugar and for fresh water and have the same available in greater measure. That will also save our rivers and environment as well. □□

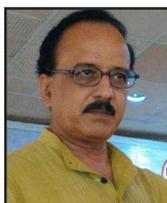
*The Writer is formerly Professor of Economics at IIM Bengaluru.*

## Killing fields of rural India

“My name is Kiranjit Kaur. My father was a farmer. He committed suicide two years ago.” There was a hushed silence in the room.

Kiranjit, a girl in her early twenties, was presenting her heart-rending testimony before a small audience comprising politicians, economists, civil society leaders and farmers and farm women who had lost their son or father over the last few years, at an event organised by ‘Committee for Farmers and Families of Agrarian Suicide Victims’ at Chandigarh recently. With the state government officially admitting that 16,000 farmers and farm workers have ended their own lives since the year 2000, the frontline agricultural state of Punjab has now turned into a hotbed of farmer suicides. There is hardly a day when I don’t find news reports of two, three or four farmers committing suicide not splashed in the daily newspapers.

While the testimonies were being presented, and tears rolled from the eyes of many participants, including experts, the common factor one could visualise was mounting indebtedness. But there is more to it than what meets the eye. Over the years, travelling across the country and meeting many families of farmers who had taken poison or hung themselves from a tree or rooftop, I have tried to look at the reasons that added to growing indebtedness. After all, it is a known fact that farming has been rendered uneconomical over the years, and farmers have been forced to draw more credit thereby pushing them into a vicious cycle of indebtedness. Credit pe credit, and then taking credit from another source to pay back the earlier credit has now become a norm.



*Increasing suicides by farmers due to growing indebtedness, denial of a rightful income and keeping inflation low at the cost of poor farmers need to be addressed immediately by the policy makers.*  
**Devinder Sharma**





The first time I visited a farm victim's family to understand the reasons behind the sudden spate of suicides was in 1987 when 37 farm suicides were reported from Warangal district in Andhra Pradesh. Across the country, from Bundelkhand to Vidharbha, from Karnataka to Punjab, I have tried to ascertain the reasons behind the suicide epidemic. If more than 3.18 lakh farmers have ended their own lives in the past 22 years as per the National Crime Record Bureau (NCRB) statistics, there must be a range of reasons that would have forced these farmers to die.

That farmers are under stress whatever be the localised conditions, is a foregone conclusion. But peeling the layers one by one, I have come to the conclusion that invariably it boils down to the denial of a rightful income.

Farmers have been deliberately kept impoverished. They have been denied a profitable income, leaving them at the mercy of banks or the money lenders. If after 50 years of Green Revolution, the average income of a farming family in 17 States, which is roughly half the country, stands at a mere Rs 20,000 a year as per the Economic

***Farmers have been deliberately kept impoverished. They have been denied a profitable income, leaving them at the mercy of banks or the money lenders.***

Survey 2016, there is something terribly wrong with the way successive governments have treated agriculture. To keep food inflation under control, farmers have been denied a remunerative price. Therefore, average farm incomes have remained more or less frozen over the years, with the annual rise in farm prices not even matching the inflation rate.

Now read another testimony. "We were growing food, but couldn't afford to buy it. We worked 80 hours a week, but we couldn't afford to see a dentist, let alone a therapist. I remember panic when a late freeze threatened our crop, the constant fights about money, the way light swept across the walls on the days I could not

force myself to get out of bed." The farmer who said this is not from India. Ginnie Peters is a US farmer, whose husband had committed suicide last year. If even in the US, where we hear of massive subsidies being doled out to farmers, how come some farmers are committing suicide? Well, the answer is simple. Nearly 80 per cent of the US farm subsidies go to the agribusiness companies and the rich farmers.

Dr Michael Rosmann is a US farmer, who also is a psychologist. In an article in the journal Behavioral Healthcare, he wrote: "Farming has always been a stressful occupation because many of the factors that affect agricultural production are largely beyond the control of the producers." And like he said, the biggest factor is that the output prices are not in the control of farmers. To keep inflation low, the entire burden is very conveniently passed on to hapless farmers. Marguerite Metenier is a French farmer, whose husband shot himself in the face a year ago. She bemoans: "How can anyone want to be a farmer today? What is the point to being in debt all the time, and toiling for no reason? We are sacrificed so the consumer is always happy with low prices."

Kiranjit is too young to understand the political economy of food. She may not realise that her father died not because farming was an unproductive profession, but because the consumers have to be kept happy with low prices. Why she doesn't realise is that every time a farmer undertakes crop cultivation, he invariably ends up cultivating losses. □□

*The author is an agricultural policy analyst. Views expressed are personal*

## Farmers are key to solution: Stabilize prices & Reorient Indian Economy



*The present growth model has benefited a small population and caused deprivation for a larger number. If Donald Trump has to be defeated in his global trade war, it can be done by uplifting the India's poor farmers, who have the capacity to be the pivot of the economy, a factor the liberalized-globalised world ignored.*  
**Shivaji Sarkar**

The situation is complex. So is its understanding. India feels happy as macro data indicate an economic turnaround but signals from Maharashtra farmers or steps to impose congestion tax or 133<sup>rd</sup> position in the World Happiness Index are pointers to the massive effort the country needs to do.

The global situation itself is not happy. India with its large population and having the largest number of the poverty stricken is not in unenviable situation. It is exacerbating with increasing protectionism and US president Donald Trump's plan to make America great again. It's an uneasy world.

Steering the country through such myriad situation is not a comfortable job with a restive population, who want the government to function like the genie. A small slip or not leads to uncomfortable election results as seen in Gorakhpur, Phoolpur (Allahabad) and Araria (Bihar) Lok Sabha elections.

After years of difficulties, less job growth, problems in the farm sector, high tolls and taxes, the people have higher aspirations. The results in UP are a surprise after the massive investors' summit that saw Rs 4 lakh crore commitment from 1045 MoUs. The UP chief minister Yogi Adityanath was proud to announce, "We are heading towards new UP. We are gradually shedding the Bimaru tag".

Indian economics or politics cannot sustain on statistics. It needs much more. It is in search of happiness and is slipping on that score. Disparity is increasing. Despite some recent slowdown in inflation, overall situation needs concern.

The economists have failed in suggesting effective ways to curb the continuous inflationary situation since 2010. Consumer price indices have risen over 60 percent. Pay hikes are not enough to curb the discontent. People wonder why



despite crude prices stagnating around \$ 60-64 a barrel, half of what was during the UPA regime, petrol prices rise every day.

The economists have created a fear psychosis among planners to rake in more revenue forgetting it hurts the basic economics.

The government has now better connectivity with the people. It needs to realise that all government and semi-government organisations like municipal corporations, panchayats, oil companies, NHAI, banks, electricity, water boards and other utility services are perceived as extortive, indulging in profiteering and greedy. Every paisa they earn adds to inflation.

India has the most unstable price regime. While boasting of ease of doing business, the country needs to keep the prices – not through artificial means – affordable. Wages must rise, as now bankmen are demanding, but the economists have to devise a long-term solution as to remove the basic reason for that. The prices must remain stable and greedy government organisations must be put on leash.

India is not Singapore – a 700 square kilometer of land area. The bureaucrats who suggest congestion tax on its model forget the level of affluence there and the highest number poor living in the national capital of Delhi.

They are unaware that Delhi metro is unaffordable for slum dwellers. Is there logic of charging toll of Rs 100 per entry for a taxi (used by people under compulsion) and higher rates for goods vehicle?

The economists do not realise ultimately that toll charge is paid by poor consumers and increases price of every commodity. While taxing

all sales under GST, they forget that most Indian small businesses' profit is limited to whatever tax they can save. The so-called "tax evasion" is a compulsion in a country with a complex multi-tax regime.

Despite the GST, states are continuing with excise and so many other levies that are supposed to have been subsumed by GST. The GST Council has to look into it.

Piecemeal solutions have led to political quagmire. The country forgets that in October 2012, thousands of poorest of Indian farmers from Kerala to West Bengal to north-east gathered in Gwalior for marching to Delhi. PV Rajagopal, the veteran activist who organised the *yatra*, and made his name negotiating the surrender of bandits in MP in 1970s, then had said that the participants' aim was not just to win a "right to land" but to fundamentally alter the direction of India's development.

"There is conflict at every level with the model we have now. Gandhi's vision in this country is being rejected every day. Now we have a capitalist, consumerist model. If India does not change this, the writing is on the wall," he said.

A similar, smaller march in 2007 had had an insufficient impact. There are many who may argue that such views are naive and that India's development – and thus the eradication of poverty – depends on urbanisation, massive investment in infrastructure and the development of a manufacturing base capable of providing employment for huge numbers of people, especially the young. But six years later, in March 2018, again 35,000 farmers march from Nashik to Maharashtra secretariat in Mumbai after a 180 km-weeklong-

trek for the same demands and protection of their livelihood.

Since the CPM-led All India Kisan Sabha (AIKS) was behind this move, it is being perceived as that the Left still possibly is not irrelevant in Indian politics despite their decimation in Lok Sabha.

The reality is most farmers, 70 percent of them debt-ridden, are not AIKS members but they hold the key to change the political direction. The farmers needed someone to organize and help vent their grievance. If Bharatiya Kisan Sangh had taken lead they could have gone with them too.

