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EDITOR
Ajey Bharti

ASSOCIATE-EDITOR
Dr. Phool Chand

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Sudama Bhardwaj

EDITORIAL OFFICE
'Dharmakshetra' Sector-8, Babu Genu Marg, R.K. Puram, N. D.-22
E-MAIL : swadeshipatrika@rediffmail.com
WEBSITE : www.swadeshionline.in

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Free Trade in the age of Trump?

Debate is on whether India should opt for protectionism or not. Different experts have argued differently on this issue. We observe that in the past countries especially developed ones have been opting the policies for protecting their domestic interest over the globalised one. Proponents of free trade argue that that it strengthens the economy and improves international relations. It encourages competition, innovation and lowers prices as manufactures compete for market share. Access to low cost, high quality products, mean people are better off. As a result, they have more disposable income to spend on local services and luxury goods.

Similarly, supporters of the protectionist view argue that tariffs and trade laws protecting local businesses are essential to maintain a healthy economy. Protectionists fear that in order to keep prices low, companies otherwise will shift their hiring practices to employ workers in areas with a lower cost of living. This results in high unemployment and a significant reduction in quality of life domestically.

Dr. Ashwani Mahajan has provided balanced and logical views over the current debate on free trade Vs. protectionism. He said because of aggressive trade by China in the last more than 15 years, markets all over the world have been overshadowed by its products. In the process, most industries around the world started getting closed. China turned into a manufacturing hub and the trade deficit of most countries started mounting. This has irked US, Europe and many other countries including India. This is an open secret that due to mass dumping of Chinese products, most of Indian non-ancillary industries closed down. Most of Indian small industries are now ancillaries of large industries such as automobile, pharmaceutical, chemicals and consumer goods. As a result, the share of manufacturing in GDP either stagnated or even declined. It is known to all that Indian domestic industry couldn't withstand competition from cheap Chinese products. Indian electronic and telecom industry couldn't take off; and Indian established machinery, chemical and consumer goods industries were badly hit. Therefore, there should not be any doubt that we need to protect our economy from this unfair competition.

– Anish Kumar, Bihar

EDITORIAL OFFICE

SWADESHI PATRIKA

'Dharmakshetra', Sector-8, Rama Krishna Puram, New Delhi-22

■ Tel. : 26184595, E-Mail: swadeshipatrika@rediffmail.com

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Quote-Unquote



We should focus on increasing exports. We should not dump products, but sell them on their quality. We need to have a balance between agriculture, industry & commerce. India should lead the world economy through its own model of development.

Respected Mohan Bhagwat ji

Sar Sanghchalak, Rashtriya Swayamsewak Sangh



Agriculture is key to rural development. The Central Government attaches great importance to better productivity and self-reliance in the agriculture sector. The decision on neem coated urea has positively impacted several farmers.

Narendra Modi

Prime Minister, Bharat



Coopearation between China and India – two major emerging markets – can have a global impact.

Xi Jinping

President, China



Development of the country is not possible without the development of villages.

Ravi Shankar Prasad

Law & Justice, Information Technology Minister, Bharat

Please! No Politicking on Banking Crisis

When 4 years ago as the then Governor of Reserve Bank of India gave a statement that, Indian banking is in crisis as some big corporate are not able to repay their loans, the whole nation was taken aback. We understand that, at the time of sub-prime crisis in USA banking was shattered not only in US but in most part of the globe. However, Indian banks were not only affected, their profits were booming. If we leave aside some exceptions like ICICI bank and a few other private sector banks, which were partially affected, Indian banking system in general had become a symbol of strength in the world. Our policy makers were taking pride in saying that, Indian banking system is decoupled from the global banking system and therefore upheavals elsewhere cannot affect the same. For any loan to become NPA there could be two reasons. First, due to bad management or corruption, loans are given without scrutiny or assessment and borrowers are unable to pay back. Secondly, due to slowdown in the economy, business houses/corporate are unable to make repayment of loans. If we go deep, we find that because of the economic mismanagement, scams and crony capitalism of the previous UPA government, many loans are found to be given without reasonable scrutiny and loans have become NPAs now. It is possible that, there are problems of repayment of loans by many businesses/corporate due to slowdown in the economy, it is found that major amount of loans have become NPAs due to faulty distribution of loans. Cases like Vijay Mallya, Nirav Modi etc. are examples of the same, where either the financial credentials were either ignored or scams were not stopped due to lackluster approach or connivance of the management with the borrowers. Lack of technical capabilities of the banks is also being seen as a reason for lack of timely detection of the scams.

Last UPA government's regime was full of scams. Many big scams were brought to light by Comptroller and Auditor General of India (CAG). Distribution of loans to otherwise ineligible candidates can be considered to be an extension of these scams. It is notable that most of the NPAs and banking scams which have been exposed are where loans were granted under previous UPA regime. Although most of the directors in banks are nominated by government or the Reserve Bank of India, however, in the event of scams nobody seems to take the responsibility of the same. Interestingly, in the event of borrowers fleeing the country, those in whose regime these loans were given, blame the present government for allowing the culprits to flee. For the last few years since NPAs had been rising blame of the same is being put on the mismanagement of the present government. Opposition leaders are also heard saying that government is writing off these loans. They try to create this impression that these loans have been waived off and borrowers of bad loans have been relieved of their liability. However, the fact of the matter is that in 2017 merely 13 percent NPAs have been written off (not waived off), as compared to 25 percent during 2011 (under UPA government). We must understand that writing off loans is a process under law with respect to NPAs. However, it does not imply that borrowers have been relieved of their responsibilities. Government has actually been making different efforts to recover these bad loans, of which passage of insolvency and Bankruptcy Act in 2016 is the most important step. According to this law if any individual, firm or a company is unable to honour its liabilities within a specified period of time, its assets would be sold off according to a specified process and loans would be paid. Prior to this there was a long process of declaring any individual firm or a company insolvent and therefore, the burden of loans and interest would increase manifold in the meanwhile. Apart from this strict action are been taken against the willful defaulters. Whether it is Vijay Mallya or Nirav Modi, serious official level talks are going on to bring them back and attach their properties in foreign countries. According to the Secretary, Department of Corporate Affairs, Government of India, in the month of June 2017 twelve cases were referred to the department out of which, half of the cases, encouraging outcome has been noticed. Reserve Bank of India has referred 21 cases to Insolvency and Bankruptcy Board on which action has been initiated. It may be noted that once such cases are referred to the board, 6 months' time is granted, which could be extended by another 90 days. According to board's chairman, the board has received cases with respect to 650 companies, of which action has been initiated in case of 500 companies.

Those who are trying to rake up the debate about privatisation of public sector banks should exercise restraint and opposition should also stop politicking the issue, so that confidence of the people could be reestablished, in the banking system.

Need to rethink on Air India sale



For the past few years, there has been a serious attempt, aimed at disinvestment of Air India. The argument, simply is that due to continuous losses, Air India in proving to be a big burden on the exchequer and therefore should be handed over to private sector.

JRD Tata founded this Air lines in 1932, which was named Tata Airlines. Since then, this owns has made enormous assets, earning huge profits, almost consistently. At present Air India arms 132 aircrafts and fly on 94 domestic and international routes. Before merger of Indian

Airlines and Air India in 2007, Indian Airlines was operating on domestic routes, while international routes were served by Air India. As there was no competition for Indian Airlines domestically before private sector players were allowed, it had been making unhindered profits. Air India, being a reputed airline internationally, had always been a first choice of Indian Diaspora and international tourists too have been preferring this airlines. At present, Air India is also a member of 'Star Alliance', a reputed alliance of international airlines. Due to its capacity, efficiency and large size, it came to be known as 'Maharaja' Airlines (perhaps not just due to Maharaja Mascot). Today Air India has landing rights at 30 places internationally and it's in possession of enormous tangible and intangible assets.



Unwilling buyers on the one hand and opposition in the country on the other may bring this attempt to a halt and government may think of changing its strategy.

Dr. Ashwani Mahajan

When Air India got trapped in losses?

Air India has not been incurring losses in the past. Air India today is different from Air India in the past, prior to merger, Air India and Indian Airlines were two different entities. At the time of merger, losses of the merged entity were hardly rupees 770 crores, which increased to rupee 7200 crores in 2009. Rampant inefficiency and mismanagement on the one hand and rising fuel prices on the other multiplied the woes of Air India. To somehow reduce its debts Air India sold a few aircrafts (there were even allegations, that these aircrafts were sold at less than market price). There are very few airlines in the world, which have capability and facility for maintenance and repair of aircraft; and Air India has been one of those. It not only saved them of expenditure on maintenance of its aircraft's, but also fetch them good revenue from other airlines. Unfortunately in the past few years Air India has generally lost that advantage. In 2016, this has lost its prestigious EASA certification.

Corruption is also a reason

Rampant corruption in Air India is stated to be yet another reason for its crisis. When UPA government gave a big bail out package to Air India in order to

take it out from the blues, it decided to purchase dream liner aircrafts for its international operations. Government then faced serious charges of corruption. Aircraft were purchased without even making the assessment of need and without much negotiations. Whereas, its a practice that aircraft manufacture offer 35 to 40 percent discount, but no attempt was made to get any discount. Profit making routes were handed over to private airlines like Jet Airlines and Kingfisher. This shows rampant corruption by the decision makers then (UPA government).

Royal style of Maharaja

When aviation industry has been under huge stress due to cut throat competition and rising fuel prices, private airlines and public sector airlines all over the world were making huge losses, royal styles of Air India was astonishingly exemplary. Some examples are as follows. Every retired officer of Air India gets 18 free air including 9 international travels. Working staff and officers obviously get huge facilities. Whenever, Airlines operating profits increase, all employees get an increment in their salaries. Despite losses for a longtime, royal style never ends.

Improvement in recent years

Though, Air India has continued to incur losses due to huge burden of interest and principal on debts of yesteryears the efficiency criterions there has been showing significant improvement. In the last few years Air India is showing operating profits, but due to repayment burden it is incurring losses. Criterions like passenger load, daily flying hours, occupancy ratio etc. All show improvement in the

last 6-7 years. Cash loss which was rupees 3991 crores in 2016-17 has come down to rupees 1674 crores in 2017-18. There has been an increase in number of passengers by 15 lakh in last one year. Passenger revenue has also increased by rupees 1845 crores in just one year. Air India management and employees have perhaps risen to the occasion in the last one year.

Is disinvestment a solution?

Government has made up its mind to transfer 76 percent stake in Air India to some other airlines and sell it partially. However, any company purchasing this stake will have to take its debt along. Under these conditions, when 'Expression of interest' (EOI) has been called, most of the Indian companies have taken their hands off from the same. One company, which may submit expression of interest is Tata, and has stated to take final call only by May 14, 2018, which is the last day for submitting EOI. Tata Singapore Airlines is likely to give consent to the deal. Rashtriya Swayamsevak Sangh and many other organisations including Swadeshi Jagran Manch and Bharatiya Mazdoor Saingh have also shown their displeasure over the proposed sale. Unwilling buyers on the one hand and opposition in the country on the other may bring this attempt to a halt and government may think of changing its strategy.

There is no doubt that despite the fact that Air India is neck deep into debt, it has huge assets, both tangible and intangible like land, offices, international routes, landing right, maintenance facilities etc. And its still a Maharaja Airlines. Present losses are due to rampant

corruption inefficiencies and lack luster approach of the government (s) so far. There is no reason why efficiency criterions could not be made better in tune with the other players. If with slight improvement in the indicators, Air India could start earning operating profits, passenger revenue could increase by rupees 1845 crore in one single year, then why it could not be multiplied? Corruption and inefficiency in the past cannot be taken as reason to sell the Airlines. Even Comptroller and Auditor General of India (CAG) has shown its satisfaction over improvement in efficiency criterions. Under these conditions, in view of the possibility of the turnaround in Air India, there is a need to efficiently manage Air India, instead of handing over the same into foreign hands. We should not forget that national carrier has the history of running unprofitable routes just to fulfil its social responsibility. It connects all state capitals, even loss making routes. It has the distinction of bringing home lakhs of people stranded in foreign soil and also helped army number of times. It flies people to remote areas, where private airlines flatly refuse to operate.

