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# Swadeshi

PATRIKA

FEBRUARY 2019



# VOICE OF SELF RELIANT INDIA

**SWADESHI**  
Patrika



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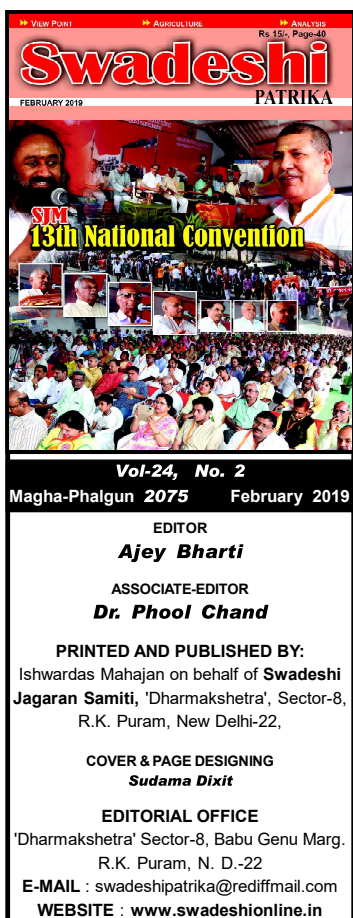
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# पढ़ें और पढ़ायें



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## Budget, Pro-Poor and New India

From day one, the government's mission, based on transparency, was to improve the lives of citizens, to eradicate their difficulties owing to poor governance, and to make sure that the benefit of public services reaches the lowest strata of the society. In this context the Government is working to have structural change from India to New India, where all stakeholders of the society are to be considered equally in all aspect. A step towards 10 per cent reservation for the general category poor, the triple talaq legislation and the controversial Citizenship Amendment Bill, is directed towards New India.

Similarly, the interim budget presented by Piyush Goyal, Finance Minister, under the leadership of Prime Minister Narendra Modi ensured development of all sections in the country. Apart from MSP implementation, Government now will provide assistance of Rs 6,000 to each farmer which can very helpful to the farmers. Besides, farmers will get relief from the 5 percent subsidy on the interest of the farmers after natural calamity. The decision of Rs 3,000 pension plan after the age of 60 years, small industries loans up to Rs 1 crore, increase in minimum wages from Rs 10,000 to Rs 21,000 is praiseworthy. Most importantly, a big relief has been given by government through its new policy of tax relaxation for individual taxpayers with annual income upto Rs 5 lakh. Interim budget is very much beneficial for farmers, workers, women, middle class and senior citizens in the country. As a result, India has reached the 6th position from 10th position in the world economy. All these will definitely attributable towards New India as the vision dreamed by our Prime Minister, Shri Narendra Modi ji.

- Om Panwar, Karol Bagh, Delhi

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## Quote-Unquote



India is a staunch supporter of friendly ties with all countries, there is also a need to constantly strengthen our capabilities to tackle any challenges.

Ram Nath Kovind  
President, Bharat



India is a land of saints. Our saints have conveyed the message of goodwill, equality and social empowerment through their thoughts and deeds.

Narendra Modi  
Prime Minister, Bharat



Take a simple product like potato chips. While potato is grown here, chips are made here & consumed here, the money goes abroad to few multinational companies.

Sri Sri Ravi Shankar Maharaj  
Indian spiritual leader



George was a human Dynamo. Boundless energy, high patriotic fervour, brilliant orator with a brain that absorbed unabsorbable issues like a blotting paper, a genuinely secular person who grew with age unlike his colleagues who refused to grow. An example for Indian Youth.

S. Gurumurthy, RBI Board member



I know my next-door shopkeeper... I know his family. I don't know who is Amazon, who is Flipkart. For the survival of these two entities, I can't put the livelihood of my country at risk.

Dr. Ashwani Mahajan  
National Co-convenor, SJM

## Projected Monsanto Victory, Which is Actually Not

Supreme Court pronounced a decision in January 2019 with respect to the patent of BT cotton claimed by Monsanto Company of USA. Whereas, Monsanto has been claiming victory in this case, its opponent company, Nuziveedu Seeds has issued a press statement claiming that this decision is actually not in favour of Monsanto Company. Nuziveedu Seeds has said that through this decision Supreme Court has essentially upheld Indian Patent Act and Protection of Plant Variety and Farmers Rights Act (PPVFRA) and has clearly stated that in deciding about whether Monsanto company's patent of BT cotton is tenable under Indian laws or not. A careful reading of the Supreme Court's order shows that court has held that the issue of whether Monsanto's patent is valid or not under Section 3(j) of the Patents Act (which provides that no patent can be granted on plants, parts of a plant or seeds) will need to be determined by the single judge of the High Court after talking evidence on whether the patented DNA sequence was a plant or a part of plant or seed.

Monsanto had given the right to produce Bt cotton seeds to Nuziveedu Seeds by way of a license. In return Nuziveedu Seeds provided royalty to the Monsanto Company. Once Nuziveedu Seeds came to know that Monsanto Company does not have the valid Bt cotton patent, Nuziveedu Seeds refused to give royalty to Monsanto company. On this issue Monsanto Company ended its agreement with Nuziveedu Seeds and filed lawsuits to recover the royalties from it. Nuziveedu Seeds emerged victorious against Monsanto Company in this lawsuit, and after that the Monsanto moved Supreme Court and filed appeal against the same. Since Monsanto Company was not authorized to collect the royalties, as it was not having a valid patent of the same, and it was causing loss to millions of cotton farmers, Ministry of Agriculture, Govt. of India rose to the occasion. Under the circumstances Ministry of Agriculture decided to reduce the arbitrary royalty of Monsanto and put a cap on the license fees to be paid to Monsanto Company. Ultimately, the license fees was reduced to Rs. 49 per packet of BT cotton seeds. Significantly, in return for this small technology, the Monsanto Company has so far taken away Rs. 7,000 crore from Indian farmers.