It raised the fundamental question on country's economic model. There has been a clamour for changing that model within the Congress in 2012. The echoes could be heard today in all other parties.

Yes, India has to plan for happiness just not growth. The Narendra Modi government has the opportunity to reshape the country's economy on Gandhian principles or Deendayal Upadhyay's integral humanism - *ekatma manavavad*.

The present growth model has benefited a small population and caused deprivation for a larger number. If Donald Trump has to be defeated in his global trade war, it can be done by uplifting the India's poor farmers, who have the capacity to be the pivot of the economy, a factor the liberalized-globalised world ignored.

Let the country debate but act fast to reorient the economic model. The farm distress is a socio-politico-economic reality. It calls for change in the price-tax regime and a real equitable society, where the food grower is given respect better livelihood and not doles in the name of waivers. □□

# Counter Terrorism's Growing Footprint



In July 2018, the United Nations will likely undertake its sixth bi-annual review of the UN Global Counter-Terrorism Strategy that was adopted by consensus in 2006. In the dozen years that have since elapsed, terror attacks have spread all over the globe, challenging authorities with their shape-shifting tactics — bomb attacks at civilian targets, armed attacks on military camps, suicide bombers, gunning down school children in cold blood, taking hostages in popular café's, weaponising heavy vehicles, even ferocious knife attacks — all of which are difficult to envisage and control.

The United Nations recognises terrorism as a scourge of our times, but has not been able to arrive at a uniform definition of terrorism. Upon reflection, this is not as astonishing as it seems, because terrorism does not rise from a single root. Since the turn of the century, the world has witnessed a plethora of groups claiming allegiance to and inspiration from a particular faith, and having the ability to act in service of its goal of world domination.



*While technology can be a near-perfect solution to tackle the menace, the failure to regulate the sale of arms makes a mockery of all international counter-terrorism efforts and protocol.*

**Sandhya Jain**

Unlike the rest of the world, modern India has suffered Islamic fundamentalism and terrorism spawned by its proponents from at least the Great Calcutta Killing of 1946, an episode of such chilling barbarity that it led the Congress to concede Partition. Sadly, the party thereafter tolerated controlled fundamentalism in Jammu & Kashmir and other places in a quest for political longevity, forcing citizens to ingest this poison harvest.

Simultaneously, India has been a victim of a ruthless terror with non-religious roots, viz, Naxalism, or Maoism, a millenarian ideology that aggressively seeks to undermine the state while ostensibly representing rural and tribal grievances. In past decades, other nations have also experienced violence with differing origins and objectives. Hence, it is understandable that Governments concur that terrorism cannot be conflated with any creed, and that a single definition cannot encompass religious and secular denominations of terror.

Having said that, most contemporary terrorist organisations claim loyalty to one philosophy; the most virulent is the Islamic State in Iraq and Syria (ISIS) or Daesh (Dawlat al-Islamiyah f'al-Iraq w Belaad al-Sham). Many successful terrorists are professionally qualified, even from rich families; their motivations are religio-political and are driven by an irrational ambition to forcefully bring the world under a so-called caliphate based on an interpretation of the Quran that even Wahhabi Riyadh finds unduly extreme.

These groups have created a powerful and below the radar system of identifying vulnerable persons through social networks or social media, and selecting

them for indoctrination. Recruits are encouraged to cut themselves off from family and friends and listen only to the mentor(s), which is how they end up in trouble spots like Syria. The most appalling aspect of this brainwashing is the luring of young girls to provide sex to jihadi fighters, in defiance of all religious and cultural norms; some clerics publicly called for such ‘volunteers’ at the height of the ISIS’s power. These ‘volunteers’ are different from the girls/women abducted and raped by the jihadis in territory under their control. Alarmed at their continuing ability to make recruits, some Muslim countries have developed counter-radicalisation programmes, with limited success.

International cooperation is imperative to defeat terrorism, and is the reason for ISIS’s seriously degraded capabilities today. But eradicating the scourge in totality involves tracking and severing its financial lifelines and resource-generating abilities (raising funds through front organisations, seizing oil wells and selling oil illegally, raiding banks, ransoming prisoners, etc). Besides, all known assets of the organisations and/or key leaders have to be frozen, and nations harboring terrorists pressured to act against them or give them up.

The most important tool against terrorism is intelligence, especially real time intelligence, which can thwart attacks by timely intervention. Intelligence agencies the world over are upgrading their cyber intelligence systems as terrorist networks cannot function without technology for their operations, viz, recruiting cadre; disseminating propaganda through videos (Zakir Naik) or literature (Dabiq);

***International cooperation is imperative to defeat terrorism, and is the reason for ISIS’s seriously degraded capabilities today.***

showing off power through videos showing victims being beheaded or set on fire; planning and executing operations, transferring funds, et al. All these leave a digital footprint, however small.

Technology is, therefore, a near perfect solution to tackle terrorism while investing in improving human intelligence on the ground. At the India Foundation’s Counter Terrorism Conference 2018 (Changing Contours of Global Terror, March 14-16, 2018), renowned national and international experts discussed the collection, analysis and sharing of intelligence on terrorist organisations in real time to neutralise threats.

One method under trial in some countries involves monitoring activity in, say, the cellphone tower of a particular site, such as a railway station or industrial installation. This is legally possible and doable. Technology involves looking for certain patterns amidst the plethora of mobile phones used by people visiting a station. Those making lengthy calls are filtered out.

Terrorists invariably make very brief calls to avoid being overheard or taped. They inform their handlers that they have reached a destination, and later re-

port success or failure; this digital signature is how they are traced later. Sometimes it takes only a few hours to unravel a conspiracy and identify the culprits and the location of their handlers. Cyber sleuths ‘listen in’ at towers in sensitive public places and create Big Data platforms for Virtual Intelligence Collection and Analysis System (VICAS) for speedy responses.

Ultimately, the challenge is to ‘listen in’ in the vicinity of likely terrorist hideouts and share intelligence through Interpol; technology is being constantly improved and is reputed to have thwarted attacks in some places. As technology improves, it may be possible to monitor large public gatherings, such as Prime Minister Narendra Modi’s rally in Patna in 2014, where some bombs went off and others were recovered later, and protect innocent civilians.

However, an insurmountable problem remains the ready access to weapons by terrorist groups. So far, all weapons-producing nations have refused to bring ‘small arms’ under the ambit of international arms control treaties. These weapons are a major revenue earner for the nations concerned, and populate the illicit arms bazar. They are lethal enough to wreak havoc in crowded places, such as coffee houses. The failure to regulate their sales enables nations to distribute arms to proxy groups in order to achieve certain political objectives. This makes a mockery of all international counter-terrorism efforts and protocols. The UN Global Counter-Terrorism Strategy needs to revisit this issue with utmost seriousness. □□

*(The writer is Senior Fellow, Nehru Memorial Museum and Library. The views expressed here are personal)*