Also we should not forget that in view of losses of many companies, banks have rescheduled their loans, waived off interest partially or fully. Air India is also a commercial entity. It should not be treated differently being a government company. We need to take Air India out of their huge debt by restructuring. Government should rethink about its plan. Even if it wants to disinvest from Air India, it can do the same after bringing it back on track and selling Air India shares in the market. □□

Why should we not sell the 'Maharaja'?



Introduction

Following the in-principle agreement to disinvest Air India, an Expression of Interest was drawn by the government of India which ends on 14th May, 2018. This is strategic disinvestment whereby Government loses 76% of share equity capital and management control to Private player. NITI Aayog feels that Air India is an unviable non-priority company in a matured and competitive aviation sector which is proving a burden on financial resources of the government. A key argument which NITI Aayog raised is that government should be focussing on social sector development rather

than using taxpayer's money to maintain ailing companies with huge debts. In fact, Mr. Jaitley had first proposed disinvestment of Air India in 1999 as Civil aviation minister. Mr. Jaitley now has termed it a historic second chance to disinvest Air India. While it is clear that Air India can be turned around just like Spice Jet, Government has made a resolve to divest its stakes in Air India. In his 2nd attempt Mr. Jaitley is not mincing words and he is straight into getting it done. He said "disinvestment is an art of possible and we will show how to do it." Privatization in airways is not uncommon around the world. British airways was privatized in 1987. Germany's Lufthansa (1994), Australia's Qantas (1992), Austria's Austrian Airways (2008) were all privatized.



Given the turnaround performance of Air India lately in terms of operating profits, load factor and passenger carried, government should rethink its decision on disinvestment.

Harsha Vardhan

History and Background

It is interesting to look at background of national carrier which was so dear to at least three generations of travellers. Air India had its origin in Tata sons, founded by J.R.D Tata in 1930, an Indian aviator and business tycoon. Tata Airlines was born with an initial investment of Rs. 2 lakh from Tata Sons. Being an avid flyer, he himself drove airline's first air mail from Karachi to Bombay (now Mumbai). The turning point came in 1953 when during the Nehruvian socialism the airlines was nationalized. Though JRD Tata restricted the move citing it's beyond government to maintain airlines. Nehru convinced Tata by giving him total control of Airlines and making him chairman. But soon it all changed when government started meddling with affairs of Air India. It went through a rough phase in 1970's but managed to sail through all along. Air India maintained monopoly due to the Air Corporations Act, 1953. The act was repealed in 1994 paving way for private airlines to enter the market. Air India dominated the skies with a market share of 40% in 2005. But the share kept on dwindling from 2005.

The probable downfall was the merger with Indian Airlines in 2007. The combined losses for Air India and Indian airlines in 2006-2007 were Rs.770 crores (US \$120 million) and after merger it went up to Rs.7,200 crores (US \$1.1 billion) by March 2009. While a consolidation is always a good idea as it can bring economies of scale many feel that the merger was not handled properly. It is ironical

that an IAS officer handling animal husbandry was roped in to manage merged airline which was in such a mess. Harsh Vardhan, CMD of Vayudoot (once a joint venture between Indian airlines and Air India) feels that Air India lacked professional management at the top. He feels that IAS officers and government bureaucrats are not fit to hold reins of the company that has cut-throat competition. He felt an in-house talent would have handled the affairs better. Profitable routes, prime times were siphoned off to private companies which largely affected the market share of the company. To make matters worse CBI (Central bureau of Investigation) registered a case of alleged irregularities during UPA rule when 111 planes were bought in 2005 for Rs.71,849 crores (US\$10.8 billion). The deal was known to be grossly over-priced.

Air India- a jewel in sky

Air India is the official Indian national flag carrier. It represented Indian culture in its essence in every way possible- Women clad with neat sarees, to curtains and delicious food. Air India has a strategic role in the current geo-political scenario. It acts as a key transporter of major defence equipment. It was also used for several key evacuations. The airline entered the Guinness Book of World Records for the most people evacuated by a civil airliner. Over 111,000 people were evacuated from Amman to Mumbai, a distance of 4,117 kilometres (2,558 mi) during Persian Gulf War. It is also used in most emergency situations in and outside India. One thing that stands out is that it is deeply attached to Indian psyche more than any airline.

Jaitley said “Air India can continue to be a national carrier and somebody else pay for its management”. But whether or not private players can still maintain the true essence of carrier is doubtful. As of Q3-2017, Air India along with its subsidiary has 42.8% share in the international traffic among the Indian carriers and 16.9% of global airlines share. It has around 12.3% market share in the domestic market.

Air India is one of the most extensive flight service providers in India with network coverage of

As famous political activist Naom Chomsky rightly said “that’s the standard technique of privatization: defund, make sure things don’t work, people get angry, you hand it over to private capital.” This rightly

around 93 destinations (54 domestic destinations with around 2330 departures per week and around 39 international destinations with 766 departures per week). Further Air India is member of prestigious Star Alliance whereby it improve its travel experience of consumers by collaborating with 28 other member airlines by using co-locations, infrastructure communication and other services.

Further, it also has codeshare agreements with more than 27 Airlines which helps it to connect 51 additional destinations. Apart from

these core assets, Air India over the years has acquired certain other assets. The airline’s other assets include commercial rights in London Heathrow, land in Tokyo, Hong Kong and Nairobi all bought during prime time when the airline commissioned paintings by Indian modern artists and hired surreal paintings by surreal artist Salvador Dali in 1960’S to design ashtray.

Employees

The main resistance government is facing is from the employee unions with a strong and formidable workforce of 21,137. A government owned company gives them job security and many allowances which many private companies hesitate to even consider. While Amitabh Kant feels that employees are going to benefit in long run. This might not be the case as private companies look to consolidate their position which would mean job cuts, cutting short on allowances and extra royalties which are part of every state owned companies.

Trade unions such as Bharatiya Mazdoor Sangh (BMS) have taken up protests against government decisions raising issues like unemployment. They feel that at times when unemployment is high it is unwise to sell a public sector company which is sustaining economy in many ways.

Buyers

If Tata group acquires the airline it would be a full circle coming back to the original owners. We should not forget that Tata’s financial position is in red zone after acquiring Corus Group (now Tata Steel Europe Ltd.). Tata has recently said that it would be willing to buy Air India along with Singapore

Airlines. IndiGo was also a potential buyer of Air India. As soon as announcement was made by Inter-globe Aviation, which runs IndiGo to buy Air India its shares have dropped by 8%. Lately, IndiGo and Jet Airways also have dropped the bid for a stake in Air India. The investor sentiment is that anyone buying Air India might end up in a debt spiral. Conversely, Amitabh Kant feels that Air India sits on a number of very good routes, doesn't have excessive staff, very good planes, landing rights and many other strategic assets. He feels from any buyers view point it is a very good buy.

The govt is also considering for a buyer who can take in the debt related to purchase of aircraft while it can hive off the assets and remaining debt into another new company. International player such as Overseas airlines Etihad Airways, Singapore Airlines, Lufthansa and International Airlines Group, the owner of British Airways, have also shown interest after local player IndiGo and Jet Airways have decided not to bid for Air India.

Turnaround Times

In 2012, the United Progressive Alliance (UPA) government approved a turnaround plan of Rs30,000 crores till 2021 for Air India. Though it yielded certain results, it wasn't successful in turning around the airlines. There was clear intent by the previous government to neglect Air India and then pass it on into the private players. The private players would be huge beneficiaries since they can get Air India for much less than it is actually valued. And not to mention the huge lobby of private consultancy which is ill-advising government on Air India deal.

Air India is a jewel in the sky

which the government cannot afford to loose. What it needs is efficient turnaround plans which can revive its early glory. There are enough evidences to show that Air India has been performing better in past 2-3 year which warrants enough evidence that by disinvesting Government would be doing a grave mistake. The Operating profits of Air India have improved over the past 3-4 year which showed signs that indeed Air India is performing better. From a negative Operating profit in year 2012-2013, it now has positive Operating profit of Rs. 4,865 crores. Further, the passengers carried has been increasing over years the which is very good sign. Load factor which measures the efficient usage of resources has also been increasing which says operational performance of Air India is much better than it was 3-4 years ago.

Conclusion

As famous political activist Naom Chomsky rightly said "that's the standard technique of privatization: defund, make sure things don't work, people get angry, you hand it over to private capital." This rightly describes the mindset of the past governments. This looks more like a deliberate attempt by previous governments which now lead to government taking the current decision.

Further, unless and until interest outgo is reduced and operations are streamlined no buyer is going to find Air India a viable option to buy. And just 2 weeks for the Expression of Interest lapse, we are unsure whether there would be any buyers coming forward. And following the comments of RSS Sarsanghchalak Mohan Bhagwat ji, government would be cautious to-

wards showing interest in foreign buyers.

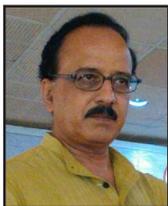
Given the performance turnaround of Air India in terms of Operating Profits, Load Factor and passengers carried, the government should reconsider its decision on disinvestment. Rather it should make key decision regarding the management of Air India and turn into a successful Corporate entity. Instead of offering the strategic sale and loosing controlling over the ownership and management it can divest it stakes like done in the case of recent public-sector companies; This means releasing a chunk of shares in the stock market through IPO. The proceeds of which could be used for settling debt and restructuring company. But who would purchase the shares of debt laden company? Therefore, writing off debt should precede public issue of shares. Since, the interest outgo of such a huge debt is approximately Rs. 4000 crores which is approximately equal to the Operating profit. The government should consider writing off significant debt to reduce the interest outgo and thereby giving it a clean slate to start afresh. Further, the government should consider dividing Air India into core and non-core assets. While efficiently using the core assets it should slowly hive off and monetise the non-core assets which according to some estimates is large sum of money.

According to Airbus Global Market Forecast 2017, the India market would be around 5 times the current size in the next two decades. Therefore, government would not only miss huge market potential but also loose on future revenues if it offers a strategic sale now. □□

Redressal of farmers woes need new economic thinking

Their impatience is running out. The remarkable resilience that farmers have demonstrated over the years in the face of growing stress, adversity and trauma is now beginning to break down. For almost a decade now, farmer's real income stands frozen. Yes, you heard it right, frozen. A Niti Aayog paper has worked out that the real income of a cultivator has increased barely by 0.44 % every year over a five year period leading to 2015-16. In other words, farm incomes have stagnated. This was followed by the severe blow inflicted by demonetisation in 2016. The pressure to sell their produce at whatever price they are able to get resulted in an unprecedented crash in farm prices, forcing farmers to throw their produce onto the streets across the country. Tomatoes, potatoes and onions have been the worst hit. The impact is still lingering. For instance, an analysis published recently by Agrowon showed that by invariably buying at a distress price, Maharashtra farmers have been short changed to the tune of 2,579 crore for pulses and 769 crore for oilseeds this season. The story is the same everywhere. Just to illustrate, an interesting estimate done by Swaraj Abhiyan shows that farmers are likely to incur a loss of 325 crore in the case of barley. The modal price is ruling at 15 % less than the procurement price of 1,410 per quintal.

For chana, it has shown a dramatic fall of 30 to 38 per cent in the market prices in Madhya Pradesh, Chhattisgarh, Maharashtra and Gujarat when compared with the prices farmers received a year ago. In fact, despite the fanfare, the fact remains that none of the proposed 585 eNAM mandis have been able to buy from farmers at the MSP. The modal price that is being provided in the



With 52% population dependent on agriculture, almost 60 crore people, the emphasis should be on providing gainful employment in rural areas.

Devinder Sharma



eNAM markets, which is based on the average price recorded in a day's trading, is in reality a distress price. It certainly has been a bitter harvest. The terrible agrarian crisis that prevails has brought farmer's anger to the fore. Over the year, farmers' anger has spilled to the streets. Between 2014 and 2016, a period of two years, farmers' protests across the country increased by a whopping 680 per cent. In 2016, the National Crime Record Bureau (NCRB) recorded 4,837 protests, roughly 14 protests a day.