Indian Patent Act, section 3(j) prohibits patents on seeds, lives and animals. With the amendments made in the Indian Patent Act, 1970 in 2005, section 3(j), of the amended Act this provision mandates that patents cannot be given on seeds, lives and animals. In addition, for protecting the rights of Indian agriculture and farmers, Protection of Plant Variety and Farmers Rights Act (PPVFRA) was enacted, through which farmers have been given the right to produce, exchange and sell seeds. There is also a provision in PPVFRA that since the patent law does not provide for patent of the seed, breeder companies can be compensated for the same under the law and license fees can be so decided for the breeder company. But simultaneously it has also been said that if there is some ambiguity in the patent law then the provisions of PPVFRA will be applicable. That means that in any condition the seeds will not be patented, however, those who develop seeds could be given compensation for their intellectual property.

Supreme Court has disapproved the decision of Delhi High Court's Bench in this case, in which the Bench had canceled the Monsanto Company's patent. The Supreme Court has said that since the bench had canceled the patent in a summary trial, hence the decision was not correct. The Supreme Court also said that though it favours the previous decision of the single judge of Delhi High Court, but to decide on this matter whether the Monsanto Company can be given a patent of BT cotton, the hearing should be continued further. The Supreme Court has made it clear that the decision should be taken on this issue whether Monsanto Company can be given a patent of BT Cotton seed, should be based on the provisions of Indian Patent Act and its section 3(j) and PPVFRA.

It can be said that since the lawsuit has returned back to the Delhi High Court's Judge and now the decision will be taken according to the law of the country. Therefore, there is no truth in the media reports that the Supreme Court has restored the patent of Monsanto Company's BT cotton. It has also been said in the Supreme Court's decision that it was not justified by the Monsanto Company to cancel the license of Nuziveedu Seeds. The Supreme Court has also said that license fees can be decided by the government according to the law of the land. That is the company has no unlimited right to determine price.



## 13th National Convention of SJM

18-20 January 2019 (Madurai, Tamil Nadu)

The 13th National Convention of Swadeshi Jagran Manch, began at 10:00 a.m. with the song of **Rekindling of Swadeshi Thought (Swadeshi Bhaav Phir Jage)** at R.L. Group of Educational Institutions, T.V.R. Nagar, Arupukottai, Main Road, Madurai, TamilNadu-625022. National Convener of Swadeshi Jagran Manch, Shri Arun Ojha, its National Co-Conveners— Sh. Saroj Mitra, Dr. Ashwani Mahajan, Prof. B.M. Kumaraswami, Shri R. Sundram, National Organiser Sh. Kashmiri Lal, Industrialist and Chief Guest Sh. Mutthu Ji, the grandson of Chidambaram Pillai, Sh. Chidambaram Ji, Sh. Pawan Kumar from Bhartiya Mazdoor Sangh and Sh. J.R. Jagdish from Vidya Bharati, inaugurated the convention by lighting the lamp of knowledge.

### Inaugural Session

Shri R.Sundram, welcomed all the office bearers and representatives present in the Madurai Convention and had a brief address. The Chairman of the Organising Committee, Shri Satish Kumar introduced with the Madurai Convention's theme and explained why in India we need to have swadeshi movement at this stage. Sh. Deepak Sharma 'Pradip' (Akhil Bhartiya Prachar Pramukh) shared the important in-

formation and knowledge about the Prachar Vibhag of SJM and informed how the proceedings of Madurai Convention is being made live on social media.

**Shri Chidambaram**, the Chief Guest delivered his inaugural address by mixing Hindi, Tamil and English languages. He informed that his grandfather, late Shri Chidambaram Pillai had launched the first steamship in 1906 in India. He considered Gangadhar Tilak as his guru. Pillai Ji was a lawyer and Union Leader. He is also considered as India's first ship -manufacturer.

**Shri Muttuji**, the owner of sesame oil brand "IDHAYAM (Heart)" informed the delegates that we not only have helped India in making it self-reliant in production of sesame oil but also have contributed significantly in export of sesame oil. Our annual turnover is to the tune of rupees 1190 crore and through indigenous efforts are generating employment and spreading prosperity successful.

**Shri Ajay Patki**: Akhil Bhartiya Vichar Vibhag Pramukh Sh. Ajay Patki highlighted on the journey of development of Swadeshi. He introduced the delegates present with the Swadeshi's successful campaigns launched from time to time and also with the journey of struggle it has gone through over time. He narrat-

**Resolution-1**

## Infiltration and its impact on Indian Economy

Infiltration has been posing serious problems to the economy, polity and society of India and national security. Today there are about 4 crores infiltrators in our country, most of them being from Bangladesh. Assam and West Bengal are the worst hit by this problem. But today the menace of infiltration is rapidly spreading to all other states including the southern states like Kerala and Karnataka. The problem of infiltration is not regional but has spread all over the country

India is already facing the problem of unemployment, due to rapidly growing population and inadequate employment generation. The large numbers of infiltrators are aggravating the problem of unemployment. They are stealing jobs from genuine Indian youths. The problem is very acute in the construction sector, industrial sector, hospitality sector, service sector, agricultural sector and so on. So, as a result of natural demand and supply rule of economy, the wages of Indian labours are decreasing regularly.

**Increasing inflation** :- Sources of production is static but demand of goods is increasing, due to infiltration. As a result of natural demand and supply rule of economy the inflation is increasing.

**Money laundering** :- A huge portion of the money infiltrators earned as wages is sent to their homeland illegally, which affects Indian economy.

**Acquiring and misuse of govt resources**:- For their huge number they became a strong vote bank in many assembly and parliamentary constituency and so they are enjoying the patronage of political parties. In this way misuse of govt money is happening.

**Land grabbing** :- infiltrators grab government lands illegally in prime areas like beside highways, railways, army base, airport etc., which creates damages in infrastructure development and probability of sabotage is increasing. Sometimes they acquire private land of sons of the soils, then legal problems takes place. In Kokrajhar, Assam land of son of soils were acquired by infiltrators, which created law & order problem, resulting in Kokrajhar riots in 2016.