## The List of Swadeshi-Videshi Commodities

Product Name	Swadeshi Product - Use
<b>Bath Soaps</b>	Sintoor, Nirma, Savstik, Maisoor Sandal, Vipro-Sikakai, Madimix, Ganga, Synthol & Home Products etc.
<b>Deterzen Soaps</b>	Nirma, Aankto, Vimal, Hepolin, T-Series, Dait, Fena, Ujala, Shudh, EG, Ghadi, Gentle, Manjula and Home Products etc.
<b>Beauty Products</b>	Tips & Toj, Shrangar, Synthol, Santoor, Emami, Boroplus, Tulsi, Viko, Termaric, Arnika, Hair and Caire, Hemani, Perashoot, Faim, Kedila, Sipla, Dabar, Franki, Efka, khandelwal, Torant Farma, Unicum, Jhandu Farma, Himalya, Maharishi Ayurved, Balsara, J.K. Dabur, Jhandoo, Sandoo, Vaidhnath, Himalya, Bhaskar, Borolin, Bajaj Sevashram, Kokoraj, Move, Creck Cream, Park Avenue and Home Products etc.
<b>Toothpaste</b>	Babool, Promise, Viko, Ankar, Dabar, Misvak, Ajay, Harbodent, Ajanta, Garwary, Brush, Clasical, Egle, Bandarchhap, Vaidhnath, Emami and Home Products etc.
<b>Shaving Cream/ Eraser</b>	Godrej, Emami, Super, Super-Maix, Ashok, V-Zon, Topaz, Premium, Park Avenue, Lazer, Vidhut, J.K. and other Home Products etc.
<b>Bisket, Chocklete Milk's Products</b>	Nutrin, Shangrila, Champion, Ampro, Parle, Sathe, Bekman, Priya-Gold, Monaco, Krackjack, Gits, Shalimar, Paury, Rawalgaun, Clasical, Amul, Nutramul, Vijaya, Indana, Syfal, Asian, Verka, Madhu, Mahan, Gopi, Himghi, Vita & other Home Products etc.
<b>Tea, Coffee</b>	Girnar, Tata-Tea, Asam-Tea, Society, Dankan, Brahmputra, Tej, Tata Cafey, Tata-Tatli and other Home Products etc.
<b>Cold Drink</b>	Guruji, Oanjus, Jampin, Nero, Pingo, Fruity, Aswad, Dabur, Mala, Rajars, Besleri, Rasna, Humdard, Mepro, Rainbo, Culvart, Cetemblika, Ruhafja, Jai Gajanan, Haldiran, Gokul, Bikaner, Vekfield, Noga, Priya, Ashok, Mothers Resapi, Uma, H.P.M.C Product, Him & other Home Products etc.
<b>Ice-Cream</b>	Amul, Himalya, Nirula, Mother Dairy, Vinde, Verka and other Home Products etc.
<b>Food Oil, Food Products</b>	Maruti, Postmen, Dhara, Rokat, Ginne, Swikar, Kornela, Rath, Mohan, Umang, Vijaya, Span, Perashut, Ashok, Sphola, Kohinoor, Madhur, Engine, Gagan, Amrit, Vanaspati, Ramdev, MDH, Avrest, Bedakar, Sahkar, Lijit, Ganesh, Shaktibhog Aata, Tata Salt and other Home Products etc.
<b>Electrical Product, Home Use Product/ Watch</b>	Videocon, BPL, Onida, Slora, ET&T, T-Series, Nelco, Westen, Uptron, Keltron, Kosmic, TVS, Godrej, Crawn, Bajaj, Usha, Polar, Ankar, Surya, Orient, Sinny, Tullu, Crompton, Lyads, Blu Star, Wholtas, Cool Home, Khaitan, Eveready, Jeep, Novino, Nirlep, Elight, Jaico, Titan, Ajanta, HMT, Maxima, Alvin Ghadi, Bengal, Maisure, Hawkins, Prestige, Pressure Kukar and other Home Products etc.
<b>Write's Product</b>	Giflo, Wilson, Kaimlin, Rehwlan, Rotomac, Cello, Estic, Chandra, Montex, Camel, Bittu, Plato, Triveni, Flora, Apsra, Natraj, Hindustan, Lotus, Cammy, Link and other Home Products etc.
<b>Shoes, Chappal, Bootpolice</b>	Lakhani, Liberty Standard, Action, Paragon, Flash, Crona, Welcome, Rexona, Lotus, Red-Tep, Phenix, Vayking, Billi, Karnoba, Kiwi Shoe Polish and other Home Products etc.
<b>Readyment Cloths</b>	Peter England, Hawan Husan, Lui Philip, Colourplus, Alen Sali, Maphatlal, Trende, Cambriz, Duple Wool, Jhodiak, Arvind Denim, Don, Prolin, TT, Lux, Amul, VIP, , Rupa, Raymond, Park, Avenue, Altime, Newport, Killer, Fling Machine, Dux, Kolkata, Ludhiana and Tripura

## The List of Swadeshi-Videshi Commodities

Product Name	Videshi Product - Not to be Used
<b>Bath Soaps</b>	Lux, Liril, Lifebuoy, Piyers, Rexona, Humam, Jai, Moti, Caime, Dev, Ponds, Pamolive, Jonson, Clearcil, Detol, Lesansi, Jesmin, Gostmist, Lakmay, Amway, Kwantum, Margo.
<b>Deterzen Soaps</b>	Sunlight, Wheel, Ariel, Check, Duble, Trilo, 501, OK, Key, Rebail, Amway, Kwantum, Serf, Excel, Rin, Vimbar, Robin Blue and other products of Hindustan Liver Ltd.
<b>Beauty Products</b>	Johnson, Ponds, Old Spice, Clearcil, Brilcream, Fair & Lovely, Velvet, Medicaire, Lavender, Nicil, Shawar to Shawar, Kyutikura, Liril, Lakmay, Dainem, Organix, Painten, Roots, Head & Sholder, Amway, Kwantum, Clinic, Nihar, Coco Caire, Gluxo, Newwrights.
<b>Toothpaste</b>	Colget, Siwaka, Closeup, Pepsodent, Segnal, Maclins, Prodent, Amway, Kwantum, Akwa Fresh, Neem, Oral-B, Forhuns.
<b>Shaving Cream/ Eraser</b>	Pumolive, Old Spices, Niviya, Ponds, Playtinum, Zelet, Seven-O-Clock, Vilmen, Viltage, Erasmic, Swis, Lukmay, Danim.
<b>Bisket, Chocklete Milk's Products</b>	Britania-Good day, Tiger, Marry, Neslay, Kedvary, Bornvita, Horlix, Boost, Milkmade, Kissan, Maigi, Phairex, Anixpray, Complaign, Kitket, Charge, Eklayer, Modern Bred, Britenia Bread, Maltoa, Hiwa, Mylo.
<b>Tea, Coffee</b>	Bruck Brand, Tajmahal, Red-Level, Daymond, Lipton, Green Level, Tiger, Nescafe, Neslay, Delka, bru, Sunrise, three flowers.
<b>Cold Drink</b>	Layer, Pepsi, 7-up, Mirenda, Team, Coca-Cola, Mecdowel, Magola, Goldsport, Limca, Citra, Tumps-up, Sprit, Dux, Fenta, Kedvery, Kenda dry, cresh.
<b>Ice-Cream</b>	Kedvery, Dalop, Nice, Product's Brook Brand, Quality Wals, Baskin-Robins, Yanki-dudals, Carnetto.
<b>Food Oil, Food Products</b>	Dalta, Cristal, Lipton, Anpurna Salt, Aata and Chapati, Magi, Kisan, Tarla, Brook-Brand, Pilsbari Aata, Capton Cook Salt and Aata, Modern Chapati, Kargil Aata.
<b>Electrical Product, Home Use Product/ Watch</b>	GIC, Philips, Sony, TDK, Nippo, National-Penasonic, Sharp, GE, Whoolphool, Samsung, Devu, Toshiba, LG, Hitachi, Thamson, Electrolux, Aky, Sansui, Kenwood, Awa, Alwin Freeze, Career, Konka, taperwayer, Japan Life, Omega, Timex, Rado.
<b>Write's Product</b>	Parker, Paylet, windser-nutton, feber-caicel, lugzer, vik, mat-black, Koras, As, Rotring.
<b>Shoes, Chappal, Bootpolic</b>	Bata, Fluma, Power, Chairy-blasm, Aadidas, Rebok, Nike, Lekoooper, Gaisolen.
<b>Readyment Cloths</b>	All product of Lee, Berlington, Aro, Lacost, Sonphisco, Levis, Paipe Jins, Renglar, Benaton, Red & Tayler, Boyford.

*This List is published on demand from the Readers.*

# RBI should use its status more than its legal powers

**R**eserve Bank of India (RBI) Governor Dr Urjit Patel recently made a point that various legal constraints make it difficult for the banking regulator to discipline banks that are owned by the government. The Finance ministry officials and former RBI Governor Dr. C. Rangarajan contested by saying that the RBI has enough powers over public sector banks. The fact is that Indian Public-Sector banks are owned and managerially controlled by Indian government whereas their supervision is with RBI. Both the roles are important and independent of each other and still connected for all practical purposes. The owner is expected to put right input at the top level and see that they not only take decisions that are good for the owned banking institution but also follow the banking and other prescribed supervisory norms. The supervisory authority is expected to see that the banks are functioning within the banking norms that are important to protect the interests of depositor and their policies and operations are not detrimental to financial system. The government and RBI thus are complementary to each other and both need to act coordinatively.

## RBI has the status above

RBI has the status as important as other institutions like Indian Supreme Court and parliament. Thus, RBI is respected not only by financial and other apex institutions but also by all Indian citizens. Indian citizen feels that RBI takes care of their currency and financial assets and not only keep watch on financial sector but also act fast if anything goes wrong. Therefore, it is not legal powers that empower RBI but the faith of Indian public. RBI need to use this status to influence financial sector than seek legal powers to discipline institutions. Indian government should also protect this status of RBI and act on its recommendations and



*RBI is expected to supervise that the banks function within the banking norms that would protect the interests of depositions and their policies/operations are not harmful to financial system.*

**Anil Javalekar**



advice so to maintain the public faith in RBI and banking system.

### **RBI should overcome Legal constraints**

RBI's legal powers to regulate PSBs may be limited but its supervisory powers are unlimited. True, it cannot remove PSB directors or management who are appointed by the government of India (GoI), nor can it force a merger or trigger the liquidation of a PSB. RBI may have limited legal authority to hold PSB Boards accountable regarding strategic direction, risk profiles, assessment of management, and compensation. But this alone cannot be the reason for legal reforms that will empower RBI to fully exercise the same responsibilities for PSBs as now apply to private banks, and to ensure a level playing field in supervisory enforcement. RBI has supervisory powers and can direct banks to improve its operational systems and change their policy directions. Above all, it can advise government. It is very difficult for any government to ignore RBI's advice.

### **Illusory dispute between owner and supervisor**

According to RBI Governor Dr Patel, Indian legislative reality has in effect led to a deep fissure in the landscape of banking regulatory terrain: a system of dual regulation, by the Finance Ministry in addition to RBI. RBI Governor Dr Patel clarified that all commercial banks in India are regulated by the RBI under the Banking Regulation (BR) Act of 1949. Additionally, all public-sector banks are regulated by the Government of India (GoI) under the Banking Companies (Acquisition and Transfer of

*The correlation between rising level of NPAs of public sector banks & frauds probably indicates lack of requisite standards of corporate governance*

Undertakings) Act, 1970; the Bank Nationalisation Act, 1980; and the State Bank of India Act, 1955. Section 51 of the amended BR Act explicitly states which portions of the BR Act apply to the PSBs, most common thread across the omissions being complete removal or emasculation of RBI powers on corporate governance at PSBs. RBI governor expects RBI to have these powers. The ownership powers and supervisory powers are two different powers and need to be so. Acting on management directly with the powers of removal etc need to be with owner and not with supervisor. The recommendations of supervisor, however, can be made government to act compulsorily. The dispute is not of power distribution but of its use.