Since then, the number and intensity of farmers' protests have only multiplied. Unless the agrarian crisis is able to sway the electoral outcomes, I don't think the political leadership will ever understand the severity of the socio-economic fallout. The dominant economic thinking is that agriculture has to be sacrificed to achieve economic growth. Agriculture therefore is being deliberately kept impoverished to keep the reforms viable. Former RBI Governor Raghuram Rajan has time and again iterated that the biggest reform would be when a sizeable percentage of population in agriculture is moved to the cities which are in need of cheaper labour.

This is what the World Bank had directed way back in 1996, seeking 400 million people to be moved out of the rural areas in the next 20 years, by 2015. Successive governments have merely followed the economic design.

Left, Right or Centre, the underlying economic thinking remains the same. Keeping agriculture starved of public sector investments, and turning farming into an uneconomical enterprise was (and is still) considered to be



Agriculture needs to be reinvented. It needs a booster dose. Since the job market has dried up, farming should be made economically viable & ecologically sustainable.

the best way to push farmers out of agriculture. In such depressing times, agriculture needs to be reinvented. It needs a booster dose. More so considering that employment in the cities has been shrinking over the years. Since 2004-04, despite the high GDP growth rate, against the requirement of 1.25 crore jobs a year, only 1.6 crore jobs in the labour intensive industry have been created.

In other words, against the expectation of 17.5 crore jobs, only 1.6 crore new jobs have come. Since the job market has dried up, common sense tells us that the challenge should be to make farming economically viable and ecologically sustainable. With 52 per cent population dependent on agriculture, almost 60 crore people, the emphasis should be on providing gainful employment in rural areas. This can only happen if the economic thinking shifts from creating an army of dehari mazdoor in the cities to rebuilding farming. It's a question of priorities.

The 7th Pay Commission is expected to benefit 45 lakh Central government employees and 50 lakh pensioners. The Union Finance Minister says it will cost an additional 1.02 lakh crore every year. But when implemented by state governments, PSUs and colleges

across the country, Credit Suisse bank tells us that the additional burden will be around 4.5 lakh crore. This will benefit an estimated 1 to 2 % of the population, the salaried class.

Surprisingly, no economist has ever asked where the money will come from nor has anyone raised the question of widening fiscal deficit. In fact, the industry calls it a booster dose since the additional money into the hands of employees is expected to create more demand. Imagine the demand that will be created from the rural areas if agriculture is to receive an annual additional budgetary provision of 4 lakh crore. Much of it should be in the form of direct income support and a higher MSP. This has to be accompanied by a mechanism of an assured monthly income package corresponding to the salary of the lowest government employee.

Although economists will raise heckles of widening fiscal deficit and the elite is going to question the source of money, the fact remains that the huge demand created in the rural areas will propel the economy in a rocket dose. This is not only good politics, but also good economics. □□

Devinder Sharma is an award-winning journalist, writer, and researcher on food and trade policy.

Cancellation of Monsanto's patent over Bt cotton by Delhi HC: Ensuring Agricultural Aecurity

On April 11, 2018, a division bench of the Delhi High Court pronounced a judgment overturning the decision of a single-judge bench regarding the interpretation of Section 3(j) of the Indian Patents Act, 1970, holding that transgenic plants, seeds and varieties cannot be patented. This is a path breaking judgment, the full import of which is yet to be assessed. The case arose over a dispute between several seed companies and Monsanto regarding Bt cotton trait fee payments. This genetically modified seed was introduced in India in 2002 amidst a raging controversy. Many “activists” were alarmed at the government’s decision to permit GM crops in India, and there were widespread agitations. Perhaps, because of that past history, Bt cotton continues to be the only genetically modified crop permitted in India, and has captured about 95% of the crop area under cotton. However, the increase in productivity has not been commensurate. The average yield was 472 kg per hectare in 2005-06 (when only about 15% of the cotton crop was covered by Bt cotton.) The yield rose marginally to 484 kg per hectare in 2015-16.

Initially, the crux of the dispute between Monsanto and the seed companies was the quantum of royalties or trait value to be paid by the latter. In 2010, some state governments fixed the maximum retail prices of cotton seeds, which included the trait values as a component. The governments did this so as to ensure that seeds were available to the farmers at reasonable prices. However, Monsanto put pressure on the seed companies to pay the trait values as determined by them on the ground that they had a patent on Bt cotton seeds. The seed companies had

Interestingly, it was not only the seed companies of Andhra Pradesh, but almost all others, along with the National Seeds Association of India, that backed this action.
Ashok Jha



no alternative but to pay under protest. In June 2015, the Nagpur Bench of the Bombay High Court upheld the right and, therefore, the action of the government of Maharashtra in fixing the maximum retail price of seeds, including the trait value. Subsequently, in July 2015, the seed companies wrote to Monsanto that they cannot pay a higher trait value. Interestingly, it was not only the seed companies of Andhra Pradesh, but almost all others, along with the National Seeds Association of India, that backed this action.

Since different state governments were fixing different retail prices and trait values, the Centre decided that in the best interest of all stakeholders, it would be advisable to have a uniform price and trait value for the entire country. In pursuance thereof, it issued orders in December 2015, fixing uniform prices for the entire country, with effect from April 1, 2016. Predictably, Monsanto challenged this diktat. It was during the course of meeting this challenge that the fundamental question arose as to whether Monsanto had a valid patent in conformity with the Indian Patents Act, 1970.

The main issue before the division bench of the Delhi High Court was whether Section 3(j) of the Indian Patents Act, 1970, excludes from patentability plants and animals in whole or any part thereof, other than microorganisms but including seeds, varieties and species and essentially biological processes for production or propagation of plants and animals.

The division bench has ruled that Monsanto does not have a valid patent and, therefore, at best, it can seek compensation under the



Delhi High Court ruled out Monsanto over section 3(j) and found that the said company does not have a valid patent rights.

Protection of Plant Varieties and Farmers Rights Act, 2001. The judgment has been criticised on various grounds; one of them being that the patent had been granted by the Patent Office of the government. This is a tangential argument. Many patents granted by the Patent Office in the past have been challenged, some successfully. All actions of the government bodies are open to scrutiny and challenge at any point in time. The entire issue has grave implications for security of agriculture in the country as nearly half the population is financially dependent on it. The Parliament was conscious of the dangers of monopoly in the supply of agricultural inputs, including seeds. That is why it excluded from patentability “a method of agriculture or horticulture” under section 3(h) and “plants and animals in whole or any part thereof... including

seeds...” under section 3(j).

Having excluded seeds, etc, from the ambit of patents to give due protection and encouragement to research, the Centre enacted a sui generis law, viz, the Protection of Plant Varieties & Farmers Rights Act 2001, to protect the intellectual property rights of breeders of plant varieties. In terms of acreage, India is ranked fourth after the US, Brazil and Argentina in adopting GM crops, but while the top three grow more than one GM crop, we have only cotton. Brinjal was cleared for introduction by the Genetic Engineering Approvals Committee in 2010, but it has been put on an indefinite hold.

It has been argued by some that this judgment of the Delhi High Court will discourage research and development in agriculture. On the contrary, others anticipate that with the clarity flowing out of the judgment, research will get a shot in the arm. Only time will tell which way research in agriculture will be impacted. But, it is abundantly clear that in a country where farming is largely of the subsistence variety, the state governments and the Centre will not let monopolists dictate prices of essential inputs. □□

The writer is Independent director on the Board of Nuziveedu Seeds.

Allow private works under MNREGA



MNREGA in its original avatar was fraught with multiple problems such as unproductive work, corruption, creating shortage of labour. Present NDA govt has given it a positive direction by including 155 items of works & allowing private works.

Dr. Bharat Jhunjhunwala

unchanged. We faced precisely such a situation few years ago.

The Food Corporation of India had purchased large amounts of wheat that could not be sold and started rotting in its godowns. At that time the Supreme Court had asked why the excess stocks of grains should not be distributed among the poor instead of letting them rot. At time the Government has also had to embark on exports of agricultural produce such as food grains or sugar to dispose of the excess production. Therefore, the increase in MSP will help increase the incomes of the farmers but we will fall from the frying pan into the fire of excess production.

The second problem facing rural India is the unintended consequences of the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA). This program has had a huge positive impact on the incomes of the poorest by providing them up to 100 days of employment. However, this has led to shortage of farm labour for undertaking agricultural operations. Agricultural workers often prefer to stay put in their villages rather than travel to Punjab for undertaking agricultural operations because they get certain numbers of days of assured employment at home. The works undertaken under MNREGA are often unproductive. Check dams have been made in my village in Uttarakhand that have got filled with mud in a few months. Village roads are repaired by earthen works but they fall into their earlier dilapidated condition in one monsoon season. Thus MNREGA shifts labour from productive farm operations to unproductive works. The combined impact of reduction of productive farm labour and making of less productive social assets is that the net impact of MNREGA on the incomes of the poor people is negligible. A study undertaken by George Washington

The Government wants to increase the income of the farmers in five years. Towards this objective it is proposed to increase the Minimum Support Price (MSP) of major crops to 1.5 times the cost of production. Indeed, this will lead to a substantial increase in incomes of the farmers. However, it will also lead to excess production of the supported crops. The farmers will reap good profits in the cultivation of the crops and sow more of these crops. The consumption of these crops say, wheat, in the country, however, will remain

University of the United States has found that the net impact of MNREGA on the poverty rate was only 1 percent against the expected 12 percent.

Another problem with MNREGA is that of corruption. Large numbers of stories are available that tell of officials taking bribes in the purchase of materials and village headmen often give employment to their family members and kin instead of the poorest in the village. Even CBI inquiries have been instituted in some cases.

The present NDA Government has made a fundamental change in the design of MNREGA which is welcome. Previously only public works like making of check dams and deepening of public ponds were allowed. Now the Government has allowed a number of private works such as deepening of personal fish ponds, putting ten sheds over livestock enclosures, making of personal toilets, and deepening of wells. The expanded the list of works allowed to be undertaken has been expanded to 155 items. Allowing undertaking of private works is welcome. By undertaking these works on his own land, the farmer not only works with full interest, but the assets created are also useful and maintained, unlike the dysfunctional check dams.

The Government has also started geo-tagging of the assets created under MNREGA. However, I reckon such well-intentioned measures will not succeed in preventing corruption in MNREGA. It is reported that the Ministry of Rural Development is engaged in consolidating the 1039 circulars issued over the last 10

years. That is 100 circulars every year. This gives a glimpse of the bureaucratic maze in which MNREGA is entangled today.

The Government is today faced with twin problems of the challenge to double the incomes of the farmers without leading to excess production; and the challenge of managing corruption in MNREGA. Both these problems could possibly be solved if the Government takes one step further. The Government has already allowed certain specified private works such as making fish ponds

The present NDA Govt. has made a fundamental change in the design of MNREGA... allowed a number of private works such as putting sheds over livestock, enclosures, making of personal toilets.

to be undertaken under MNREGA. This list could be expanded to allow all types of private agricultural works.

For example, wages of the agricultural labour can be paid from MNREGA if a farmer has to undertake weeding of his vegetable crop or he has to irrigate his wheat crop. The wages paid under MNREGA will be a net income for the farmer. He had to undertake these operations and pay the wages to the farm worker anyways. Now, the wages will be paid by MNREGA instead of him pay-

ing the same. The amount received will be a net income for him. The cost of production of the farmer will be reduced. His income will increase by the amount of monies received under MNREGA. This will assist the Government in increasing the incomes of the farmers without leading to an excessive increase in production. At the same time there will take place no waste of the nation's energy in undertaking dysfunctional works under MNREGA.

One problem is that many farm workers who get benefitted under MNREGA do not own land themselves. Therefore, they cannot undertake private works such as making fish ponds on their own lands. This problem can be overcome if it is provided that a person can work on the farm land of another farmer and claim benefits under MNREGA. Farmers will then be able to employ labour which is paid for by the Govt.