**National security** :- In most of the cases, infiltrators acquires land and create slums in sensitive areas of major cities. They support the anti-national forces. It creates threat for national security.

**Effect on retail business** :- Infiltrators acquires footpaths and become street vendors and fishermen, which adversely affects the business of Indian retailers, fishermen etc.

### Analysis of decreasing native people population between 1988 to 2018

District	1998	2018	District	1998	2018
	Native People Population (%)	Native People Population (%)		Native People Population (%)	Native People Population (%)
Murshidabad	71	37	Malda	63	49
Nadia	77	57	North 24 Pargana	81	52
South 24 Pargana	83	54	North Dinajpur	91	67
South Dinajpur	74	44	Barpeta (Assam)	60	28

(North & South Dinajpur is the part of chicken's neck. Demographical change in this area is a great threat for National Security.)

**Demographical changes** :- As a result of demographical changes due to large scale infiltration, foreign infiltrator community become majority and the native people are becoming minority within the last 30 years. This is a snapshot of demographical changes in some districts but including metro cities like Delhi, Mumbai, Kolkata etc. the problem of demographic changes is faced all over the country. To protect ourselves from the problems created by infiltrators, we have to fight against infiltration.

**13th national conference of SJM demands :- Seal the border** :- Like the western border with Pakistan the eastern border with Bangladesh should also be sealed and be handed over to army.

All political parties must include the problem of infiltration in their manifestos for the coming general elections 2019, declare their stand about infiltration in clear terms.

**NRC** :- National Register of Citizens should be introduced all over the country as soon as possible and flush out the infiltrators from our homeland.

**Appeal to our countrymen**:- Our appeal to the countrymen is that to save our country from infiltration no employment, shelter or help he offered to infiltrators. □

## **RCEP: Not in India's Interest**

Swadeshi Jagran Manch has been watching the developments with regard to RCEP. So far, the approach of the Indian government has been that of cautiously engaging in the RCEP. National convention of SJM believes that RCEP presents a major threat and not a major opportunity by India as has been reported under major sections of press quoting government sources. Despite the fact that starting from 2012, 24 rounds of negotiations have already been completed, however these negotiations did not make any headway thanks to the approach of Indian negotiators, not yielding to the pressures of other member countries of RCEP. Member countries including India have been wary of fall-outs of the proposed agreement. RCEP is a proposed free trade agreement involving 16 countries. They include 10 ASEAN countries namely, Indonesia, Malaysia, Philippines, Singapore, Thailand, Brunei, Vietnam, Laos, Myanmar, Cambodia and 6 more countries Japan, South Korea, Australia, New Zealand, India and China. 16 RCEP countries which house 3.4 billion people or to say 45 percent of the world's population; with a combined GDP at Purchasing Power Parity (PPP) of about 49.3 trillion US dollar, which is approximately 39 percent world's GDP and it accounts for nearly 30 percent of the global trade. Therefore, we can say that this free trade agreement if signed would be a largest free trade agreement in the post WTO period and therefore RCEP would be the world's largest economic block.

Market access is in the centre of the proposed RCEP agreement. This means that as RCEP partner country, India would be required to bring tariff to zero on most of the items of import from other member countries. According to original proposals, RCEP member countries want import duty to be brought to zero on 90 to 92 percent items. Although India has made several proposals including 3-tier tariff reduction, one for ASEAN countries, 2<sup>nd</sup> for existing FTA partners and 3<sup>rd</sup> for those countries with whom India does not have FTA namely New Zealand, Australia and China. As reported, India is being asked to improve its offer to RCEP partners. India has major challenges from China in industrial goods. China already accounts for about half India's total trade deficit. Even with 74% of goods offered at 0 duty (which is India's current offer) this deficit will increase manifold and also threaten India's manufacturing growth potential. The survival of Indian SMEs will be in question.

The experience of India with FTAs has not been very encouraging, especially in the region. After signing ASEAN FTA, our Trade deficit with ASEAN countries has increased from 7.7 billion US dollars in 2009-10 to 13 billion US dollar in 2017-18. There has been a significant increase in imports from countries like Malaysia and Indonesia during this period. Similar has been the experience with Japan and South Korea with whom our Trade deficit has more than doubled. With the current trade deficit reaching its peak, it is even more difficult for India to offer duty free access to imports without forcing its producers to suicide. We must not forget that Australia's export competitiveness in wheat, dairy and meat products, and New Zealand's role as a major global dairy exporter accounting for 30% of global dairy exports will make Indian agriculture and dairy sectors totally vulnerable post RCEP.

The only argument which the negotiators from Indian government can give in favor of the RCEP is that we may get some favor from member countries with respect to concession in trade in services, where India is said to have aggressive interest. It is being considered that India will gain in terms of liberalizing services, however the experience has so far not been very encouraging whereas India has open door policy for professionals coming from partner countries of ASEAN whereas these countries have domestic regulation in place which restrict the Indian nationals to find employment in major countries. Further, RCEP covers many areas where policy space of the government will be restricted. Firstly, India is being asked to accept provisions on domestic regulation in services, which will restrict India's policy space and even that of state & local governments, in many ways.

Further indications are that Japan and South Korea are proposing intellectual property (IP) provisions referred to as TRIPS-plus, which go far beyond the obligations under the World Trade Organisation's Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPS).

The proposed provisions seek to extend pharmaceutical corporations' patent terms beyond the usual 20 years and also would require data exclusivity that limits competition. Data exclusivity and extending patent beyond 20 years and other provisions are a cause for great concern with respect to public health, because of their potential adverse impact on access to affordable medicines. In the Intellectual Property Chapter, any agreement that constrains our farmers' ability to produce, preserve, exchange and sell seeds needs to be categorically

rejected. If India makes any agreement on International Union of New Plant Variety (UPOV) 1991 or anything similar, it will simply kill livelihood of Indian farmers

We are seeing the impact of our investment agreements that have given companies huge power to sue our government and challenge its powers. It is sacrificing policy space in addition to losing huge revenue through compensations. We urge the government to not make concession on investment. India must not give up its policy stance on investment chapter in RCEP and should not accept a diluted position compared to its Model Bilateral Investment Treaty (BIT) text.