### **Many of bank's problems are internal**

The need is to understand that many of bank's problems are internal and need to be tackled internally. The inefficiency and frauds including enquiry and justice system, poor customer service, check and control including audit and inspection, award and punishment system, overburdened branches and staff, recruitment and training apart from unionism and high level managerial interference in oper-

ational matters are internal and are part of internal policy systems. These needs improvement and each management and each of its staff must coordinatively work on it. True, every of system is defined, elaborated and well placed in every bank and RBI has helped improve many of bank systems. However, this has not helped as the frauds of varied types are on rise, many not detected, and many cases are pending for action. RBI may not do much in this. It is the government that must act and help bank managements to be responsive to RBI suggestions.

### **Government should keep itself away from banks**

Another aspect that is important is government interference in the operational areas of the bank. Most of the time it the officials of ministries that influence management personal for favours and many times this is a give and take relationship. True, Government has upper hand that influence the appointment of directors and their behaviour in decision making including sanction of certain loans. Indian Public-sector banks are no doubt supposed to play a leading role in implementation of government programmes etc and cannot function just like private banks. However, it is to be remembered that banks must be responsible towards its depositors who are neither the owners nor the supervisors or regulator but provide major chunk of funds. The lending activity of the banks also must be a profit activity and not simply a public welfare activity. The owner, the government and the supervisor, RBI, need to coordinatively help banks to ensure that their op-

erations are profitable. For this, it is necessary that Bank management be given full operational freedom and made directly responsible for losses. Government should allow RBI to supervise the banks for all practical purposes.

### Indian government and banks need to act fast

More frauds now-a-days relates to bank loans and these are irrespective of their ownership. According to IIM Bangalore working paper 2016, the PSBs are more vulnerable in case of big-ticket advance related frauds (1 crore or above) in terms of both number of fraud cases reported and total amount involved. The correlation between rising level of NPAs of public sector banks and frauds probably indicates lack of requisite standards of corporate governance leading to more instances of high value bank loan

default and possible collusion between corporate entities and high echelon bank officials. Therefore, Indian justice system need to be streamlined with reference to the high value advances. Now, the instances are on increase of those who commit frauds in India, shift to other countries and escape Indian legal action. Indian government need to act fast and give alert for all people who are defaulters to PSBs and see that they are not escaping to other countries and face Indian legal actions.

### Legal reforms are important

Overall law and order situation is not helping society and Indian morals are on decline. The fear of law is not there, and criminals are sure of escape because of corruption. Banking personals and the borrowers are part of society and tendency is to loot public money. Therefore, law enforce-

ment must be improved. Justice system need to move fast, and its delivery should be immediate. True, India is a democratic country, and everything cannot move fast. But if law and order situation is not improved India will become a land of criminals and justice system will collapse. Therefore, legal reforms cannot be avoided for long because financial sector is its first victim.

### RBI should facilitate reforms

RBI is unique institution that is respected by all and Indian government cannot ignore its advice. RBI has the knowledge and information of entire financial sector and is in better position to understand problems. Therefore, RBI need to take lead in all types of reforms and changes required for better financial system and Government should play a supportive role. RBI should understand that government itself is its legal power. □□

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## Beginning of a new Era in China

The 13th National People's Congress in China has drawn anticipated interest from scholars and experts in the country. Given the steps to amend 'two-term' limit on the Presidency in China, the question of its larger implication on domestic politics and China's outreach efforts remains a matter of analysis.

While the domestic media hailed the development, citing its concurrence with the realisation of 'China dream', the global media has identified this change with the proverb 'President Xi forever' in China. While noting the limitation of Western notions to understand the politics in developing world, The Global Times editorial identified "strong party leadership" a key component to China's growth.

Interestingly, the office of the President has not always remained important in China where we have seen examples of Yang Shangkun (1983-1987), or even Li Xiannian (1983-1987) holding ceremonial position subject to 1982 Constitution. However, what distinguishes Xi Jinping is that he not only holds the Presidency but also the office of the General Secretary of the Communist Party of China and is also the Chairman of the Central Military Commission (CMC). He also heads more than a dozen 'small policy groups' within the Government.

Despite too much focus on describing the amendment as making Xi Jinping President for life, what lies behind the scene is how this transition towards 'centralisation of power' within the party and the Government has happened in China over the last five years. The real cause of concern should be the possible rise of Xi and its implications. The two major trends that reflect the current development



*Given the nation's unique political arrangement, it is to be seen how 'complete economic transformation' will shape and converge in the new Constitutional scheme.*

**Abhishek Pratap Singh**





are the increased role of 'personalities over institutions' and a shift towards 'individual over collective' leadership in China. In one sense, rather than building institutional authorisation, the present changes reflect more on promoting 'authorisation of power' under the present regime.

Over the years, a system of collective leadership has been built into the Chinese political system but is more likely to face a challenge given the latest amendments. After the end of Deng Xiaoping rule, the next two decades in China witnessed a rule by Jiang Zemin and Hu Jintao, who steered the process of economic reform under the same principle. The system of collective leadership was much able to form a stable, accommodative and transferable ruling arrangement in China. As Xi took the centre-stage with the 'core leadership', he has effectively 'overturned the consensus-driven collective leadership model'. With the recent changes, it would be interesting to see how China achieves a delicate balance between both.

In recent years, the issue of corruption has been an age-old phenomenon and penetrated deep into the Chinese system. Under the present regime, the anti-graft cam-

***Over the years, a system of collective leadership has been built into the Chinese political system but is more likely to face a challenge given the latest amendments.***

paign has been a key policy priority for the ruling establishment. The anti-graft campaign has been more about managing the scope and consequences of corrupt practices than rooting them out altogether. This not only got him popular with the masses, enforcing discipline within the party, responding to some contending voices, but also combined it with rule of law promotion.

Most likely to defy the age limit, he is set to become China's Vice President, marking an important shift from established practices in China. The same has been the case with China's Supreme People's Court (SPC) chief Zhou Qiang, who himself has been the country's most vocal critics of judicial independence. As the trend shows, China seems more tilting towards the importance of personalities

over institutions in the political system. All these developments have helped the present leadership strengthen its hold on power in China.

The Communist Party of China (CPC) says that the country faces unprecedented new challenges, which demand strong leadership. As China moved from revolution to reform and now towards rejuvenation, the call for strong leadership seems closely tied to the objective of Chinese dream. While some say it is too early to pre-judge if President Xi will go for the third term, no doubt, ending the two-term limit ignores the painful lesson and vulnerabilities of unaccountable power centralisation during the Maoist era, which the party itself attributes of being '70 per cent right and 30 per cent wrong'.

The 'two sessions' also discussed the plan for economic reform and innovation, along with other two focus areas being anti-corruption and protection of the environment. China is standing at a new historic juncture of development as socialism with Chinese characteristics has entered a new era. Against such background, it would be interesting to see in the future if the party's theory and Constitution, the fundamental law for State governance, are both evolving with the times and in a right direction. Given the recent developments, it remains futuristic how the 'complete economic transformation' of China, based on reform and development, will shape and converge in the new Constitutional scheme given China's unique political arrangement. □□

*(The writer is a PhD candidate at the School of International Studies, Jawaharlal Nehru University; and Fellow, South Asia Democratic Forum, Brussels, Belgium)*

## Organic farming within reach

On the one hand there is increasing realisation that both from the point of view of food safety as well as saving the natural fertility of soil, it is important to spread organic farming. On the other hand, it is also becoming apparent that the progress of organic farming has been slow and it is far from becoming a mass movement.

Why is this so? One important reason is that organic farming has not been correlated properly to the needs of our country and the majority of our farmers who are small farmers. For them organic farming necessarily must also be low-cost farming. But the trend of a big share of organic farming appears to be in a different direction as it involves expensive certification.

Hence organic farming gets distanced from the livelihood of small farmers. The marketing focus of expensive organic farming is also on richer consumers. Hence there is alienation also from the improvement of nutrition of weaker sections and small farmers themselves, which actually should be the priority.

Hence there is clear need for corrective action in the form of special efforts to relate organic farming closely to the livelihood and nutrition needs of small farmers, apart from the well-established role of organic farming in protecting the rural environment, land fertility and soil health.

This is the basic thinking behind a 'safe food' and 'India for Eco-Foods' project which is being implemented by leading voluntary organisations like the Centre for World Solidarity in Jharkhand, Living Farms in Odisha and DRCSC in West Bengal.

This project with a lot of potential has been supported by an organisation working against hunger called Wel thungerhi l fe (WHH in short). Small workers



*The project 'safe food' and 'India for Eco-foods' implemented by voluntary organizations in Jharkhand, Odisha and West Bengal can help small farmers to relate organic farming to their livelihood, nutrition needs, protection of rural environment, land fertility and soil health.*

**Bharat Dogra**



working on their own will find it hard to organize marketing of their organic produce. Hence this project is plans to get them together in farmer-producer organisations.