We should realize that the present policy of trying to increase the incomes of the farmers by increasing the Minimum Support Price of certain crops is destined to fail because of the excess production that will come in the wake of it. The administrative problems in the implementation of MNREGA are also difficult to handle. The solution is to free MNREGA from the list of 155 works presently allowed to be undertaken under MNREGA and allow the undertaking of private farm operations. This will lead to an increase in the farmers' incomes and poverty alleviation, rid the country of corruption in the scheme, and redirect nation's energies in a productive direction. □□

Formerly Professor of Economics at IIM Bengaluru.

Sino-US trade war forces India to look for new strategy

The trade war between US and China has neutral victim in India. The escalation is likely to hurt India forcing it to look for alternative markets as the trade growth globally may get hit.

India, though had a feeling of bettering relations with the US, is worried as the US slaps 25 percent tariff on steel and 10 percent on aluminium imports. The Trump administration exempted EU, Australia, Argentina, Brazil, Canada, Mexico and South Korea. But India is not in that list. This has led India to mull over moving to WTO dispute resolution committee to challenge the US duty hike. The issue becomes important as the US is also threatening to drag India to WTO for a number of export promotion schemes. The US says India is subsidizing exports of a number of goods.

The US moves are likely to hit handicraft, handloom and garment and some farm goods exports. China has already moved the WTO forum against US duties on steel and aluminium. A powerful US, however, has weakened the WTO on many issues. It has also made the UN having a less effective look.

India is going through a difficult patch. The global GDP was valued at \$ 75.3 trillion. The US has \$ 19.4 trillion economy and China \$ 11.9 trillion. Currently India's economy is estimated at \$ 2.5 trillion. The IMF recently forecast a global trade growth but as the situation deteriorates, it may have to downgrade its projections. The situation is slowly becoming critical. Indian exports may get hit and much to the chagrin of the US, India in many ways may get closer to China. As US president Donald Trump imposes heavy tariffs on Chinese goods, India looks to the opportunity of trebling its cotton exports to China in the wake of 25 percent import tax on 106 commodities, including cotton, from the US.



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Shivaji Sarkar



This might lead India to change strategies despite its own battle against Chinese goods. Indian cotton traders are keen on increasing the sale from 800,000 bales to about 2 million bales, each of 170 kg to China in the season beginning October. If it happens Indian cotton farmers will get better price. China so far is dependent on the US cotton and also imports it from Brazil and Australia. But the latest Chinese indirect negotiations with the US may finally reduce Indian benefits.

China wants to increase its trade with India but while it comes to imports it restricts it to raw materials largely. Indian cotton is also one such item.

India has to tread cautiously on many other areas, including its tyre industry. The US sanctions may hit Chinese automobile and aircraft tyre exports. The 17 percent fall in rubber prices at Tokyo commodity exchange and about 24 percent fall in Indian domestic market is an indicator of another crisis.

It may lead to glut in Chinese markets and consequent dumping at throwaway prices in India and other Asian markets. It can lead to a crisis for the Indian tyre manufacturers though exports are increasing at 6 to 8 percent and occasionally at a higher rate.

So far, the anti-dumping duty in India is keeping Chinese imports that had hit the Indian tyre manufacturers at bay. But there are possibilities of tweaking grades of tyres to circumvent the tariff classification. Once again India would have to move the WTO even as it fights the largest number of anti-dumping cases against China.

Indian tyre industry is thriving on domestic auto market

boom. As international players dot the country, its tyre industry has established brand equity overseas. The industry earns about 15 percent of its annual turnover of around Rs 50,000 crore from exports, according to Automotive Tyre Manufacturers Association. An imbalance in international market can hit it.

Similar cycle of retaliations may mark the WTO and hit trade growth, says WTO director general Roberto Azevodo. His comments came as he released forecast of 4.4 percent growth in trade volume in 2018 and 4 percent in

China wants to increase its trade with India but while it comes to imports it restricts it to raw materials largely.

2019. The world economy showed growth after seven years since 2011. Azevodo noted that uncertainties were rising again with rising protectionism, a hint to the US dumping of \$ 50 billion duties on Chinese goods and similar retaliatory action by China.

The WTO warned that global progress could be undermined if protectionist move increases. But it is bound to increase. India is not in a happy situation vis a vis China and with the US too now it is having problem. The EU has also grown protectionist.

India's trade deficit with China stood at \$51.08 billion in 2016-2017. The India-China total trade was at \$71.48 billion. It has ten-

fold increase in a decade. Electronics, machines and chemicals lead Chinese exports to India, while India sends China mainly cotton, copper and precious metals.

China has failed in its promises to ease market access to India's farm produce, IT goods and pharmaceutical products. Chinese exports to India are 2.8 percent of its total exports in 2016, for India it is 17 percent of its total exports.

India's 'make in India' has helped it marginally but it has hit the domestic consumers as the stoppage of cheap imports has increased domestic prices. The tough and not so favourable approach of Trump is another zone of discomfort. Unlike his predecessor Barak Obama, he has little sympathy for India. Howsoever, India may expect its support, the recent US decision to restrict visa to professionals is pinching the IT industry.

The appointment of John Bolton, known for his opposition to India's entry to UN Security Council, as National Security Advisor may further delay India's chances. He is hardliner and is known to be against the UN having an effective role in global issues.

In such scenario, India has to reposition itself. The recent defence exposition in Chennai and efforts to have a say in the global arms business by Prime Minister Narendra Modi helps keep up the ante. Marketing of arms, security and other such equipment could keep India at a different level. But it is a beginning for the country and would create a new scenario in a decade. It also emphasises that India has to change its international and export strategy to become an effective player in international affairs and protect its trade. □□

Monsanto loses right to Patent Seeds



Opponents of genetically modified crops received a boost when the Delhi High Court upheld the Indian Patent Act, which states that seeds and life forms cannot be patented, and the Protection of Plant Varieties and Farmers' Rights Act, 2001 (PPV&FR Act), which biotechnology multinationals have tried to undermine, and ruled that key plant genetic material cannot be patented. The court was deciding a dispute between Monsanto and Nuziveedu Seeds Ltd, Prabhat Agri Biotech Ltd and Pravardhan Seeds Private Ltd, over interpretation of law, especially Section 3(j) of the Indian Patent Act and applicability of PPV&FR Act for transgenic plants.

Justice S Ravindra Bhat and Justice Yogesh Khanna, on April 11, ruled that Monsanto Technologies LLC does not have the patent for Bt Cotton seed varieties 'Bollgard' and 'Bollgard II'. The Bench permitted Monsanto three months to register the seed varieties under the Plant Varieties Act (PV Act), which would entitle the firm to trait fee (royalty) as fixed by the Government, give it control over plant reproductive materials, but not the key genetic material, which would be available to the public for further research and development.

The ruling is a boost to domestic seed companies that used Monsanto's gene to prepare Bt Cotton seeds for farmers, and will seriously curb the ability of multinationals to establish a seed monopoly in India, which is the goal of the GM industry. This could downsize the market for genetically modified seeds in India (in any life form) and pave the way for more environmentally sustainable agriculture.

Bt Cotton was pushed into India by the backdoor, which emboldened the MNCs to try to create monopolies in GM food crops, viz, Bt Brinjal (scuttled by then Environment Minister Jairam Ramesh) and GM Mustard. Illegal trials of many GM food crops have been exposed in many places. Swadeshi Jagran Manch co-convenor Ashwani Mahajan and Bharatiya Krishak Samaj president Krishan Bir Chaudhary said the ruling vindicates efforts to protect farmers' rights and India's food security. The Competition Commission of India has been urged to take note of the judgement, complete its investigations into the company and ensure full refund of Rs 7,000 crore extracted as excess royalty from eight million farmers since 2002.

The judgement is especially rewarding in view of covert attempts by officials of the Union Ministry of Agriculture to help the company during hearings last year. Additional Solicitor General Tushar Mehta realised that while the Government of India stands aloof from the dispute between two private parties, the court should be apprised of the views of the Union Government, in writing, as



Delhi High Court's ruling which forbids Monsanto from stopping supplies to seed companies is a boost to domestic seed companies, and will curb the ability of multinationals to establish a seed monopoly.
Sandhya Jain

its judgement could impact multiple litigations regarding seed patents and transgenic traits, in which the Centre is involved. A ruling delivered without knowledge of the Centre's views could adversely affect the Indian farmer and consumer.

Mehta asked senior Ministry officials to file the Written Submission, Affidavit, and Application prepared by his office, as only the Ministry could intervene in the matter. The crux of his concern was that the law laid down in this case [FAO(OS)(COMM) No. 86 of 2017] could be extended to other crops like rice, wheat, soyabean, groundnut among others and even animals like chicken, pig, sheep, goat, wherever a transgenic trait is introduced. However, in a shocking act of subversion, the concerned officials failed (or refused) to file the written submissions in time; it took a special effort to place the Centre's views on record.

Briefly, Monsanto's patent from the Indian Patent Office (No. 214436) included the 'nucleic acid sequence' and process to insert the same in plant cells, and covered 27 claims. Monsanto claimed its invention comprised of identification of desired gene (Cry2Ab) from the DNA of *Bacillus Thuringiensis* (BT) bacteria, which is found naturally in soil; making (synthesizing) nucleic acid sequence by copying the Cry2Ab for insertion into a plant cell; and the method of inserting the said nucleic acid sequence into a plant cell.

Monsanto claimed its patent is a biotech invention containing infusion of Bt gene into the cotton genome, and eradicating pests afflicting the cotton plant. It sold 50 Bt Cotton 'Donor' seeds to

Nuziveedu and its subsidiaries under licensing agreements in 2004 and 2015, which the companies used in their breeding programme to inherit the Bt cotton trait to their proprietary cotton plant varieties. Monsanto never licensed any 'technology'.

Nuziveedu countered that Bt Cotton plant varieties developed by its group have distinct characteristics apart from the Bt Trait and Donor Seeds variety sold by Monsanto. They applied for Intellectual Property (IP) protection for all their varieties. Cotton was brought

Nuziveedu argued that the Bt Trait cannot be sold directly to farmers, but has to be transferred into superior cotton hybrids through traditional plant breeding methods so that the seeds have the agronomic traits required for production of cotton.

under the Essential Commodities Act, 1955, in December 2015, to help fix the sale price of cotton seeds to farmers at affordable prices uniformly across India. The Centre estimates that during 2010-15, domestic seed companies paid Monsanto's subsidiary roughly Rs 1,600 crore in excess of actual trait value fixed by various State Govts.

The All India Kisan Sabha; Dept of Agriculture and Cooperation; State of Telangana; National Seed Association of India and some seed companies filed cases against Monsanto group before

the Competition Commission of India. The CCI in April 2016 asked Monsanto not to enforce post-termination clauses on Nuziveedu group, which said it was not obliged to pay more than the "trait value" fixed by State Governments, adding that Monsanto's patent concerns an un-patentable matter by reason of Section 3 (j), and is liable to be cancelled.

Nuziveedu argued that the Bt Trait cannot be sold directly to farmers, but has to be transferred into superior cotton hybrids through traditional plant breeding methods so that the seeds have the agronomic traits required for production of cotton. Moreover, "plants" are excluded from patentability by Article 27(3)(b) of the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement.

Registration of a plant or transgenic variety under Section 28 of the PV Act confers certain exclusive rights to the breeder; Section 30 allows researchers to use any registered variety for developing new varieties; while Section 39 gives farmers the right to save, sow, re-sow, exchange, share and sell farm-saved seeds of any protected variety, including transgenic variety.

The ruling forbids Monsanto from stopping supplies to seed companies and holding farmers hostage. Monsanto will have to abide by Indian laws to operate in India. Reluctance will help revive the native seed industry which has been undermined by the agri-MNCs and their links with public-funded agricultural institutions that never bothered to assess the impact of GM seeds on soil, animal and human health. □□

(The writer is Senior Fellow, Nehru Memorial Museum and Library; the views expressed are personal)

Modi-Xi ‘Informal Summit’: Key Takeaways

The question of pressing the ‘reset button’ with China had been surrounding the foreign policy establishment in New Delhi for last some time given the reflection of ‘low point’ in bilateral relations between India and China. This had possibly become true given the long military standoff between both the countries at the Doklam last year. Earlier too both the countries have shared differences of opinion on the issues like India’s NSG membership, Masood Azhar episode, India’s non endorsement of Belt and Road Initiative (BRI) on sovereignty concerns and rising trade deficit between both.