We are hearing that India may agree to some provisions in e-commerce chapter very soon. Given the wide policy and regulatory impacts of the digital economy, this will be total blunder and a matter of putting the cart before the horse. When India's domestic policy on e-commerce and the digital economy is being debated within the country, and any clear policy is yet to be formed, we should not tie up our hands in trade agreements in any way. That will simply increase the monopoly powers of the giant digital corporations whose might we are already seeing in India.

SJM believes that the RCEP is not in the interest of the people of India. There is no sector, no constituency, or no region in India that will benefit from RCEP. Given the impending elections in 2019, it will be a disaster for the government to sign or even make commitments giving concessions on specific chapters.

The National Convention of SJM urges upon the government to not to go ahead with RCEP negotiations to safeguard national interests in general and interest of manufacturing sector farmers, dairy and public health in particular. □

ed the Swadeshi's journey from Sampark Abhiyaan started in 1993 to the conference on employment held in Mumbai this year. He explained in detail the issues such as writing of book titled Hindu Economics by Dr. MG Bokre, the first National Convener of SJM, campaign against Enron Power Project, Sagar Yatra to protect fishermen, participation of swadeshi experts authorities in WTO ministerial meetings, solidarity in protection of retailers, campaign against GM crops & bye-cot of Chinese products raised by SJM over the years.

Shri Arun Ojha highlighted the activities of SJM being carried throughout the year. He in his address covered the important activities such as workshops and seminars on employment, activities on protection of environment and families, information about the Vichar Varg being organised, and a campaign against the Flip-kart - Walmart deal carried out by the Manch. He pointed out that issues related to agriculture, unemployment, health & medicine, environ-

ment etc. needs serious discussion and the present structure of development in this light needs to be changed. He further said that we will have to change the structure of development while considering agriculture, unemployment, medicine and environment at the central stage. India has old experience of this sustainable model of development.

**Shri Shri Ravi Shankar Maharaj:** Shri Shri Ravi Shankar Ji Maharaj and dignitaries present on the stage released the three books - Swadeshi Vikas Yatra, RCEP and World Trade War. Through his blessings he guided the delegates and said that India has unity in diversity. Om Namah Shivaya resonates in different parts of the world and India. We must feel proud of our culture. Today, there is a need to come out of cultural slavery in which we today live. India will become a world guru. Today, our yoga has got respect and recognition in the world. Even if expensive, we should buy swadeshi products.

### **Progress Reports**

State Conveners and Heads presented the report on activities and programmes being carried out in their respective states throughout the year. According to them, the units of Swadeshi Jagran Manch are active in all 25 States and around 400 districts across the country. In most of the States, Vichar Varg, Swadeshi Week (Sept. 25 - Oct. 2), Swadeshi Day-Babu Genu Sacrifice Day (December 12) are organised. A grand function of citizens was organised on the birthday of Rastra Rishi Dattopant Thangdi Ji in Delhi on November 10, 2018 and is note worthy. A special lecture on this occasion was delivered by RSS Chief Dr. Mohan Bhagwat ji. Similarly, seminars on rivers were organised in Odisha. There were programs at various places on a topic of "Tab Khadi-Ab Khaad". There have been meetings, programs and seminars throughout the country on environment and family.

Programs/seminars in different universities of the country were

## **Imperative to have strong E-Commerce Policy**

In the last many year, we noticed huge loss of employment in the conventional retail trade due to indiscriminate discounting and predatory pricing policies practiced by the E-commerce companies working with foreign investment. It is an open secret now that these companies have followed a business model called 'cash burning model'. Despite the fact that the law of the land neither permits foreign investment in E-Commerce nor deep discounts; these E Commerce companies continue to circumvent laws detrimental to the interests of the traders namely small shopkeepers book sellers medicine shops and others.

Swadeshi Jagran Manch (SJM) firmly believes that India should have a robust E-Commerce policy, to protect the interests of 13 crore people engaged in retail trade and crores of people in Small and Medium Industries and lakhs of our youth aspiring to grow in e-commerce business. India has been experiencing significant growth in e-commerce, with many small companies mushrooming and a few giants striving to take over the huge Indian e-commerce market namely Flipkart, Amazon, Snapdeal, Uber, Ola,Alibaba, etc..

Recently, there were two major developments with respect to e-commerce, which necessitated clarity at the policy level. In the last Ministerial Conference of WTO in Buenos Aires, there was an intense effort by many developed countries to include e-commerce in the WTO trade negotiations. At different bilateral and regional trade negotiations, especially the Regional Comprehensive Economic Partnership (RCEP) also, there has been pressure on India to give commitments over its stand on e-commerce. Since India doesn't have an e-commerce policy per se, it is imperative to first have a strong policy in place. Secondly, in the month of May 2018, Flipkart made a deal with global retail giant Walmart for the sale of 77 per cent of its equity to the latter. Flipkart has been flouting FDI rules and has been circumventing the law in many ways.

SJM has been raising its voice for bringing awareness in the government and policy circles to bring suitable changes in the policy. The New E-Commerce FDI Policy released by Department of Industrial Policy and Promotion (DIPP) through Press Note 2, December 2018, barring platform companies to offer price distorting discounts. is a welcome step as the same is a saviour for small traders and Medium and Small-Scale Enterprises (MSME)s. In the past they have been facing unfair competition from the E-Commerce giants which follow capital burning. The Policy also proposes for Regulator which keeps a check on the circumvention of rules governing E-Commerce. Overall the guidelines bring clarity in E-Commerce space where companies have been flouting rules. New guidelines also prohibit E-Commerce Companies from selling products from companies in which they have stakes. For example, Cloutail Ltd. which is a subsidiary of Amazon accounted for 70-80% of sales. Similarly, WS Retail Ltd. of Flipkart accounted for 30-40% of Flipkart's overall sales; have been debarred from selling products as these ecommerce companies have stakes in these companies. If this policy is implemented properly, these E-Commerce companies can no longer have such arrangements.