Small farmers find it difficult to add value, process their produce and take up other activities which demand investment. So this project is creating Common Facility Centres which will make available several processing and packaging facilities under one roof that several small farmers can share.

They will be helped in various ways in the initial difficult period to help them establish a strong base in not-so-friendly existing market conditions. This process has already started in significant ways.

Among other things, the project is coming out as a campaign in some cities to create conditions which are more conducive to the marketing of organic produce by small farmers.

While improving organic food marketing opportunities, it is no less important to improve nutrition of small farmers themselves. In a commercial approach to promote organic farming, small and marginal farmers are often ignored as their marketable surplus is likely to be very limited and is not considered to be worth investing in.

What makes the project different is that the health and nutrition of small farmers and other weaker section villagers is accorded a much higher value than any consideration of cash gain.

Many tribal farmers to whom I talked recently in Rajnagar block (Saraikela district, Jharkhand) said that their health deteriorated when they shifted to chemical fertilisers and pesticides. So they are keen to

move back to their traditional farming which of course was entirely organic.

This project helps them to make the shift in a risk-free way, while at the same time offering additional opportunities. But what tribal families value even more is that they are getting back the nutrition and health provided by organic food.

Yet it cannot be denied that even small farmers are keen to sell some crops because they badly need cash for their various needs. In this context it is a win-win situ-

***'...small farmers are keen to sell some crops because they need cash ... win-win situation, if they are able to sell the surplus in the form of organic produce.'***

ation if they are able to sell the surplus in the form of organic produce which provides much healthier and safer food to city people and in the process also earn some extra money.

To facilitate this a Participatory Guarantee System of certification is used (with technical support from Keystone Foundation) which can provide low-cost certification recognised by the government and can open doors to the better price available for certified organic produce.

This project builds further on the earlier work done by these organisations based on an integrated

view of plants and crops with farm animals, birds, manure, water and market, emphasising the close linkages at various levels and the need to use the waste of one system as input for the other, thereby minimising waste and cost.

There is an emphasis on better understanding of local resources so that their best possible use can be made, increasing self-reliance of people.

An important component of this is the protection of traditional seeds. Fortunately, at least in the villages that I visited recently in Jharkhand, traditional seeds are available with these farmers, although this availability needs to be increased by making special efforts.

A big constraint to progress in these villages, however, is water. Due to water scarcity, even enthusiastic efforts of farmers can progress only up to a point. Rainfall in normal years is adequate, but neglect of water harvesting has led to water scarcity.

Local people have good ideas about remedial action. In Rajnagar block people say that it is possible to construct a check dam on Khar-kai river at a suitable point in such a way that no displacement or harm to a flowing river will be caused but at the same water scarcity of five panchayats can be tackled by lift irrigation from this source.

Perhaps the organic farming project can also add a water conservation dimension so that opportunities being opened up to local farmers can be better utilised. A ray of hope has been created, and many people will look forward to replicating the lessons of this project at a wider level. □□

*(The writer is a journalist and has been involved with several social initiatives and movements)*

# In the Name of Science!

**L**ate President APJ Abdul Kalam said ‘Science is a beautiful gift to humanity’. Penning down curiosities substantiated with facts, figures and validations can sum up as an introduction to science. Celebrating the spirit of science recently, the 105th Indian Science Congress convention was held in Imphal, Manipur. The theme was centred around affordable sustainable innovation. This year, Science Congress focussed on bridging the gap through Innovations, Science and Technology fostering inclusive societal development. The present political leadership of the country has focussed on harnessing the fruits of research for the development of the country.

There can be no doubt that research is largely conditional to financial grant, especially in the field of Science and Technology. The Central Plan Outlay of the Government by sectors shows that since 2014, the budget for Research and Development has been on an increase. Department of Science and Technology (DST) which is a nodal department for organising, coordinating and promoting science and technology activities in the country saw an increase of nearly 14 % in the last two years financial budget allocation. Since 2013-14, there has been an increase of 61% in the budget allocation for DST.

The Department of Agricultural Research and Education (DARE) is the government linkage for the Indian Council of Agricultural Research (ICAR), the premier research organisation for coordinating, guiding and managing research and education in agriculture including horticulture, fisheries and animal sciences in the entire country. DARE had a budget allocation of Rs5700 crores in the year 2013-2014 which has been increased to Rs7800 crores in this financial year where-



*Underlines the importance of research on our scientific heritage and sensitizing our future generations.*

**Dr. Geeta Bhatt**



as the budget of Department of Scientific and Industrial Research (DSIR) under Ministry of Science and Technology increased from Rs3571 crore in 2013-2014 to Rs4795 crore in 2018-2019. Department of Biotechnology saw an increase of more than 60% in budget allocation since 2013-14. Start-ups and business incubation centres are a boost to the interface between industry and research. Biotechnology Industry Research Assistance Council (BIRAC) alone would support 3000 additional start-ups next year.

It is interesting to note that while the March for Science event across the globe was held on April 22, 2017, there was not a whimper about it on the Indian soil. The cause to hold the event internationally was a reaction to the views of US government's stand on climate change and science.

The marchers claimed that the movement was mainly to strengthen the role of science in policy-making, improve science outreach and communication, advance science education and scientific literacy and foster a diverse and inclusive diverse community. Their motto to champion science for the common good would have surely garnered support. However, the late response from the supporters of the cause in India (event held on 9 August 2017) casts aspersions on the march!

Though desired, never in the last seventy years of budgetary allocation, scientific research has been earmarked 3% of the GDP. India's gross expenditure on R&D (GERD) has more than tripled between 2005 to 2015. However, the driving force of GERD has been mainly the government where

the major share of nearly 45% is incurred by the central government, 8% by the states, nearly 4% by the educational institutes and 5.5% by the public sector. Private players, industrial collaborations and philanthropic initiatives investing and driving research can give thrust to more funds towards research.

While no one can undermine the significance of research in pure sciences and quest for new discoveries, in a developing nation like India, national priorities focus the funds on developing technology which can boost employment opportunities and minimise imports

***Present govt elected in 2014 has made a shift from an economic model based on service sector towards an economic model based on export-oriented manufacturing to foster job creation.***

especially in pharmaceuticals, medical equipment and manufacturing. UNESCO Science Report Towards 2030 published in 2015 says that the present government elected in 2014 has made a shift from an economic model based on service sector towards an economic model based on export-oriented manufacturing to foster job creation. It states that India is becoming a hub for frugal innovation (the process of reducing the complexity and cost of a good and its production), to manufacture affordable products to cater the domestic market such as in low-cost med-

ical devices. At times, public policies towards scientific research are drafted keeping economy, employability and other national objectives in mind.

ISRO's PSLV launch of Cartosat-2 Series Satellite along with 103 co-passenger satellites, successful launch of Mars Orbiter Mission (MOM), establishing India's first lithium ion battery fabrication facility based on indigenous novel materials, installing 'Drishti' a visibility measuring system which provides information to pilots on visibility for soft landing and take-off operations at various airports, developing and now cultivating an improved bacterial blight resistant Samba Mahsuri rice variety in 90,000 hectares in the states of Andhra Pradesh, Telangana, Karnataka and Tamil Nadu, installing The Ksheer Scanner, a new technological invention to detect the level of milk adulteration and adulterants in 45 seconds at the cost of 10 paise in many states are some of the significant developments.

The government initiative of laying the foundation of International Solar Alliance (ISA) in India, the first international and intergovernmental organisation (with more than 100 countries as prospective members, 60 countries have already signed the treaty and 30 have ratified it). With UN as a strategic partner, the government is contributing Rs 175 crore towards the corpus fund and meeting the expenditure for initial five years with the aim to meet the demands of clean and affordable energy in the future. Prime Minister's vision to initiate collective research and development of alternative energy will be an asset for the nation in future irrespective of the subse-

quent political dispensation.

The protest in the name of Science was also held to project that the present political dispensation is propagating unscientific, obscurantist ideas and religious intolerance. Many amongst us restrict our heritage to the conservative medieval practices. Many renowned scientists including Nobel laureate Albert Einstein have acknowledged the ancient Indian studies and contributions of scientists like Aryabhata, Brahmgupta, Bhaskaracharya, Kanad, Varahamihira, Nagarjuna, Susruta, Charak, Patanjali. A large repertoire of ancient Indian text which could substantiate the research and knowledge of ancient India in Science, Mathematics, Medical Science, Ayurveda, Yoga, Astronomy and Astrology was lost during the attacks of foreign invaders.

Our apathy towards the science in our ancient scriptures has been rooted in the Macaulay's education model which alienated us from our traditional knowledge system and still continues to be the foundation of our education post-independence. For example, not many amongst us are aware that the oldest geometry textbooks in existence have an Indian origin. The construction geometry used by Vedic priests in making fire altars has been a collection of Sanskrit texts in 'Sulbasutra' whose origin is assumed before 1000 B.C. U.S mathematician A. Seidenberg has stated in his research that the birth of geometry and mathematics had a ritual origin where a circular altar was a representation of earth and a square altar represented heaven.

The ritual was converting the circle into a square of identical area. Many astronomical observa-

tions which have been documented in Vedic texts have not been taken seriously due to the religious symbolism prefixed with them. Pythagoras Theorem is traceable to the religious text of 'Taittiriya Samhita'.