In the given context the recent visit of Prime Minister Narendra Modi to the historic city of Wuhan in China for an ‘informal summit’ with President Xi Jinping makes a significant case for ‘sincere and cultivated efforts’ to make for upswing in the bilateral relations. Notably, despite many efforts in past the mutual ties between both have slipped down in the last years making a way for a timely diplomatic intervention in the form of informal summit. While critics have termed it as image building exercise post Doklam incident, the fact remains that to face a Chinese challenge in the wake of the PLA’s provocative posture in Doklam was no small accomplishment.

The background of this informal summit was most possibly set given the number of high-level visits taking place from both sides in recent months. The exercise began as early in December 2017 when Rajiv Kumar vice-chairman of NITI Aayog visited China to hold bilateral talks with China’s leading think tank Development Research Center of the State Council. This followed a missive from Indian foreign secretary Vijay Gokhale discouraging official functionalities



Modi-Xi informal summit is a larger expression of ‘greater understanding’ and concurrence of interests.

Abhishek Pratap Singh



to keep away from ‘Thank You India’ celebrations. Later on Chinese foreign minister Wang Yi visited India in early March and then Indian national security adviser (NSA) Ajit Doval too visited China. The recent visit of Indian External Affairs Minister Sushma Swaraj to attend the Shanghai Cooperation Organisation (SCO) Ministerial summit and subsequently the visit of Indian Defence Minister Nirmala Sitaraman to China are also in the same direction.

As the reports suggested the meeting between both the leadership was suppose to focus on broader agenda with necessary reflection on the nature of mutual ties. It also reflects greater urgency and sense for engagement when other established mechanisms between both have fall short of expected outcomes.

Despite no ‘joint statements’ being issued the developments during the summit make for good beginning, as India looks up for pressing the ‘reset button’ with China. Given the coverage of meeting, the ‘personal bonhomie’ between both the leadership during the informal summit is no lesser a sign of ‘positive engagement’ for future of bilateral relations. In last some years, both the leaders have met almost 10 times at different occasions and forums.

During the two days of stay both the leaders had ‘six meetings’ at delegation and personal level discussing issues like trade, strategic military relations, tourism and other regional issues. Both the leaders have decided to issue “strategic guidance” to their militaries to strengthen communications and to build trust and understanding and avoid any Doklam like situation in



“China and India are both important engines for global growth and we are central pillars for promoting a multi-polar and globalised world”.

the future. Noting the importance of both the Asian giants, President Xi said that, “China and India are both important engines for global growth and we are central pillars for promoting a multi-polar and globalised world”. The Chinese President emphasized the idea of ‘revival and harmonious relation’ between Eastern civilisations like India and China.

On bilateral cooperation both reiterated for ‘common threat of terrorism’ and likely cooperation in economic project on Afghanistan. Sailing in the same boat on the East Lake in Wuhan, both the leaders reiterated for peace, prosperity and development. Impressively, PM

Modi underscored the importance of people-to-people contact between India and China by coining the idea of ‘STRENGTH’, which makes for spirituality; tradition, trade and technology; relationship; entertainment; nature conservation; games; tourism and health. To quote Foreign Secretary Vijay Gokhale, “India-China have the maturity to handle problems on border and trade balance”. The official Chinese media also praised the tone of the “informal summit” in Wuhan with news reports on front pages of several leading dailies.

In any case, the proposed summit must not be seen as an end in itself rather holds significance for the future of India-China relations. Nor the diplomatic exercise like this can be judged on the basis of ‘zero sum game’ mode. The complex and competing nature of India-China relations, with certain levels of ‘trust deficit’ is bound to face minor aberrations. Nevertheless, the constant engagement between the leadership is a no lesser expression of ‘greater understanding’ and concurrence of interests from both sides. □□

*Holds PhD from East Asian Studies, JNU and teaches at University of Delhi.

Doubling Farmers Income in Seven Years? Government's Assurance !

Farmers have committed and are committing suicides in hundreds all over India. Incomes of the farmers have gone down over the last ten years. There is no solution in the sight. Supreme Court took cognizance of this disaster and wanted that government should come out with the solution to improve the lot farmers. Prime Minister Shri Modiji is equally worried that the poverty and low incomes of the farmers need to be given priority and wanted the Ministry of

Ministry of Agriculture was also seized of the farmers suicides and low income farmers and immediately set up a Committee on doubling farmers income under the Chairmanship of Shri Ashok Dalwai, Additional Secretary of the Ministry, to study the problem and suggest measures to double the income. Before the issue is examined from the point of view of the farmers and suggest some urgent measures it is useful to look into the study of the Committee and their recommendations. The Committee was appointed on 13 April 2016 and submitted its Report in August 2017 in two volumes. Cultivable land is 141 million hectares of which 55% is under cereals and 14% under horticulture. 85% of cultivators are marginal farmers (less than 1 hectare) and small farmers (1 to 2 hectares). Average size of the farm is less than 2 hectares (1.6 hectares, 1 hectare=2.5 acres). In rural sector 45% are cultivators and 55% are agri labour.

In view of disastrous economic situation of the farmers, the committee of the Ministry of Agriculture has recommended doubling farmers' income in seven years 2016-2022 through 7 short term and 17 long term suggestions. It relates institutional changes, market reforms, etc.
Dr. RL Pitale

Farmers Income

Till 2002-2005, information on farmers income was not available. The Ministry of Agri got this information collected from NSSO (National Sample Survey Organization) for the period 2004-2005. Thereafter the information of farmers income was again collected by NSSO in 2012-13. Based on this survey the farmers average income at 2012-13 prices was Rs.77,976/- it means for a family of



four the monthly income of the farmer was Rs.6498/- and per capita income will work out to Rs.54/. The highest income was Rs. 2 lakh 70 thousand is in Punjab i.e per capita income of Rs.187/-. The lowest income was Rs. 44,167/- ie per capita income of Rs.30/- in Bihar . In Maharashtra, the income is Rs.91,501/- ie per capita income of Rs.63/-. This is the regional differential of farmers income. It means to doubling farmer's income will have to be determined on the basis of that States' income.

Of the marginal and Small farmers income of R.79,779/-, Rs. 29,132 comes from cultivation and Rs.31,490 from wages i.e per capita income Rs. 20 from cultivation and Rs.21 from wages.

Based on this basic information, it is to be understood that farmers get income from these sources. The Income from cultivation depends on cost of cultivation i.e seeds, fertilizers, water, electricity, wages to be paid, rent of the land etc. Income of the farmers depends on cost of cultivation and price he gets in the market. If the farmer does not get price that covers his cost of cultivation and some thing more and if this happens continuously, he commits suicide.

Cost of cultivation and Prices (2013-14 prices)

The Committee studied the cost of cultivation of 23 agri produce to find out costs and prices to find out where it is benefitting the farmers and he incurring loss. For wheat, Rajasthan farmer gets highest income per acre of Rs.19,876/- while farmer in Assam suffers a loss of Rs. 6053/-) . In the cotton production, between 2004-08 Maharashtra farmer suf-

With the reduction in cost of cultivation and increase in cash wages, immediate cash income of farmers can be increased.

fered loss of Rs.2270/ but latter got income of Rs.1800. It is normally said that cost of cultivation of cotton in Maharashtra is more than in Punjab. But the study shows that cost of cultivation in Punjab Rs.64,292/- while it is Rs. Rs.58942/- in Maharashtra. But Punjab farmer gets income of Rs.74,851/- ie net income of Rs 10,567./ Commodity wise details can be seen in the Report.

The details of the Report have been presented to understand the realities on the so that proper policy of doubling is formulated.

Doubling Farmers' Income in 7 years?

Based on the findings of income of the farmers, the Committee has recommended the road map to double the farmers income in seven years 2016-2022. The Committee has given 7 short term and 17 long term recommendations/suggestions in this connection. In short term, it relates to institutional changes, market reforms, govt and private investment etc. Given the pitiable conditions of farmers, seven years is long period and seems to not resolving the income generation for the farmers. Something needs to be done immediately in a year at least to increase cash income of the farmers without any further delay.

Program of immediate Cash Income Increase of Farmers

Pro-Active measures in 2018-19 - Reduce cost of cultivation by 50% in 2018-19: As can be seen from the Report and ground realities, what the farmers, especially marginal and small farmers, need the programs that will reduce their cost of cultivation by at least by 50% by providing seeds at less cost, electricity and organic fertilizers. Give cash subsidy to those farmers who will not use GM seeds and adopt natural method of cultivation and follow use of local resources. These measures should be followed up and monitored by the agriculture department and agriculture university of the State.

Increase in Cash Wages: One of the important component of cash income of farmers is wages they receive. The Govt's important program to increase income is MANREGA. This can increase the cash income urgently by atleast 30% increase in wages. The present implementation of payment of wages in MANERAGA is far from satisfactory. Payment of 50% to 60% wages are delayed by 15 days. As per govt data, in 2017 3lakh 60 thousand workers got their wages delayed by 15 days. If the cost of cultivation is reduced by 50% and wages are increased by 30% and paid timely, income of farmers can be increased in 2018-19. How can farmers wait to get double income for 7 years? If govt can increase DA of 2% every six months for govt servants and pensioners why not govt increase wages every six months. The govt has to take up crash program of increase farmers income by 50% in 2018-2019.□□

(Belongs to India Economic Service. Formers Adviser, CACP, Ministry of Agri.)

Indigenous seeds can end farmer suicides

More than three lakh farmers in India have committed suicide since the bio-imperialists entered our agriculture through globalisation and the so-called “free trade”. I was inspired by Mahatma Gandhi’s spinning wheel (charkha) to start saving our indigenous seeds in 1987. A century ago, Gandhi made the charkha an instrument for freedom from the British Empire, which was an “empire of cotton”. Today we save indigenous seeds for freedom from seed monopolies in the hands of agrochemical and pharmaceutical giants such as Bayer Monsanto. One could call it an empire over life or bioimperialism.

Both the charkha and the seed embody freedom from fossil fuels, which have changed the trajectory of human evolution, bringing us to the brink of extinction. And it is Gandhi and the spinning wheel which show the way for freedom in our times, the existential freedom to have a future as a species on our beautiful, generous, abundant, living earth.

We cannot build sustainability by burning up 600 million years of nature’s work in a few decades. The fact that we will run out of fossil carbon — oil and gas — is of course an important issue. But more urgent is the social and ecological destruction being caused today.

Climate chaos, devastation of the ecosystems where the oil is extracted and the gas is fracked are different dimensions of the ecological costs. We also need to look at the social costs of displacement of people by fossil fuel, resource and energy intensive economies.

A fossil fuel economy shifts patterns of production and consumption to non-sustainability and distorts the measure of efficiency and productivity to destroy the planet’s limited resources as well work and create unemployment. A fossilised paradigm changes our perception of technology. Instead of technologies being rec-



With the indigenous seeds which are bred by farmers for renewability, diversity, nutrition, taste and resilience, farmers suicides can be cut down drastically.

Vandana Shiva



ognised as tools, which are means and should be assessed on how they were improving human and planetary well being, the tools were made the ends and human beings are transformed into means, mere inputs in the production process. Instead of tools fitting human ends, humans make way for tools the powerful have created for their profits and control.

Instead of being seen as the creative agents guiding production, people are reduced to a mere “input” and an illusion is being created that money and machines are the creative force in a totally manipulated measure of productivity which is supposed to measure output per unit input.

When people are seen as mere “inputs” in the production process, then “reducing the denominator” i.e. people, becomes the perverse path to make “productivity” increase. Farmers and workers must disappear for “efficiency” of the machine and profits for the money machine.

People are rendered redundant, disposable, useless in the very logic of the fossilised paradigm. With the imposition of machine learning (misleadingly referred to as “artificial Intelligence”) and machines as workers (robotics) the new robber barons who are building new empires based on digital technologies are increasingly referring to 99 per cent of humans “useless people”.

Take just two indicators of the human disposability built into the structures of empire based on fossil fuels and mechanistic mind.