SJM while appreciating the new policy clarifications, cautions the government that no relaxation be given to these companies and policy must be implemented in letter and spirit. These E-Commerce giants must be dealt with according to the law. The current policy has brought confidence among the small traders who now believe in government's vision for this sector. This confidence should not be allowed to be shaken, by giving any concession to the offenders.

It has also come to the notice of SJM that Chinese based sellers have been selling Chinese products illegally via E-Commerce channel. SJM identified that over 200,000 such orders are being fulfilled on a daily, basis via this channel. Some of the packages are delivered through India based courier companies and Cash on Delivery process, works with most of them. In some other cases, it was found that the products are shipped as gift parcels through China Post and India Post and in many of these cases; no custom duties are being collected. This is being done by misusing the arrangement of allowing gifts up to Rs. 5000 from NRI's to their relatives. China post seems to have been subsidizing heavily the packages shipped to India to promote small and medium sized businesses which leads to low delivery costs.

SJM has flagged the issue with highlighting concerns of MSMEs and suggested measures to prevent entry of Chinese products illegally. National Convention of SJM at Madurai urges the government to immediately halt the illegal activities of deep discounts, foreign currency transactions, illegal activities of Chinese apps and use of dominant position by E-commerce companies, to exploit the vendors and other stakeholders. □

## **Swadeshi Model of Development is the Solution**

Today, India has become the fastest growing economy in the world, surpassing China. Our Gross Domestic Product (GDP) on exchange rate basis has reached \$2.8 trillion, which makes it sixth largest economy of the world. As per purchasing power parity (PPP) basis it has reached \$9.4 trillion, which makes it third largest economy of the world. Despite this India continues to be a country having largest number of people with hunger. As per the latest data published by the Ministry of Labour, number of unemployed people has increased from 18.3 million in 2017 to 18.6 million in 2018. Index of industrial production (IIP), which had either stagnated or was declining under UPA government, has started increasing now. However despite all this unemployment rate is either stagnant or has increased, though marginally.

Almost, all economic indicators are under control, may it be fiscal deficit or balance of payment deficit. Indian rupee, which had gone weak due to rising international oil prices, has once again started gaining strength. There is no doubt that under present government, corruption of the previous UPA government has been controlled. Despite all that solution to poverty, inequalities and unemployment is nowhere in sight.

Swadeshi Jagran Manch firmly believes that there is an immediate need to change the thinking about philosophy of development, in order to eradicate poverty, improve conditions of villages, reduce inequalities and unemployment. The model of development, based on foreign investment has failed to eradicate poverty and unemployment, because this model results in jobless growth. Therefore despite increase in GDP, its benefits are not reaching workers, farmers and poor.

This model does not take into account the adverse impact on environment. Fast spreading urbanization and pollutions of all types including air, water, soil and exploitation of soil and all this ultimately leading to climate change and global warming, are not taken into account in this model of development, which concentrates on GDP growth. Due to this perverted model of development, inequalities are increasing and employment opportunities are eroding.

Swadeshi Jagran Manch firmly believes that Swadeshi Model of development, which has least dependence on foreign investment, which protects small scale industries, which does not ignore rural economy especially agriculture and farmers, which takes care of employment, equality and decentralization alongwith production, is the basic condition for employment, welfare of the poor and development of all sectors in the economy.

In the last 25 years, our balance of trade deficit and balance of payment deficits have been peaking due to the policy of open imports in the name of globalisation and liberalisation. Dependence on foreign investment has increased dangerously due to these rising payment deficits. Due to the problems of foreign payment problems foreign debt increased on the one hand and rupee depreciated on the other. Depreciation of rupee increases our problems further.

Need of the hour is to control the flooding of imports coming from China and other parts of the world. Government has raised import tariffs on electronics, telecom, garments and non essential imports, which is welcome. We find expected results of the same. Government has tried to restrict imports also by way of anti-dumping duties and standards. This needs to be taken further.

Due to foreign investment, outflow of royalty, interest, dividends salaries, technical fee etc. has been on rise, which is multiplying our payment problems. Therefore, we need to reduce over dependence on foreign investment and imports. We can increase employment through promoting manufacturing by restricting imports. On the other hand, we can increase employment opportunities by promoting fishing, poultry, animal husbandry, mushroom production fruit and vegetables production, bamboo and its products food, processing etc.

MUDRA Yojna, Jan Dhan Yojna, Start-Ups, skill development, etc. are proving to be major boost for creating new employment opportunities. Effects are being made to improve standard of living through provision of electricity, housing, cooking gas, toilets etc. to the poor. Farmers incomes are being tried to be doubled through minimum support prices, increase in employment in rural areas, provision of seeds, organic fertilizers and use of technology to improve marketing facilities.

All these efforts are appreciable though insufficient. We need to change the thinking of our policy makers about the meaning of development. They have to come out of the mindset that development is possible only by foreign investment and foreign resources. We need to change the indices of development. Swadeshi Jagran Manch firmly believes that GDP cannot be correct indices of development. Correct indices of development must include conservation of natural resources including improvement in forest ratio, soil conservation and improvement, health, implement creation, decline in pollution etc.