In 1822, British astronomer John Playfair wrote in his publication in Transactions of Royal Society of Edinburgh 'Remarks on the Astronomy of the Brahmins' that it was curious to find the theorem of Pythagoras in India, where, for aught we know, it may have been discovered. Pingala, an ancient Indian music theorist who authored the famous 'Chandah-sutra', a Sanskrit treatise on prosody is attributed to initiate the first concept of the binary number system. Pingala had classified Vedic meters by binary system. His work also contained the basic idea of Fibonacci number. There are innumerable examples which authenticate that our cultural heritage had a pure scientific temper.

Surely, we can't live the present in our past glory, but one needn't be oblivious of one's heritage. It is time we not only draw inspiration from our texts but acknowledge and explore the vast treasures of scientific wisdom from them. The majority of the names associated with the Science March which alleged that ideas supported by scientific evidence are being brushed aside by the present government belong to the permanent anti-government brigade post-2014. These pseudo-science crusaders themselves have been voracious against organising and promoting science in the past.

In 2012, India participated in the Asian Science Camp organised in Israel for the talented youth. This

was a platform which exposed the young from Asia, Australia and Pacific to renowned scholars with ideas on innovation and start-ups. Indian participation in this camp was opposed by the same brigade, at that time under the banner of The Indian Campaign for the Academic and Cultural Boycott of Israel because the funding agency for the camp was Government of Israel and Hebrew University. Their selective criticism is devoid of rationale and logic. They pretend to support policies based on evidence-based science but fret when promotion of Sanskrit as proposed. European countries are competing with each other in offering Sanskrit language courses.

In Germany alone, fourteen universities are giving Sanskrit language courses and are still not able to meet the demand. Recently, researchers at the Basque Centre for Cognition, Brain and Language in Spain have reported the fascinating impact of chanting Sanskrit mantras on the human brain. The pseudo-science crusaders are the propagators of the Aryan invasion theory which lacks in scientific and archaeological evidence but mock the existence of Sarasvati river as 'mythical' which has been traced by Indian Space Research Organisation (ISRO) using remote sensing.

The legitimacy to the epoch of science in the Indian context has seen more resistance from within than from outside. It is important to research our scientific heritage and sensitize our future generations about the age of positive science in India, bringing forth their perspective of objectivity, experiments, observations and logical analysis. □□

(The author is an Associate Professor at University of Delhi)

# Gulf of Cambay can become gateway to prosperity in Gujarat

The Gulf of Cambay (or Khambhat) extends from north to south about 200 kms and the width varies from 25 km at the inner end to 150 km at the outer mouth, covering an area of about 17000 sq. km. Narmada, Dhadhar, Mahi, Sabarmati and some rivers from Saurashtra region flow into the Gulf of Cambay, pouring several million cubic meters of sweet water into the sea.

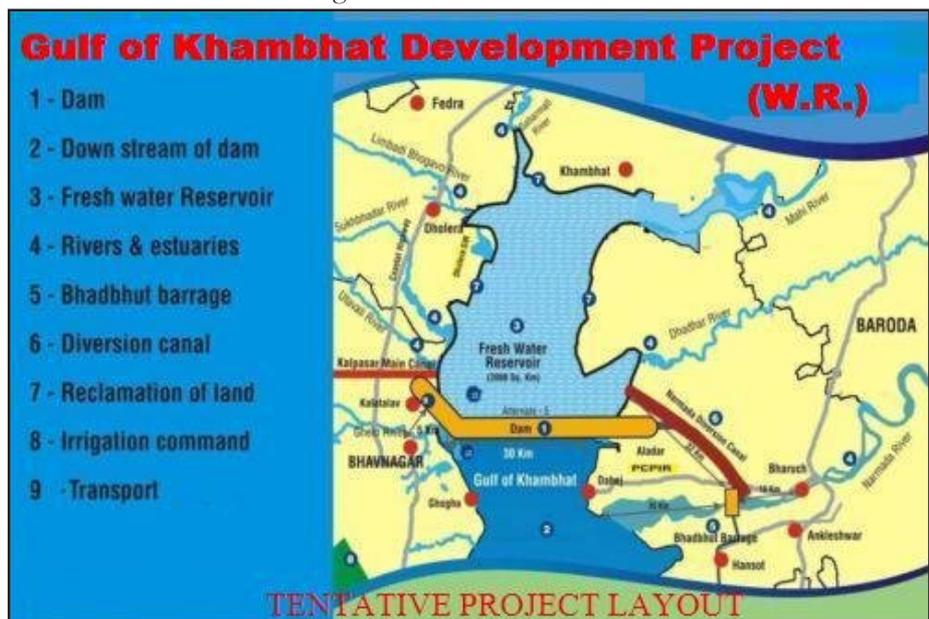
Gujarat is a water deficient State. It occupies 6.4 % of land area of the country and has 5% of the country's human population, but its surface water resource is only 2% of the country. The idea of constructing a dam across the Gulf of Cambay, and thus restricting the sea water out side thereby saving and storing sweet water from these rivers into a huge manmade reservoir was mooted long ago. Renowned public dignitaries made suggestions from time to time for construction of a dam across the Gulf of Khambhat.

About twenty years ago, a pre-feasibility study was carried out followed by a technical feasibility study. "Kalpasar" project was launched and an Expert Advisory Group and a Steering Council of Ministers as the apex decision making body were formed to deliberate and approve all major aspects of the project. Further, due to the complex nature of work, a Committee of Secretaries headed by Principal Secretary was also constituted with a view to resolve issues related to technical sanction, rates for all types of works and agreements, environmental, social, economical and Public-Private Partnership related policy issues, etc.

It was envisaged that the project would create world's largest man made fresh water reservoir in the sea and make available about 6500 million cubic meters of fresh water for irrigation to over 10.5 lakh hectare land in 39 talukas of



*Gujarat is a water deficient State. It occupies 6.4 % of land area of the country and has 5% of the country's human population, but its surface water resource is only 2% of the country.*  
**Ashok Varma**



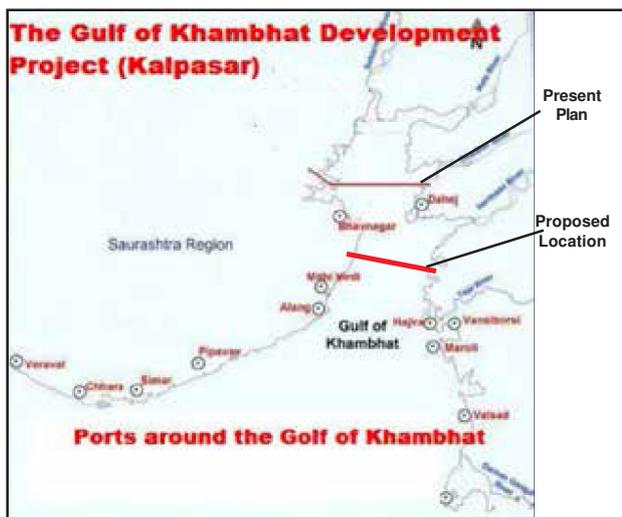
6 districts of Saurashtra region, besides making available drinking water for Saurashtra and Central Gujarat regions. Besides making available water, the project would also generate 1470 megawatt power through Wind and additional 1000 megawatt through solar energy.

A 10 lane road and a railway track over the dam would connect Dahej and Bhavnagar, reducing the road and rail distance between the two important cities by around 200 kms to 225 kms and triggering exponential industrial growth in the entire belt.

Numerous other indirect benefits have also been envisaged such as about 1.5 to 2 lakh hectares additional land becoming available through reclamation due to end of high tides, generation of high level fresh water table in Saurashtra and Central Gujarat, reduction in soil salinity, development of tourism, improvements in the ports, boost to fisheries etc. As per one estimate, the project was to cost about Rs. 60,000 crore and the media report in January 2017 stated that as per the estimates of revenue generation, the project would give 12% return.

The project had been moving at average pace initially. Several resolutions were passed between 2006 and 2011. The Expert Advisory Committee met at least a dozen times, several technical studies were carried out and technical experts of international repute were hired. The newspapers carried a report in early 2017 that the project might take 20 years to complete.

The project could still be worked out with a better pace. The



Project has far more potential than envisioned till now, and can certainly be completed much faster and at a much lesser cost than being projected now. Some of the possibilities are:

Instead of a conventional dam, it could be a much wider rock and clay dam, constructed by dredging the sea and developing the entire area as a unique reclaimed land with holiday resorts, forests and public entertainment parks. Aswan dam in Egypt was constructed in a similar manner.

The site of the dam should be further south of where it has been envisioned now, taking Dahej and Bhavnagar ports also in the sweet water part.

There could be a navigation lock system connecting the two sides of the dam through a pair of gates allowing movement of ships from one side to the other at different levels, which would be a further tourist attraction, and luxury cruises could be deployed.

An island resort could be developed in the fresh water lake area for tourism purposes.

Water sports could be encouraged.

An international airport could

be developed on an artificial island like the Kansai airport (Osaka) to share the load of traffic from Mumbai, Delhi and Ahmedabad airports. This could be developed as the best airport of India, comparable to Dubai and Changi.

The difference in level on both sides could be further utilized to generate hydro-electric power.

The entire sea front would now be more similar

to a lake front due to calm and static water level and could be developed along with a rail track/road for even better connectivity with remote small areas, triggering growth in these areas also.