More than three lakh farmers in India have committed suicide since the bioimperialists entered our agriculture through globalisa-



***Interesting to know
that a shift from
renewable and organic
seed to nonrenewable
chemical corporate
seed creates a system
in which farmers
spend more & earn
less.***

tion and the so-called “free trade”. Farmers are in distress, and are not able to survive.

Recently it was reported that seven lakh livelihoods (70 per cent of the total) in the khadi sector have been affected as a result of introducing the distorted measure of productivity. In a reply to a question in Parliament it was reported that number of people employed in the khadi sector fell from 11.6 lakh to 4.6 lakh between 2015-16 and 2016-17, while production increased by 31.6 per cent and sales grew by 33 per cent.

Agriculture is the culture of the land. Farmers, our annadatas, are at the heart of agriculture. Seed is both the first link in the food chain and simultaneously the means of production as well as the most

important output of renewable systems.

The indigenous seeds are bred by farmers for renewability, diversity, nutrition, taste and resilience. Wherever farmers have reclaimed native seeds as a commons, they have reduced costs, increased incomes, become debt-free and are not driven to suicide.

Corporate seeds are based on theft of farmers’ varieties which are turned into “genetic raw material”, then modified to be uniform, to sell more chemicals. Seed, the ultimate symbol of renewability, is made nonrenewable “intellectual property” which farmers are forced to buy every season at a very high cost. This shift from renewable and organic seed to nonrenewable chemical corporate seed creates a system in which farmers spend more and earn less. This is the primary cause for farmers’ debt, distress and farmers suicides.

Fossil fuel-driven satanic mills and their hunger for raw material and markets was the reason for the new poverty created in colonial India by the destruction of livelihoods.

Gandhi thought of the spinning wheel as a symbol of liberation and a tool for development to regenerate livelihoods that the

empire had destroyed. He said: “Anything that millions can do together becomes charged with unique power”.

The spinning wheel challenged the “empire of cotton” intellectually, politically and economically.

Why must India become industrial in the Western sense? Gandhi had asked.

“What is good for one nation situated in one condition is not necessarily good for another one differently situated?” Mechanisation is good when hands are too few for the work intended to be accomplished. It is an evil where there are more hands than required for the work, as is the case in India.

The khadi sector grew from our struggle for freedom, including the freedom to think for ourselves and decide our path for development, giving priority to freedom, the creativity of people and

economic sovereignty (swadeshi).

For sustainability, justice, dignity and freedom from want and ecological destruction, we need to redefine efficiency and productivity from the current constructs, which have reduced humans into mere inputs into a machine. This pseudo productivity is a crime against the earth because by hiding resource inefficiency, it is destroying the earth with increasing greenhouse gases, toxics and pesticides, pollution and waste. It is a crime against humanity because it is robbing us of our right to do creative and meaningful work.

The charkha is not an object. Khadi is not a product. It is a philosophy, a way of thinking, and a way of being. It is definitely not an obsolete, primitive technology that needs “improvement” in productivity that lays waste the very hands for which khadi was creat-

ed. It is productive in a different way. It produces livelihoods, meaning and dignity. It protects the earth. Nature and people are not inputs but their well-being is the very end guiding any system of production and consumption

In the creative hands and minds of our farmers and artisans lie the freedom from fossil fuels which are destroying both the planet and the meaningful work, contributing to climate chaos on the one hand and the dark storm of growing unemployment and disposability on the other.

The meaning of the charkha can show us the meaning of being human, the meaning of work, the promise of meaningful creative work for all on a fragile planet with social and ecological limits. □□

Vandana Shiva trained as a physicist prior to dedicating her life to the protection of India's biodiversity and food security. She is the author of numerous books and the recipient of numerous awards.

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Selective Outcry Overshadows Loss of Innocence

Soul of our nation died a million-death last month when human values lost face, spirit and virtue with news of dishonouring girl child being reported from various states. While one was thinking how someone could have such demonic tendencies to indulge in heinous crime like rape with young girls; suddenly social media and international press was crying foul over a particular case of murder and dishonouring of an eight-year-old girl from the nomadic “Bakerwal” community in Kathua, Jammu. Though the unfortunate incidence took place in the month of January, sudden attention and interest in this case after three months of the crime by political groups and a particular section of the press and academia was intriguing.

The perpetrators of the Kathua case must be punished for their barbaric actions. But the narrative built-in this case not only in India but internationally was a direct onslaught to defame the majority community. All the major media houses which have global presence were running news stories projecting religious tensions simmering in India as the little girl was from the minority community. Great Kashmir, a leading daily of the state of Jammu and Kashmir reported on 19 January 2018 that the Minister of Revenue and Parliamentary Affairs had informed the state assembly about the accused of Kathua case as a 15-year-old boy. On January 23, the paper reported that the murder case was transferred to CBI of the state. Suddenly on 24 January, the case which was referred as a murder case changed to a rape and murder case when the J&K Pradesh Congress Committee President G.A Mir visited the victim’s parents. The case further took a communal turn with the Chief Minister Mehbooba Mufti stating that the little girl was raped inside a temple. The Chief Minister as the head of the state should have been cautious of being judgemental when the investigation is still going on. The temple



The perpetrators of the Kathua case must be punished for their barbaric actions. But the narrative built-in this case not only in India but internationally was a direct onslaught to defame the majority community.

Dr. Geeta Bhatt



is actually a small one room hall with large windows and broken panes. The accusation of the crime taking place in the temple is difficult to digest as the victim went missing on 10 January while there was Makar Sankranti celebrations and a feast (bhandara) in the temple on 14 January. Also, one of the co accused who has been reported by the state CBI to have dumped the body of the girl on 15th January, has been seen drawing money from a CCTV footage of an ATM in Muzzafar Nagar on the same day and time. The case has already changed hands three times by the investigative agencies. The Chief Minister is projecting a fair probe when an officer who has been earlier accused of rape and murder is part of the investigation team.

It is ironical that the case which has been instrumental in bringing the amendment through an ordinance in Protection of Children from Sexual Offences Act (POCSO), introducing death penalty in case of the victim being twelve-year of age and below does not exist in the state of Jammu and Kashmir. Thanks to Article 370, Jammu and Kashmir (J&K) is not bound by the preventive detention laws passed by the parliament. Except for the state of J&K, the act has been implemented across the country. Has POCSO been implemented in the state, politicisation of the case and further polarisation of Jammu and Kashmir could have been avoided and a speedy trial would have taken place.

The perpetrators of the Kathua case must be punished for their barbaric actions. But the conspicuous silence of a large number of media houses and pseudo-liberal brigade

when an eleven-year-old girl from Ghazipur in Delhi gets gang raped in a Madrassa, a twelve-year old is dishonoured and burnt in Naigaon Assam, a seven-year old gets raped in Ghaziabad by a seventy-three-year-old man she calls 'Abbu', is deafening the conscious of this nation.

The barbaric rape of Nirbhaya which took place in 2012 in New Delhi had shaken the country. However, many amongst us still do not know her real name. The name of the little girl who met such gruesome death was made public

Let there be no cherry picking of cases when a girl child falls prey to the beastly act and abuse. Let there be justice for all and appeasement of none.

by some media houses blatantly defying section 228-A of the Indian Penal Code which states that the identity of a rape victim cannot be disclosed and those guilty of doing so shall face punishment. The Delhi High Court took Suo moto action against twelve media houses and fined them Rupees 10 lakh each for revealing identity of the victim. This money would go towards the Jammu and Kashmir Victim Compensation Fund. Taking advantage of public sentiments and sympathy, some pseudo-liberals backed by the JNU left leaning students groups had started collecting funds in the name of provid-

ing legal aid to the victim's family. Rupees Forty lakh has been collected under the banner 'Asifa Bano Family Support Fund' but it has been alleged that the collection has not reached the victim's parents.

This was not an isolated case of rape in that region. In the month of March, a Maulavi by the name of Shahnawaz Hussan had raped a seven-year-old girl inside a Madrassa where she used to go to study in Shah Katal Bataal Police station of Nagrota area. The Maulavi is said to belong to West Bengal. Strange but true that this horrendous crime did not get noticed by Lawyers Collective, the NGO belonging to Indira Jaisingh which has taken the case of Kathua victim. May be it does not suit the selective narrative that has been projected to vilify the present political dispensation of the country.

The conspicuous silence of a large number of media houses and pseudo-liberal brigade when an eleven-year-old girl from Ghazipur in Delhi gets gang raped in a Madrassa, a twelve-year old is dishonoured and burnt in Naigaon Assam, a seven-year old gets raped in Ghaziabad by a seventy-three-year-old man she calls 'Abbu' is deafening the conscious of this nation. The cultural civilisation which considers girl child as form of goddess 'Durga', reveres her during 'Navratri' celebrations to bless for good fortune, salvation and contentment is suddenly face to face with onslaught on their honour. Let there be no cherry picking of cases when a girl child falls prey to the beastly act and abuse. Let there be justice for all and appeasement of none. □□

Author is an Associate Professor and present Member of the Academic Council, University of Delhi.

Swadeshi Jagran Manch writes to Prime Minister challenging NITI Aayog report that giving Minimum Support Price (MSP) would be inflationary.

Dated: April 5, 2018

Shri. Narendra Modi

Hon'ble Prime Minister of India
South Block, Raisina Hill, New Delhi - 110011

Subject: Need for course correction in NITI Aayog –especially in the Agriculture & Food Security segment.

Dear Sir,

We are writing this letter with a deep grouse, feeling of being hurt and utter sorrow. There are reports that the NITI Aayog's Member Agriculture, Sh Ramesh Chand, is making statements of calling Minimum Support Price (MSP) offered by your government as inflationary. This is not only insult to the political leadership, which has taken this great decision keeping the interests of farmers in mind, but is also an ill-informed and malicious statement.

SJM demands that government should ask Sh Ramesh Chand to provide the empirical study, source or minutes of stakeholder consultations done to reach these conclusions, if he fails to do the same; we demand that appropriate action be taken in this regard.

We have discussed that MSP keeps farmer and farming alive –and for a long period has kept encouraging the production. We at Swadeshi Jagran Manch find the report titled Ensuring MSP benefits for farmers & statement, "The combined effect of the two budget announcements on farm level prices will be about 15 percent. Transmission of this increase to wholesale and retail levels will have very strong implication for inflation and consumers". This is blatant lie, and insult to the injury of farmers. The finance minister Arun Jaitley ji, made commitment to the country in his budget speech of ensuring the enhanced MSP of the farmers –the confusing, malafide and ill-informed statements only add confusions in the minds of farmers.

We, at SJM, did our analysis of the issue –held discussions with various experts –and find this report far from reality. If taken as the basis for the policy framing, this will detract the great effort made by your government of increasing the MSP. Just for your reference: there are papers from the sector experts, which nullifies Sh Ramesh Chand's claims; a) Gopakumar K.U. and V. Pandit concluded, "higher MSP hasn't turned inflationary as many would have expected it" b) IMF Working Papers 16/2, Understanding India's Food Inflation: The Role of Demand and Supply Factors concludes, "MSPs in Cereals donot have a lasting impact on inflation"; "MSPs hikes may be trivial than argued". c) SBI report inferences, "MSP fixation to have minimal impact on inflation"

In last three years, there are several evidences coming out of NITI Aayog, which forces us to believe that the think-tank is pushing corporate agenda. In this case, with the suggestions of 'market reforms' in agriculture and is pushing introduction of future trading in agriculture produce, this is despite the fact that infrastructure is not there. Member NITI Aayog Sh Ramesh Chand has been quoted in his interview: "we need to put in some kind of mechanism for futures trading as agriculture is getting commercialised and it will give opportunity to farmers or group of farmers to put their options in exchange." Sh Ramesh Chand is deliberately overlooking the fact that futures trading in commodity exchanges are causing havoc by unthinkable inflation in food and other agriculture produce. This only benefits the cash rich corporates and middleman, not the poor farmer.

MSP is very critical element in Indian farming in deciding crop allocation, procurement, buffer stock and market price. In last 25 years, the rural distress in India has increased –one of the reasons behind this is non-remunerative prices of the farm produce. The distress is a critical component in pushing farmers to commit suicides. We really appreciate your concern for the farmers and poor of this country, and appreciated an 'apt

Swadeshi Jagran Manch writes to Prime Minister showing its concern against transfer of NPPA chairman's transfer.