All India Convention of Swadeshi Jagran Manch calls upon the government that-

1. Before making or amending any policy we must take into consideration that whether it benefits our poor or it improves environment or help decentralization.
2. Today when the gap between per capita income of rural and urban areas has reached 12.3 times, government makes efforts to improve condition of farmers and villages by making budgetary provisions.
3. National manufacturing policy be made keeping interest of small scale and cottage industries in the centre. Avoid policies, which benefit big industries especially multinational companies. Withdraw the bill aimed at changing definitions of MSME. Ban big e-commerce companies destroying small industry and businesses through cash burning. Bring back policy of reservation of products for small industries. Policy of preferential purchase for small scale industries be taken forward. Food processing industries needs to be encouraged.
4. Encourage decentralized model of development. □



organised on the subject of employment generation. In particular, Heads of agriculture, industry, Vice-Chancellors of different Universities gathered together in Chandigarh, Udaipur, Delhi and Mumbai to discuss how to generate more employment in the economy. Seminars in all 22 districts of Haryana were organised. Apart from this, the grand Swadeshi Melas were organised in the states of Jharkhand, Odisha, Chhattisgarh, Karnataka, Delhi and Haryana. The activities of start-ups and micro credit distribution have also increased in states. In nutshell, each state organised some special program/activity. Apart from this, the information about the publication of small booklets on Swadeshi Vikas Yatra, Rojgar and Swadeshi Path, Free Trade Agreements (FTA) and World Trade War was also brought to the notice during

progress presentation.

#### **Resolutions Passed**

**1. Infiltration and its Impact on Indian Economy** - Sh. Amalan Kusum Ghosh in English and Sh. Manoj Kumar Singh in Hindi read the resolution.

**2. RCEP: Not in India's Interest (Free Trade Agreement of 16 Countries)** - Dr. Ashutosh in English and Dr. Ashwani Mahajan in Hindi read the agreement.

**3. Imperative to have strong E-Commerce Policy** - Dr. Raghavendra Chandel read the resolution in Hindi.

**4. Swadeshi Model of Development is the Solution** - Sh. Mahadevaya in English and Sh. Annada Shankar Panigrahi in Hindi read the resolution.

#### **Akhil Bhartiya Vichar Varg**

This year, 5 Akhil Bhartiya Vichar Varg were organised at dif-

ferent places in the country. Total number of 779 karyakartas were present in these Varg and got the guidance of All India Authorities of SJM and subject experts. The Vichar Varg of Uttar Kshetra and Rajasthan was organised at Kurukshetra (Haryana), of Uttar Pradesh and Uttarakhand in Shahjahanpur, of Central and Western Region at Durg (Chattisgarh) & of Eastern region at Tarapeeth (West Bengal).

This year, All India Meeting of Sangarsh Vahini was held at Jaipur (Rajasthan) in which 98 Karyakartas' from 14 States participated.

The All India meeting of Vichar Vibhag was held at Yashwant Bhawan in Mumbai, in which 55 Karyakartas' from 18 States participated.

#### **State-wise Meetings**

A meeting of States was held in the night of 18<sup>th</sup> January. Mutual exchange of Information regarding introduction of Karyakartas', registration, arrangement of accommodation besides programmes being conducted in the State took place in the meeting. In addition to this, suggestions were sought regarding membership of Swadeshi Patrika, sale of literature and future programmes in the State. Central authorities were present in these meetings.

### Parallel Sessions

In the Madurai Convention, one parallel session in which following five subjects were discussed, was conducted:

**1. Indigenous Medicines and Health Care:** Sh. Arun Ojha and Dr. Baldev discussed the topic of indigenous medicines and public health care systems. They discussed on how to increase the use of domestic medicines and health care systems including the discussion on how to get rid of present costlier system of health care.

**2. Global Economic Issues:** Prof. Bhagwati Prakash Sharma and Prof. BM Kumaraswamy discussed about the prevailing economic situation in the country and in the world with the Karyakartas'.

**3. Agriculture:** Discussion on the subject of agriculture was initiated by Sh. Satish Kumar and Sh. Mohan Gaanwasi. Important suggestions were made to make agriculture profitable, move towards zero budget & organic farming including suggestions to make it toxic free.

**4. Women and Family:** Dr. Amita Pataki discussed on how to increase Swadeshi in families and homes.

**5. Start-up and Skill Development:** Dr. Ashwani Mahajan and Sh. Kamaljeet discussed the different experiments conducted in the last one year in this direction and its importance in the time to come.

### Swadeshi Sandesh Yatra

On the 2<sup>nd</sup> day (19 Jan.) of the convention, a grand Swadeshi Rally was organized in Madurai city in which, the Karyakartas' of all States participated with banners and flags

of their respective State. The Sandesh Yatra was of about 2 KMs and concluded with a public meeting. The local people of Tamil Nadu in good numbers participated in the Yatra and attended the rally. In this meeting, a spell-bound speech by Tamil T.V. Artist Shri Rangaraj Pandey was delivered in Hindi and Tamil languages. The gathering was also addressed by Sister Madhumati from Jharkhand, Sh. Pawan Kumar (BMS), Sh. Deepak Sharma 'Pardip', Prof. B.M. Kumaraswamy (National Co-convenor, SJM), Sh. R. Sundaram and Sh. Annada Shankar Panigarhi (Akhil Bhartiya Sangharsh Vahini Pramukh of S.J.M.)

A grand cultural program was also organized in the night.

### Special Lectures

Special lectures on three topics were delivered. **First**, Prof. Bhagwati Prakash Sharma delivered a lecture on current global economic scenario and pointed out that our share in world's manufacturing is just 2.1 % while our share in world's population is 17.6%. On the other hand, Japan's share is 10 % and has just 1.6% of the world's population. We have to strengthen the food processing industry along with industrial growth in the country.

**Second**, Dr. Ashwani Mahajan spoke on the importance of dialogue with Government on economic issues such as e-commerce, dis-investment, RCEP, de-fortification etc. He discussed all these issues in detail. **Third**, Shri Satish Kumar, spoke on the topic '*Dattopant Thangadi: Personality and Creativity*'. He highlighted the various aspects of his life and pointed out that while having open opposition with communists, he maintained

good personal relations with them.

Besides them, Dr. Amita Pataki spoke on environment, Shri Nagratnam Naidu on successful experiment in agriculture and Shri Yoganand Kale on Swadeshi Andolan – past and future.