All these projects would be commercially very attractive and many private players would come forward to invest in these, thus saving the Government significant investment. In fact if planned with a good strategy, after the initial technical studies, the Government may not have to invest any more, but would earn by giving licenses to private operators for all such activities.

Such promising project should not be standstill for so long. It is hoped that a fresh look at the project be given, whatever obstacles have appeared, be removed, and a dynamic leader should be entrusted to steer the project forward.

This would be a great contribution to the state of Gujarat by reducing long distances for passengers & freight, providing fresh water to Saurashtra and giving push to growth & prosperity of Gujarat at state. □□

Source: Infraline Plus (December 2017)  
The author is former Director, Onshore ONGC.

## SJM wants an end to royalty payments to Monsanto



Swadeshi Jagran Manch (SJM) has urged the Agriculture Ministry to remove the royalty or trait value attached to Bollgard II (BG-II) cotton seed. The specific Bt cotton technology introduced by Mahyco Monsanto Biotech Limited (MMBL), and sublicensed to Indian cotton seed manufacturers, was allegedly ineffective in arresting crop losses to the farmers in Maharashtra during the previous crop seasons, it said.

In a letter to Shobhana Kumar Pattanaik, Secretary, Department of Agriculture, Cooperation & Farmers Welfare, SJM said that the official committee that is collecting inputs for fixing the trait value and the MSP of Bt cotton seeds for 2018-19 should remove the trait value for BG-II this year and reduce the MSP of Bt cotton seeds to the farmers. The government had fixed Rs 49 as trait value for a 450-gm packet in 2016 and 2017.

Pointing out that the total amount collected by MMBL since the introduction of its BT cotton trait in India in 2002 was Rs 8,000 crore, SJM wanted the government to pressurise the trait developers - Monsanto and their group Companies - to compensate for the farmers' losses.

"Despite the Bt trait failing and leading to severe losses to the farmers more particularly in Maharashtra, the Controller (government) did not direct the trait developer MMBL who collected about Rs 500 Crores in 2016-17 and 2017-18 from the farmers to pay any compensation to farmers who are in distress", Ashwani Mahajan, National Co Convenor, SJM states. "The directions from Ministry of Agriculture would have accelerated actions from Maharashtra to give some relief to farmers who suffered due to heavy infestation of Pink Bollworm (PBW)", he adds.

Mahajan also questioned Monsanto's claim of 'the magic increase in cotton productivity due to adoption of Bt trait' and said that 'the increase in cotton

productivity was more due to 30% area increase in the same period and due to hard work of farmers'.

"Fixing of trait value of Rs. 49/- for a failed BG 2 trait while the earlier BG-I trait value with similar efficacy remains "zero" reflects utter negligence on the part of the concerned officials", Mahajan says.

According to him, the low price of BG-1 seed, the cost of production of which cannot be lower than that of BG-II seeds, is encouraging the monopoly of MMBL in the cotton seed business. "Nobody would produce BG-I seeds and incur loss. All seed companies are only producing BG 2 seeds. Due to this the farmers are suffering as BG-I seeds are not available in the market and they are compelled to buy only BG-II seeds thereby paying Rs 49 extra on every pack and thereby benefitting MMBL", Mahajan says.

SJM called for same seed value for both BG-I and BG-II seeds based on the rational cost computation and wanted the ministry to "examine the facts carefully and take correct decision in the interest of the farmers and the Nation".

<https://www.businesstoday.in/current/economy-politics/rss-affiliate-sjm-wants-an-end-to-royalty-payments-to-monsanto/story/272297.html>

## Use WTO mini meet to raise third world concerns: SJM to Prabhu

SJM has urged the Ministry of Commerce to utilise the forthcoming WTO mini-ministerial meeting to raise issues bothering India and other third world countries that are being bulldozed by increasing protectionism among developed economies.

"SJM did a series of stakeholder consultations and resolves to urge you that the mini-ministerial meeting is an occasion for reclaiming the development space at the WTO. Towards the end, India must show leadership and issue a statement jointly with other developing countries emphasising the critical role of Special and Differential Treatment (S&DT) provisions for all developing countries in WTO agreements," SJM national co-convenor Ahwani Mahajan wrote to Union minister Suresh Prabhu.



The SJM functionary also reminded Prabhu of the need to ensure India's needs of food security. "The challenge of food security is not unique to India, but is a matter of great concern to all the developing countries. In the mini-ministerial, the joint statement must reflect the emphasis that WTO rules must not come in the way of governments addressing food security challenge and WTO members must urgently resolve this issue," the letter said.

Mahajan also reiterated that the joint statement on development must emphasise that international trade is not an end in itself, but a means for development and economic growth and without suitable S&DT provisions, developing countries would be unable to fully participate in international trade and benefit from it. Mahajan also reminded that the US had reneged several times on its promises made at the WTO. "US, along with other developed countries, are changing their priority and resolving to move towards a fast-track work programme on rule making in e-commerce, investment facilitation and limiting subsidies for illegal and unreported fisheries. This must be checked."

Urging the minister to preserve India's emerging e-commerce from onslaughts from developed economies, Mahajan said, "At the forthcoming mini-ministerial meeting, India along with other like-minded member countries must come out with a joint statement opposing multilateral negotiations on this issue."

<http://www.dnaindia.com/business/report-use-wto-mini-meet-to-raise-third-world-concerns-sjm-to-suresh-prabhu-2595193>

## SJM asks government to commit on food security

A day ahead of the start of the mini-ministerial conclave of the World Trade Organisation (WTO), Swadeshi Jagran Manch (SJM) has asked Union Minister of Commerce & Industry and Civil Aviation Suresh Prabhu to make definite commitments on substantive issues, including food security and foodgrains stock holding.

SJM has also asked the minister to ensure that India puts forward its interests on negotiations on e-commerce, fisheries, and investment facilitation at the meet. Reminding that the Nairobi conclave in 2015 had committed to come out with a permanent solution by 2017 on public stockholding for food security, the SJM has sought that the New Delhi summit should resolve it.



"The US refused to adhere to their promise and denied the solution on public stock holding. The US along with the other developed countries are changing their priority, and are now resolving to move towards fast-track work programme on rule making in e-commerce, investment facilitation and also limiting fisheries subsidies for illegal and unreported fisheries. This must be checked," SJM co-convenor Ashwani Mahajan said in the letter to Prabhu.

SJM has sought that "India must show leadership and issue a statement jointly with other developing countries emphasising the critical role of special and differential treatment (S&DT) provisions for all developing countries in WTO agreements".

In the letter, Mahajan advised that India could endeavour for a joint statement wherein it could be asserted that "international trade is not an end in itself, but is a means for development and economic growth; without suitable S&DT provisions, developing countries would be unable to fully participate in international trade and benefit from it; the existing architecture of S&DT provisions must be preserved and improved upon; and the concept of less than full reciprocity in multilateral trade negotiations as enshrined in GATT 1994 must be protected and extended to all developing countries, without any graduation, in future trade negotiations".

<http://www.newindianexpress.com/nation/2018/mar/19/swadeshi-jagran-manch-asks-government-to-commit-on-food-security-1789198.html>

## Trade war: India, China inch closer as US turns protectionist

The top echelons of the Chinese and Indian establishments have begun sending signals that they desire a warmer bilateral trade relationship, even as the US continues to turn increasingly protectionist. On Monday, the Indian Commerce Ministry stated that China has promised to address India's concerns about the trade deficit it carries with the former. India ran a mammoth \$51.1 billion deficit with China during

## Facebook & Data Leakages



You can run but you can't hide from Facebook. That seems to be the case as the latest scandal involving Facebook reveals that the company also collects the call and SMS details of its users.

That Facebook was recording calls and SMS meta-data was alleged a few days ago and on Monday Facebook confirmed it, although it said that it was doing so after taking permission from users. We talked about it earlier, but we thought we will explain what is the big deal here. The calls and SMS records are part of sensitive information and they show more

about you than you would otherwise suspect. For example, by looking into your call records, Facebook probably knows who is your girlfriend or boyfriend even if on the website you have set your relationship status to single.

How? Let's explain. Call records or in other words a record of who you call, how many times you call, when you call and other sundry details, which may not seem very important, reveal a lot. Chances are that the person who you call most is either someone from your family - your mom or father probably - or your wife, husband, boyfriend or girlfriend. Just by looking at a call or SMS log, Facebook can immediately identify the people who are important to you. And once it identifies the important people in your life, it can narrow down and categorise them. This is big data at work. This is algorithms at work. And Facebook is really good at big data and algorithms, and to use them to reveal real-world connections.

Chances are that Facebook already has your family details. It knows who is your mother. It knows who is father, and siblings. Everyone is on Facebook, and they probably too are. By connecting the dots, it's fairly easy for Facebook to find out details of your partners. May be there is this person who you call every evening for an hour. May be there is a person to who you send 10 messages every day, and ping daily. The revelation that Facebook records the details of calls and SMS means Facebook sees these patterns.

And that is just one pattern. Similarly to how Facebook may know who is your girlfriend or boyfriend, even if this is information that you (probably) hide from your friends and family, it may know many more things. It may know where you go for treatment, because it may see that you make calls to a particularly hospital. It may know about your favourite restaurant because it sees you often call this particular place every Sunday morning and then it may know using GPS that you go there during the lunch time.