Dated: March 5, 2018

Shri. Narendra Modi

Hon'ble Prime Minister of India
South Block, Raisina Hill, New Delhi - 110011

Subject: Transfer of the Chairperson National Pharmaceutical Pricing Authority

Respected Shri Narendra Modiji,

I am writing to you to on behalf of the Swadeshi Jagran Manch (SJM) to express our deep concern with regard to the transfer of the Chairperson of the National Pharmaceutical Pricing Authority (NPPA). The transfer of the NPPA a chief even though termed as a routine transfer of bureaucrats sends out a very disturbing signal to the public for the following reasons.

First, the transfer came out at a time immediately within a week after the publication of NPPA's analysis of overcharged medical bills the four hospitals. The analysis showed the level of exploitation of the patients by these hospitals. The government instead of taking measures to put an end to such exploitation transferred the chief of NPPA. This conveys a message that the government is functioning to protect the interest of corporate hospitals instead of public interest.

Second, the measures taken by NPPA under your government such as the price control on diabetic medicines, cardiovascular stents and knee implants are well appreciated by the public and media. You have extended public support to such measures. At the same, time these measures are opposed by the multinational corporation (MNCs) and their home governments like the USA. The transfer of NPPA even before completing three years clearly provides an impression that the government is succumbing to the pressure of MNCs and foreign governments.

Three, the transfer came out at a crucial time wherein there is a growing demand for the inclusion of more medical products under the price control especially the 19 medical devices which are already notified as drugs under the Drugs and Cosmetics Act. The transferring out of NPPA chief without even appointing replacement would bring a chilling effect to the efforts of NPA to ensure access to affordable medical products.

We request your urgent intervention to reverse the transfer in the larger public interest and allow Mr Bhupneda Singh to continue as NPPA chief till the completion of three years.

We also take this opportunity to request you to take measures to prevent the exploitation of patients and their families by imposing price controls on essential and critical medicines, medical devices, consumables, diagnostic services, consultation charges and treatment procedure.

With regard

Dr. AshwaniMahajan

All India Co-Convenor, SwadeshiJagaranManch

decision of fixing Minimum Support Price (MSP) to farmers for all crops will lift farm-gate prices by 15 percent and raise rural incomes'.

We therefore demand that the governments' advisors must act responsibly and with accountability. SJM again demands that government should ask Sh Ramesh Chand to provide the empirical study, source or minutes of stakeholder consultations done to reach these conclusions. if he fails to do the same; appropriate action be taken in the matter.

With regard

Dr. AshwaniMahajan

All India Co-Convenor, Swadeshi Jagaran Manch



11th Akhil Bharatiya Mahila Sammelan Chhattarpur, New Delhi (14-15 April 2018)

The National Convention of Women held under Swadeshi Jagran Manch on 14-15 April 2018 was attended by about 600 delegates from all over India. Convention was inaugurated by Smt. Monika Arora (Advocate, Supreme Court) and addressed by National Convenor (Women) Dr. Amita Patki, Co-convenors Smt. Shila Sharma, Alka Saini & Sudha Sharma. Preeti Bhardwaj (Vice Chairperson, Haryana State Women Commission) too addressed the delegates. Deliberations on specific topic like Women Entrepreneurship, Alternate Healthcare practices & Role of Women in Indian family were being held under ladies having experience and expertise on particular subject. Smt. Alka Saini spoke on Alternate Healthcare Practices while Smt. Madhuraj & Sh. Kamaljeet ji spoke on Women Entrepreneurship & Smt. Renu Puranik on Role of Women in Indian Family. Smt. Poonam Luthra (Delhi State Convenor) proposed vote of thanks.

Sh. Arun Ojha (National Convenor, SJM), Sh. Kashmiri Lal (Organiser, SJM) along with Co-convenors Sh. Saroj Kumar Mitra and Dr. Ashwani Mahajan, Kamaljeet (Organiser, SJM Delhi & Haryana) also addressed the delegates. Following declaration was unanimously adopted in the convention.



Declaration

The status of women in a society is an indicator of the society's cultural and intellectual foundation. While SJM endorses efforts made by govt. of India for over all upliftment of girls and women it expects both govt and society to priorities following issues, subjects to speed up move towards women empowerment.

Education: Education is the key to open up barriers that stall development of women. Girls must have compulsory schooling.

Health: Women suffer from malnutrition and subjected to family planning measure which further put them under nourishment. The govt should devise healthcare policy for women too.

The declaration also demands for women effective measures to be taken by govt. and society for economic self reliance, both physical and social security, and participations in political activities. Women are at the centre of Indian family being its foundational source, architect of reform, custom and character building. □□

Mohan Bhagwat cautions Modi govt against Air India sale



Rashtriya Swayamsevak Sangh chief Mohan Bhagwat on Monday cautioned the Narendra Modi government against selling more than 49% stake in Air India, and said no country has ever allowed a foreign entity to hold more than that in its national airliner. The RSS chief was speaking on the Indian Economy and Economic Policies at the Bombay Stock Exchange, with NITI Aayog vice chairman Rajiv Kumar on the dais.

“Now they are in the process to sell stake in Air India because it has run into losses. But why has Air India run into losses? Air India has landing rights in more than 30 places. It has both tangible and intangible assets. The point to ponder is why Air India is in such a state when it has both tangible and intangible assets. It is because it has not been run well so far. So it should be given to someone who can run it well and turn it around,” Bhagwat said. He said he had no idea whether or not the government was thinking along these lines, adding that he had “faith” that the government was doing the right thing.

Bhagwat said India must have ownership and control over its skies through its national airliner. “I am told some countries have not allowed a foreign entity to hold more than 29% stake. Germany has allowed only 49%. That is because each country wants to have the ownership and control over its skies,” Bhagwat said.

Bhagwat called for an economic policy and direction which believed in an ethical balance between an individual’s happiness and social well-being. “The idea of Dharma should guide and direct our economic thinking and policy making. By Dharma, I do not mean religion. Dharma here means the sense of balance between individual happiness and larger social being, sense of well-being of all, and the sense of

unity. Bharat is unique in this sense that her civilisational greatness teaches her to be committed to the spiritual happiness of all, not just Bharatiya,” he said.

Bhagwat said India’s economic policy should be job-oriented and encourage small enterprises. He also called for decentralisation of resources and a balance between development and exploitation of natural resources.

Earlier, Rajiv Kumar said the NITI Aayog was making a development agenda which estimated that India would achieve an average economic growth of 7.5% to 8% between 2018 and 2022. “We are now at the cusp of a growth period that will be sustained for over two to three decades and it will be an inclusive and sustainable growth. Our economy is at such a juncture now that it will only go up because the structural reforms that this government has carried out in the last three-four years have now started paying off,” Kumar said.

<https://www.livemint.com/Companies/bC6rn5TjHJLdpJT.A45N/Mohan-Bhagwat-cautions-Modi-govt-against-Air-India-sale.html>

Deepika Padukone Disassociates With Beverage Brand Coca Cola

A source close to the actress shared, “Deepika has reservations endorsing the sugary, aerated brand given her enhanced understanding of the growing importance of health and wellness in society. There is an increased awareness of wellness and health in our society and rightly so. Deepika has chosen to dissociate not just from the brand but from the category. She wouldn’t be endorsing colas”

Due to this, the highest paid actress of our industry has turned down the multi crore deal with the said brand. The Cola brand was very keen to extend the contract with Deepika because of her consistent numero uno position in the industry and the immense value that she brings to the brand because of her popularity.

Deepika Padukone, who was a state and national level athlete earlier, has often given her views about fitness and the significance of it. Hence, did not want to influence her fans for something that even she doesn’t personally choose anymore. The actress is yet basking in the glory of the super duper success of her last release, Padmaavat, which has created history for the first woman led film to have entered the 300 cr club.

https://businessofcinema.com/bollywood_news/deepika-padukone-disassociates-with-beverage-brand-coca-cola/423237

Monetise Air India assets rather than selling stake: SJM to govt



Swadeshi Jagran Manch opposed Air India's disinvestment in the "current form" and said the government should monetise the national carrier's assets for repayment of debt rather than selling its stake. Swadeshi Jagran Manch (SJM) co-convener Ashwani Mahajan said Air India has operating profits, but is running into losses due to its debts.

"So rather than selling its stake in the national carrier, the government can reduce its (the carrier's) debt by selling off its land," he told PTI. His remarks assume significance as they come days after RSS chief Mohan Bhagwat had categorically said that Air India should not be sold to a foreign buyer. The Centre has invited 'expression of interest' to sell a 76 per cent stake and management control in the airline.

Mahajan said that the SJM is "opposed" to disinvestment of the national carrier in its "current form", asserting that the airline can be made profitable by repaying its debt. He blamed the Congress for the sorry state of the airline and alleged that during the UPA's tenure, the profitable routes of the Air India were given to other airlines.

"Rather than selling stake in the company, the government should make the airline profitable and then if required explore the option of raising money from the markets by issuing its shares," Mahajan said. The Indian government owns 100 per cent equity of Air India. The airline was founded in the 1930s and is commonly known for its Maharajah mascot.

<https://www.moneycontrol.com/news/business/monetise-air-india-assets-rather-than-selling-stake-sjm-to-govt-2552823.html>

Remove Nachiket mor from RBI Board for 'Conflict': SJM TO PM

Raising its reservations over activities of Bill and Melinda Gates Foundation (BMGF), Swadeshi Jag-



ran Manch (SJM) has written to Prime Minister Narendra Modi demanding removal of Nachiket Mor from the RBI board on grounds of conflict of interest.

Mor is currently National Director for Bill and Melinda Gates Foundation—India. He is also the member of the Central Board of the Reserve Bank of India. In a letter to the Prime Minister, the co-convener of SJM Ashwini Mahajan said the appointment of Mor on the RBI board is of the most glaring examples of "conflict of interests arising in various corners of the establishment." Mahajan said.

The SJM said Home Ministry is keeping their vigil on BMGM because of allegations that the foundation is working in favour of multinational companies "by influencing government policies relating to health and agriculture".

"There is no case for retaining Nachiket Mor on the board of Reserve Bank of India (RBI). It is a fit case of conflict of interest, as his principal employer BMGF receives foreign funds and the RBI is regulator of the fund," Mahajan said in his letter to Modi dated April 15..

He further alleged that the activities of Bill and Melinda Gates Foundation (BMGF) are suspicious. "We request you to take stringent action, so that the message must go to all that they can't take India for granted," the letter added.

The fact that BMGF is functioning in India with RBI's permission makes it a glaring case of conflict of interest, he said. The SJM also demanded that instructions must be issued to NITI Aayog, ICMR and the Union ministries of Agriculture, Health and Family Welfare, Finance besides the Women and Child Development to keep such outfits and their representatives at bay. There have been some media reports recently, making further allegations that the foundation is funding an NGO, Global Health Strategies or GHS to push globally-redundant vaccines to India, Mahajan said.

“Obviously, this would create more business for certain pharmaceutical companies where BMGF and many of these NGOs have cross funding, but these vaccines will create a negative impact on our fellow Indians,” he added. Mahajan also said that serious charges of conflict of interest of a joint-secretary in the Ministry of health, appointment on a panel of GHS have been reported.

“The same joint secretary was responsible for the National Immunization programme and GHS is lobbying for use of vaccines such as HPV vaccine. Obviously, questions are raised about the influence of the pharma giants on the National Immunization Program”, he said.

<http://www.dailyioneer.com/nation/remove-nachiket-mor-from-rbi-board-for-conflict-sjm-to-pm.html>

SJM welcomes Delhi HC order on patent for BT cotton seeds

The RSS-affiliated SJM today welcomed the Delhi High Court’s order dismissing the US-based agro major Monsanto Technology’s plea to enforce the patent for its BT cotton seeds in India, and demanded that the seed pack price now be brought down to Rs 700.