### Organizational Matters

Sh. Kashmiri Lal (National Organizer of SJM) while speaking on organizational issues, called upon the delegates to establish Swadeshi Units in all districts. He also informed them about the activities of SJM in schools, colleges and universities and how networking efforts needs to be enhanced in this directions. He further stated that employment, environment and family, all these three issues shall remain important this year also. He asked the delegates to organize Sampark Abhiyan from 15<sup>th</sup> February to 15<sup>th</sup> March in all Districts of the States and distribute the list of foreign and swadeshi products. He suggested to have special lectures and seminars between November 10, 2019 to November 10, 2020 to celebrate the birth centenary of Dattopant Thangdi Ji. Karyakartas' should read and understand more of Dattopant Ji through reading of literature and listening of his lectures available on YouTube and other media.

### Forthcoming Events

Shri Kashmiri Lal Ji provided information to the delegates about the forthcoming programmes –

1. February 15 to March 15 – **Sampark Abhiyan**
2. **Executive Council Meeting** – 30-31 March 2019 (Delhi office of Swadeshi Jagran Manch)
3. **National Council Meeting** - 8-9 June, Pune (Maharashtra)

4. **Swadeshi Week** - September 25 to October 2.
5. **Dattapanth Thangdi Birth Centenary Programs** - Starting from 10th November
6. December 12 – **Babu Genu Sacrifice Day** (Swadeshi Day)

### New appointments

National Convener of SJM, Shri Arun Ojha Jimade the announcement of new appointments and responsibilities:-

#### All India Responsibilities:

1. Shri Ajay Pataki– All India Co-convenor, 2. Sh. Satish Kumar – Akhil Bhartiya Vichar Vibhag Parmukh and Organizer Uttar Kshetra, Rajasthan and Madhya Pradesh, 3. Dr. Rajkumar Chaturvedi – Akhil Bhartiya Sah Vichar Vibhag Parmukh, 4. Sh. Kamaljeet – Akhil Bhartiya Sah Sampark Parmukh and organizer Delhi and Haryana, 5. Sh. Vande Shankar – Akhil Bhartiya Sah Sangharsh Vahini Parmukh, 6. Sh. Saroj Mitra – henceforth shall provide guidance at Central Office, Delhi and on economic issues.

#### Regional Responsibilities:

**Uttar Kshetra:** Sah Kshetriya Sanyojak - Dr. Rajkumar Mittal; Rajasthan shall remain divided in three States,

**Rajasthan Kshetriya Sanyojak**– Dr. Dharmendra Dubey; Madhya Pardesh is divided in three states.

**Madhya Kshetra Sanyojak**- Dr. Raghavendra Singh Chandel.

#### State Responsibilities:

**Tamil Nadu:** Shri Adisheshan – Prant Sanyojak, 2. Sh. Chandran – Prachar Parmukh, 3. Smt. Uma Murugan – Mahila Parmukh, 4. Sh. Sreedharan - Chennai Vibhag Sanyojak, 5. Sh. Raja - Madurai Vibhag Sanyojak, 6. Poomaran - Madurai Sah Vibhag Sanyojak.

**Karnataka**– 1. Sh. Mahadevaya – Member Rashtriya Parishad, 2. Sh. Vijay Krishna – Sah Prant Sanyojak, 3. Prof. Satyanarayan- Sah Prant Vichar Vibhag Parmukh 4. Sh. Babu Ji – Prant Kosh Parmukh and Member Rashtriya Parishad.

**Telangana** - 1. Sh. Nagratnam Naidu– Sah Prant Sanyojak, 2. Sh. Suresh - Member Rashtiya Parishad.

**Maharashtra**– Maharashtra is divided into four States -

1. **Vidarbha**– Prant Sanyojak – Sh. Shirish Tare, 2. **Devgiri**– Prant Sanyojak - Sh. Pratap Mulle,
3. **West Maharashtra** Prant Sanyojak – Sh. Suhas Yadav.

**Gujarat**– Sh. Chaitanya Bhatt – Sah Prant Sanyojak.

**Madhya Pradesh**– is divided into 3 States-

1. **Mahakaushal**– Sah Prant Sanyojak- Sh. Chandramohan Sahu, 2. **Central India**– Prant Sanyojak – Shri Arushendra Sharma, Sah Prant Sanyojak- Mr. Akhilesh Tiwari and Shri Baburam Ji, 3. **Malwa** – Prant Sah Sanyojak – Sh. Suresh Bechaulia and Shri Hariomji

**Rajasthan**– It has three states and will be known as Rajasthan Kshetra.

1. **Chittaur Prant** – Prant Sanyojak - Sh. Satish Acharya, Prant Sah Sanyojak- Sh. Bhagwati Jagetia,

2. **Jodhpur Prant** - Prant Sanyojak – Sh. Anil Verma, Prant Sah Sanyojak – Sh. Pramod Paliwal and Sh. Anil Sharma,

3. **Jaipur Prant** – Prant Sanyojak - Dr. Shankar Lal, Prant Sah Sanyojak – Sh. Suresh Khandelwal, Sah Prant Sanyojak – Sh. Sudesh Saini.

**Himachal Pradesh**– Sh. Gautam Kashyap– Prant Sah Sanyojak.

**Haryana**– 1. Prof. Somnath Sachdev - Sah Prant Sanyojak, 2. Sh. Sanjay Sura – Sah Prant Sanyojak.

**Delhi** - Shri Vikas Chaudhary – Sah Prant Sanyojak

**Pashim UP**– Dr. Love Kush Mishra – Sah Prant Sanyojak

**Uttarakhand**– Sh. Mohan Gaanvwasi– Member Rashtriya Parishad

**Odisha**– 1. Sh. Ashutosh Mukherjee- Member Rashtriya Parishad, 2. Sh. Manoranjan Rout – Prant Sangharsh Vahini Parmukh

**Bihar** – Shall have two States - 1. **Uttar Bihar**- Prant Sanyojak- Sh. Vijay Singh,

2. **South Bihar** – Prant Sanyojak- Sh. Yadunandan Prasad

**West Bengal** – 1. Mrs. Vaani Sarkar - Member Rashtriya Parishad and Prant Mahila Parmukh, 2. Sh. Amiya Sarkar - Member Rashtriya Parishad.