The calls and messages details, even if the actual calls and messages are not peeped into or recorded, can reveal a lot about you. And you should worry that Facebook knows this about you. □

<https://www.indiatoday.in/technology/features/story/facebook-knows-who-is-your-girlfriend-or-boyfriend-even-if-your-relationship-status-is-set-to-single-1198165-2018-03-26>

2016-17. The statement comes in the wake of a meeting between the visiting Chinese commerce minister Zhong Shan and Indian commerce minister Suresh Prabhu, where both ministers discussed addressing the trade imbalance, with India requesting greater market access for several agricultural products. "Chinese minister Zhong Shan welcomed Indian investment in China and promised to address the trade deficit between the two countries," the statement said.

China's promise to address the trade deficit issue is significant. The US' current protectionist stance, with a particular focus on reducing its own massive \$375 billion trade deficit with China, is likely to open a vacuum in trade that can be exploited by other countries like India. A DGFT source had told TNIE on

Friday that India's government was split between siding with the US despite its protectionism, or exploring other options like China. Meanwhile, the US has not left India out of its crosshairs, with challenges being raised at the WTO on India's export subsidy schemes.

Meanwhile, India is also fast-tracking other important trade agreements. Commerce Secretary Rita Teotia on Monday said that chief negotiators of India and European Union (EU) will meet later this month to talk on the long struck FTA (free trade agreement) between the two economies but India is unlikely to entertain the EU if they come with any pre-condition.

**No separate UK pact until Brexit is complete:** Commerce secretary Rita Teotia said there will be no pact between the UK and India until Brexit is com-

plete. “While their trade minister has expressed interest and we will be interested... it is an important component of our trade with Europe. But, we need to wait till the contours of Brexit are clear.” Teatota said.

<http://www.newindianexpress.com/business/2018/mar/27/trade-war-india-china-in-closer-as-us-turns-protectionist-1792947.html>

## Govt threatens to ground airlines who appoint directors sans security nod



The civil aviation ministry has said it would suspend operations of airlines and non-scheduled operators, which appoint directors without prior security clearance. Last January, the civil aviation ministry had issued an order advising airlines and non-scheduled operators not to appoint board members without prior security clearance.

“Despite sensitising the airline companies from time to time the airline companies have been appointing directors without prior security clearance whereas as per the relevant civil aviation requirement prior security clearance is mandatory before their appointment,” Rubina Ali, joint secretary, civil aviation ministry said in the order dated March 23.

Prior security clearance is also required in case a foreigner is appointed as CEO, CFO or COO in an airline. According to ministry officials, non scheduled operators (charter companies) were found to be flouting the rule despite instructions and added the latest order was not targeted at any particular company.

[http://www.business-standard.com/article/economy-policy/airlines-appointing-directors-without-security-nod-to-face-suspension-govt-118032600857\\_1.html](http://www.business-standard.com/article/economy-policy/airlines-appointing-directors-without-security-nod-to-face-suspension-govt-118032600857_1.html)

## Don't fret! Trade war is good for India in long-term: Former CEA

The whole world is currently fearing the trade war being waged by US President Donald Trump, with some seeing recession in America and some predicting India to bear the brunt as a collateral damage the fight US-China fight. However, noted economist Arvind Virmani has said that this trade war could be

in India's interest as the country is not a part of the global supply chain.

In a long Facebook post, Arvind Virmani said that in less than one year, the loss due to the trade war would be on both the United States and China, and the US loss will be four times more than China, while the loss to rest of world would only be between 10% to 20% of the US. In medium-term, only China will lose and its GDP growth will slump to a sustainable 4.5%.

“As India is not part of existing global “supply chains” disruption of these supply chains cannot hurt India. Au contraire (on the contrary) it provides an opportunity to attract/facilitate their shift to India, particularly FDI exporters based in China,” former CEA to the government said.

He further added that US tariffs on steel will hurt TataChorus which exports steel from EU but not India, whose steel exports are not even in top ten. “If China sells all its US treasures, US interest rates would rise sharply, but revert over 1-2 years to normal (pre sale) trend. China would take huge capital losses and a permanent decline in interest earnings. Permanent cost to US would be fraction of that to China,” Arvind Virmani added.

He also suggested that in this US vs China trade war, India must not get involved, keep a low profile, and “do whatever is reasonably possible to avoid activating anti-India lobbies in the US. A similar advice was given by former RBI governor Raghuram Rajan, who said that India should adopt a wait and watch policy on the trade war.

<http://www.financialexpress.com/economy/dont-fret-trade-war-is-good-for-india-in-long-term-heres-former-cea-arvind-irmanis-math/1111650/>

## Guaranteed crop prices to take all costs into account, says Modi

Prime Minister Narendra Modi said on Sunday a planned increase in guaranteed price for farm goods will be based on the comprehensive cost of production including land rentals and unpaid-for labour by family members of a farmer.

The government, which sets a minimum support price (MSP) for nearly two dozen farm commodities, said in its budget last month that MSP will be set at least one and a half times the cost of production. The announcement marks a major shift in the government's approach after it had kept increases in the average minimum support price to low single digits over the past three years.

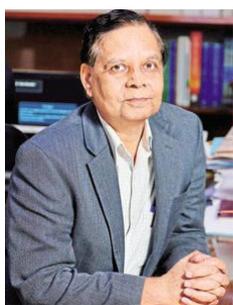
New Delhi did not spell out whether the production cost would include just input costs, or all other expenses incurred. Farmers' organisations have long demanded that the government takes into consideration the comprehensive cost of production while deciding the MSP for a crop. In his monthly address on state radio, Prime Minister Modi, who faces general elections by May next year, said the budget had taken a "big decision" to ensure that farmers get a fair price for their produce.

"If I may elaborate on this, MSP will include labour cost of other workers employed, expenses incurred on own animals and cost of animals and machinery taken on rent, cost of seeds, cost of each type of fertiliser used, irrigation cost, land revenue paid to the state government, interest paid on working capital, ground rent in case of leased land..." Modi said.

"...and not only this but also the cost of labour of the farmer himself or any other person of his family who contributes his or her labour in agricultural work will also be added to the cost of production," he added. Analysts have warned that the increase in minimum support price for crops could push up inflation and would weigh on the fiscal deficit. It could also hurt exports if domestic prices are higher than global prices.

[http://www.business-standard.com/article/economy-policy/guaranteed-crop-prices-to-take-all-costs-into-account-says-narendra-modi-11803260001\\_1.html](http://www.business-standard.com/article/economy-policy/guaranteed-crop-prices-to-take-all-costs-into-account-says-narendra-modi-11803260001_1.html)

### Arvind Panagariya makes case for privatisation of PSBs



Former NITI Aayog vice chairman Arvind Panagariya has made a strong case for privatisation of public sector banks with the exception of SBIBSE -1.48 %, saying that political parties serious of forming government in 2019 should include the proposal in their manifesto. Panagariya,

who is currently a professor of economics at Columbia University, further said that predominance of scandals and NPAs in PSBs is only one albeit important reason for privatisation of PSBs.

"I firmly believe that privatisation of all PSBs except perhaps the State Bank of India should be on the election manifestos of all parties who wish to present themselves as serious candidates to form the government in 2019," he said in an interview to PTI.

Panagariya was replying to a query related to the recent banking frauds, including nearly Rs 13,000 crore at Punjab National Bank (PNBBSE -3.83 %). The eminent economist further argued that efficiency and productivity too demand that the government relinquish its control of the large number of banks whose market valuation has dwindled despite the fact that they hold the bulk of the deposits. Panagariya noted that it is disingenuous to argue, as many advocates of PSBs do, that achieving social goals of lending requires two-dozen banks in the public sector.

"The fact of the matter is that private sector banks have often performed better than public sector banks in delivering on their priority-sector-lending obligations," he pointed out. Asked to comment on recent trade tensions, with US President Donald Trump targeting India, Panagariya said that he would not hesitate to liberalise India's trade further rather than risk the United States closing its markets to Indian goods. On Nobel laureate Paul Krugman's recent comment that India story could end with mass unemployment, the former NITI Aayog vice chairman admitted that Professor Krugman is surely right to point to the importance of manufacturing in the economic transformation of a developing country.

"I think manufacturing growth is essential for creating productive and well-paid jobs rather than escape mass unemployment," he said, adding that the economy is surely creating jobs.

"The problem we face is that it is creating very few jobs that fully exploit the potential of our workers," Panagariya insisted. Talking about overall economy, he said that India remains stable in macroeconomic terms.

"The GDP growth rate has been on the rising trend during the latest two quarters for which we have data—it rose from 5.7 per cent during the first quarter of 2017-18 to 6.5 per cent in the second quarter and 7.2 per cent in the third quarter. I expect the upward trend to continue," Panagariya asserted.

On protest by farmers across the India, the economist said he always favoured cash transfers to rural BPL households in times of crop failures via Aadhaar-linked bank accounts. "In the medium run, the government strategy of raising farmer incomes through marketing reforms and increased farm productivity are right on target," Panagariya said. □□

<https://economictimes.indiatimes.com/industry/banking/finance/banking/former-niti-vc-arvind-panagariya-makes-strong-case-for-privatisation-of-psbs/articleshow/63452428.cms>