The High Court also ruled that Monsanto did not have a patent for its BT cotton seeds, a genetically modified variant which resists bollworms. And the Indian companies would pay trait fees to Monsanto according to government-set rates. The court’s order has upheld the efforts made by the Swadeshi Jagran Manch (SJM) to protect the rights of farmers and food security of the country, SJM’s co-convenor Ashwani Mahajan said in a statement.

“This judgement has exposed Monsanto’s bluff about the patent right over BT cotton seeds. The Court has denied Monsanto’s patent over BT cotton, and asked them to apply for breeder’s rights under



Indian laws,” Mahajan said, adding that SJM demands that in pursuant to this order the Agriculture Ministry modifies its earlier order.

In its order, the ministry had fixed the trait value at Rs 39 per packet of BT cotton seeds under the wrong impression that Monsanto possesses the patent over the seed, he said.

“This implies that after the proposed amendment the price of BT cotton seed packet would be brought down from Rs 740 to Rs 700,” he said.

http://www.business-standard.com/article/pti-stories/sjm-welcomes-delhi-hc-order-on-patent-for-bt-cotton-seeds-118041101289_1.html

Big boost for Modi govt! India shows jobs growth – Data proof of 3.11 million workers is here



India added 472,075 employees to the state-run social security fund in February, after adding 604,557 in January, new data on payrolls released on Wednesday showed, giving a guide to how many new jobs are being created in the non-farm sector.

The Employees Provident Fund released provisional figures for six months that showed that 3.11 million workers joined the fund during the September 2017 to February 2018 period, partly due to a pick up in the economy and federal support.

“The data shows there was a good increase in jobs every month in the last six months which will now help fill the missing link for policy-making,” said Soumya Kanti Ghosh, chief economist at the country largest lender, the State Bank of India.

The new data could help Prime Minister Narendra Modi deflect criticism that promises made before the 2014 election for stronger jobs growth were not being kept despite the fastest economic growth of any major economy. To bring more of the vast workforce into the organised sector, Modi this year announced the state would partially cover employers’

contributions to the EPF for three years.

The government says it will cover an amount up to 12 percent of employees' salaries. Critics say the new data overestimates job creation in the organised sector as many workers, who were working on contract with same companies, were added to the fund due the state incentives. It is mandatory for employers and employees of companies with 20 or more workers to contribute to the EPF, though the government plans to amend the rules so that companies with 10 or more employees have to open an account with the fund for their workers.

<https://www.financialexpress.com/india-news/big-boost-for-modi-govt-india-shows-jobs-growth-data-proof-of-3-11-million-workers-is-here/1145603/>

NPPA may lose absolute power to fix drug prices under new policy



The government proposes to revamp the country's drug pricing regulator, allowing it to set prices of only essential medicines.

The latest draft proposals suggest amendments to the drug pricing policy and inducting advisory body of experts in a move to strengthen the regulatory body, but at the same time may take away its absolute power to fix drug prices in public interest.

Last year, Niti Aayog, the health ministry and the Department of Pharmaceuticals (DoP) were engaged in discussions to dissolve NPPA in its current form and reallocate it within the department. This proposal did not materialise.

"National List of Essential Medicines will remain the basis of the medicines to be brought under price regulation... the Department of Pharmaceuticals will prepare the list of medicines for price regulation and transmit them to the NPPA for fixing the price ceilings," according to the latest draft of the pharmaceuticals policy, a copy of which ET has seen.

Appeals against NPPA's decisions will lie with

the government, while appeals against the government's decisions will be decided by the judiciary.

"On pricing, it seems to propose broad changes to the functions and processes of NPPA. The draft appears to impose greater oversight on NPPA such as review of all its decisions, which could mean greater say over NPPA's ability to cap prices in public interest also," said Malini Aisola, a member of the All India Drug Action Network (AIDAN), a civil society group. Some groups said the proposals would dilute the powers of NPPA.

The draft may encourage profiteering if implemented as it proposes to weaken the powers of NPPA, Swadeshi Jagran Manch national co-convenor Ashwani Mahajan told ET. The Manch is an affiliate of the Rashtriya Swayamsevak Sangh. It said the proposed provisions and amendments shift several important decisions to the Central government.

The draft policy, circulated for stakeholder views, suggests amending the drug pricing policy and inducting an advisory body of experts to strengthen the regulatory body. It seeks to improve access to affordable medicines, reduce dependence on other countries including China for raw material, improve manufacturing quality and create an ecosystem to support innovative new drugs.

One recommendation is to reorient the Drug (Prices Control) Order, 2013, which NPPA currently follows for its pricing decisions, to shift focus from price control to monitoring of drug prices, their availability and accessibility.

The Department of Pharmaceuticals will be able to direct usage of emergency powers under Para 19 of the DPCO to regulate prices of patented medicines that are not under compulsory licensing.

NPPA used powers under Para 19 on Wednesday to slash prices of knee implants by up to 69%, citing "extraordinary circumstances" as the devices were not on the list of essential medicines and hadn't been notified for price control.

"Language of DPCO should be made more definitive. There should not be much scope for different interpretations," according to the draft.

Apart from civil society, industry and government representatives, the draft proposes that NPPA's advisory body for pricing should consist of doctors, pharmacists and other experts. While NPPA won't have to accept the recommendations of this body, it will be required to assign reasons in writing for mod-

ifying or rejecting them.

Civil society groups such as AIDAN said they are studying the draft. “While on the one hand the draft has some positive initiatives to improve access to affordable medicines, in some instances it seems to push towards deregulation,” said Aisola.

The Swadeshi Jagran Manch wrote to Minister of Chemicals and Fertilizers Ananth Kumar on Wednesday, alleging that the Department of Pharmaceuticals is “working against” the stated objectives of the Prime Minister and the chemicals and fertilizers ministry.

<https://economictimes.indiatimes.com/industry/healthcare/biotech/pharmaceuticals/nppa-may-lose-absolute-power-to-fix-drug-prices-under-new-policy/articleshow/60110348.cms>

Agriculture: SJM urges Modi for ‘course correction’ in NITI Aayog



Swadeshi Jagran Manch today wrote to Prime Minister Narendra Modi, seeking a “course correction” in the Union government’s thinktank NITI Aayog, after a member of the policy-making body reportedly termed the MSPs given to farmers inflationary. SJM co-convener Ashwani Mahajan said in a letter to the prime minister that NITI Aayog member Ramesh Chand has called the support prices offered by the government inflationary.

This statement by Chand is an “insult” to the political leadership, which took the “great” decision of fixing the MSPs for crops at one-and-a-half times their production cost, he said.

“Government should ask Ramesh Chand to provide the empirical study, source or minutes of stakeholder consultations done to reach these conclusions, if he fails to do the same; we demand that appropriate action be taken in this regard,” the SJM said.

Finance Minister Arun Jaitley had in his budget speech announced the enhanced MSP of the farmers 1.5 times of the cost of production.

“After that (announcement) this malafide and ill-informed statement will only add to confusions in the minds of farmers,” Mahajan said.

“There is need for course correction in NITI Aayog especially in the agriculture and food security segment,” he said. Mahajan said MSPs keep farmers and farming alive and for a long time have kept encouraging the production.

http://www.business-standard.com/article/pti-stories/agriculture-sjm-urges-modi-for-course-correction-in-niti-aayog-118040500880_1.html

University Grants Commission releases list of 24 ‘self-styled’, fake varsities in country



The University Grants Commission has released a list of 24 “self-styled” and fake varsities across the country including eight in the national Capital.

“Students and public at large are informed that at present following 24 self-styled and unrecognised institutions are functioning in contravention of the UGC Act in various parts of the country,” a notice issued by the UGC read.

“These universities have been declared as fake and are not entitled to confer any degrees,” it added.

The fake universities which have been found functioning in Delhi include Commercial University, United Nations University, Vocational University, ADR-Centric Juridical University, Indian Institution of Science and Engineering, Viswakarma Open University for Self-employment, Adhyatmik Vishwavidyalaya and Varanaseya Sanskrit Vishwavidyalaya.

Other universities which have been identified as fake include one each from Pondicherry, Aligarh, Bihar, Rourkela, Odisha, Kanpur, Pratapgarh, Mathura, Kanpur, Nagpur, Kerala, Karnataka, Bihar and two universities in Allahabad. □□

<https://timesofindia.indiatimes.com/home/education/news/ugc-releases-list-of-24-self-styled-fake-varsities-in-country/articleshow/63896621.cms>

Swadeshi wins over Maneka proposal

Swadeshi Jagran Manch (SJM) has always been raising the issue of persistence of child undernutrition. More than 44 million children under the age five remain chronically undernourished in India, this is a grave situation and its negative impact is often irreversible. The National Family Health Survey (NFHS-4) data on child feeding and nutrition shows that 38.4% children between 0-5 years of age are suffering with stunting, 35.7% from underweight and 7.5% are severely wasted. India is currently reducing child under nutrition at the rate of 1% per year which is not a satisfactory pace at all. SJM has shown this concern over Mrs Maneka Gandhi's (Hon'ble Women and Child development Minister) proposal of 'Ready-to-Use Therapeutic Food' (RUTF) for treating child undernutrition and wrote a letter on August 23, 2017 and requested to frame a clear policy to guide the States on most sustainable and local solutions, which are indigenous, economical and culturally relevant.

Now the National Council on Nutrition (NCN) in its meeting held on April 18, 2018, headed by vice chairman of NITI Aayog Sh. Rajiv Kumar has unani-

mously rejected Union Minister for Women and Child Development (WCD) Maneka Gandhi's proposal to replace ready-to-eat food as take-home dry rations with energy-dense nutrient packets which could be mixed with food for anganwadi beneficiaries. The council has also directed that pilot projects be conducted in 10 select districts on cash transfers instead of take-home rations.

Significantly, Minister of Consumer Affairs and Food and Public Distribution Ram Vilas Paswan, who was present at the meeting, also differed with Ms. Gandhi's proposal. According to the minutes, Mr. Paswan emphasised the importance of empowering anganwadi workers to ensure proper delivery of services as well as engaging local self-help groups to ensure "region-location based recipe and dietary diversification." SJM welcomes their decision of Nutrition Council and congratulate Sh. Rajiv Kumar for its clear stand on the issue. SJM reiterates that company made food packets are no solution to malnourishment among children. Locally made foods can only help overcome the problem of malnourishment among children. □

SJM views **Filpkart-Walmart deal: Is this the end of 'swadeshi' politics for Indian startups?**

Walmart Inc. is likely to close a deal to buy nearly 80% shares in Flipkart, India's largest e-commerce company. Flipkart will sell for almost US \$ 20 billion and provide Walmart access to India's 1.3 billion people market. Flipkart and Ola had earlier sought protectionist policies from the govt. to combat the influence of global giants.

Flipkart has always received funds from abroad; only its promoter was Indian. All the major e-commerce companies in India, supposed to be local startups, aren't exactly 'Indian'. Even PayTM is largely funded by Alibaba. However, now that Flipkart has decided to sell a major chunk of their shares to Walmart, the bigger question we're facing is this — is this allowed? According to Indian laws, foreign direct investment (FDI) is not allowed in the e-commerce sector. We want to know what the government will do about this.

E-commerce companies like Amazon & others have skirted the issue by saying they only provide a platform to sell. Even then, rules state that they are not allowed to offer price-distorting discounts, but they do it anyway. The fact of the matter is that this time FDI is in an e-commerce company, Flipkart. Walmart is purchasing a business and they will have to answer

technical questions that we hope the govt. will pose.

Companies that have been posing as Indian startups and 'swadeshi' are selling out. We have always been opposed to FDI in retail brands. We have continued our campaign against organised retailing, though our major opposition was to foreign retailers, as they come with deep pockets, sell at predatory prices and kill competition to flush out small retailers. They sell foreign products, and that too Chinese.

We know from the experience of other countries that wherever such domestic companies existed, they all sold out to bigger MNCs. All over the world, giants like Walmart and Cosco have taken over. This move is unfortunate, but not surprising. We urge the government to stop this deal. - **Dr. Ashwnai Mahajan**

<https://theprint.in/talk-point/talkpoint-filpkart-walmart-deal-is-this-the-end-of-swadeshi-politics-for-indian-startups/52191/>