### Valedictory Session

On 20<sup>th</sup> January, after giving information about all forthcoming programmes, the National Convener Sh. Arun Ojha called upon the Karyakaras' to generate public awareness in the coming days for fulfilling their national duty. He said the trend in the world is changing and this wind of change has started blowing in the reverse direction. Those who advocated to open the borders have now started advocating their closure. The story of decay of Chinese export oriented economy is going to be written down soon. The wind of Swadeshi is blowing in America and Europe. West is facing the situation of sunset. Soon the world is going to follow the approach of Swadeshi for its development.

The 13<sup>th</sup> National Convention ended with Vande Mataram. □□

## Popular and Prudent Budget



As the term of the present Narendra Modi government will complete in May 2019, amidst speculations whether the budget to be presented by the present officiating finance minister Piyush Goyal would be an interim budget or the final; whether the government would be able to made announcements having significant budgetary effect or not, the budget has finally been presented, containing host of new announcements, which though may be undermined by the opposition, but the same may not be rolled back in any circumstances, as they have been welcomed by one and all. The government has made its intent clear about the welfare of small farmers, poor, small scale enterprises and workers, especially of unorganized sector.

For long the farm crisis has been the issue of hot debate. The politics of farm loan waivers, has been impacting even the poll results, as we have noticed in the last assembly elections. Although the incumbent government at the centre has been trying hard to adopt broader policies for the welfare of the farmers and creation of employment opportunities in the rural areas. Last budget witnessed announcement of remunerative prices for farm produce covering 22 agricultural produce, by offering minimum support price equivalent to 150 percent or more of the cost of production. However, it was being felt that this alone would not be sufficient to satisfy the needs of the farming community, and also to double farmers income by 2022. Fast increasing input cost of farming and insufficient increase in the prices of agricultural produce has been making the lives of the farmers miserable. As per the latest National Bank for Agriculture and Rural Development (NABARD) report, in rural areas, hardly 23 percent of the households incomes come from agriculture and rest comes from wages, salaries and enterprises. The situation is that per capita income in villages is less than Rs. 23000 per annum, whereas in the cities it is 12.3 times more i.e. 2,89,000 rupees.

To resolve the problem of rural-urban divide, there is a need to increase the income of the villagers. In this budget a provision has been made to transfer Rs. 6000 per farm households with farm holding of 2 hectares or less. For this Rs. 75,000 crores budget has been allocated. This seems to be the first step towards 'universal basic income', that is, minimum assured income for all in the country.

Unemployment is a major problem today, where rural unemployment is even more painful, as there are very limited income opportunities in the rural areas. Therefore, assured employment by way of Mahatma Gandhi Rural Employment Guarantee Act (MNREGA) has been considered to be inevitable pol-



*The government has made its intent clear about the welfare of small farmers, poor, small scale enterprises and workers, especially of unorganized sector.*

**Dr. Ashwani Mahajan**

icy for a long time. All time high provision of Rs. 60,000 crores is being considered as a big step towards welfare of rural landless and poor farmers. However, there remains an urgent need to create additional employment opportunities in the rural areas. In this context, a provision was made to provide Kisan Credit Card for those engaged in animal husbandry/dairy and fisheries, even if they are landless. In the budget 2019-20, a further provision has been made for interest subvention of 2 percent on loans taken for these purposes. This measure can help in creating more employment opportunities in the rural areas.

What is needed is that facility of subsidized loans be extended to food processing, mushroom production, rural artisans, poultry, etc. as has been done for animal husbandry and fishing by offering interest subvention of 2 percent for these activities, where there is lot of scope for additional employment opportunities. This would go a long way towards the development and increase in incomes in rural areas.

Provision of pension to the unorganized sector workers is a wonderful step. As we find that scheme envisages pension of rupees 3000, after the age of 60 years, for those with income up to rupees 15000, for a paltry contribution of rupees 100 per month, the provision of 3000 per month. If one enters at the age of 18, then only Rs 55 will be needed to be deposited every month, for the same. Pension to workers in unorganized workers will also be a major step towards equality. An increase in health and education budget is also an admirable step.

### Income Tax

Taking the income tax exemption limit up to five lakhs, which has been long pending demand, is a major leap, which will benefit about 30 million people. Simultaneously, raising the standard deduction from Rs 40,000 to Rs 50,000 for salaried class is also a relief. Gratuity limit too has been raised from 10 million to 30 lakh. These are all welcome steps for middle and salaried class. Making the benefit of capital gains applicable to second house as well, can also encourage the middle-class

***Small businesses registered with GST have been offered interest subvention of 2 percent for the first time in history, which is also commendable.***

investment in housing which will give boost to housing.

Small businesses registered with GST have been offered interest subvention of 2 percent for the first time in history, which is also commendable. The GeM, an online portal for government procurement, will now be opened for the Central Public Sector Enterprises also and it will be easier for small enterprises to sell their produce.

Taking the defense budget to 3 lakh crore, provision for infrastructure including railways, renewable energy are all welcome steps. Boost to electric vehicles is a step towards clean environment and shows government's commitment

in this direction.

But increased allocation for MNREGA to rupees 60000 crores, allocation of rupees 75000 crores for introduction of income support to farmers, pension for unorganised workers etc could have jeopardized the budget calculations. However, it gives solace that fiscal deficit is contained to the same level in the Budget 2019-20, as that of current year (2018-19) revised estimates; that is, 3.4 percent of GDP. This is something significant that, the size of the total budget has been increased from Rs 24,42,213 crores in 2018-19, to Rs 27,84,200 crores, an increase of (i.e. Rs 3,41,987 crores), however, but in spite of this big hike, fiscal deficit is contained at 3.4 percent of GDP.

Though, in the Budget 2018-19 Fiscal Deficit was estimated to be 3.3 percent of GDP, revised estimates for 2018-19, show last year's revised estimates show the same at 3.4 percent of GDP, as expenditure in 2018-19 is expected to exceed budget estimates. How Finance Minister could contain fiscal deficit to 3.4 percent of GDP? This could be made possible primarily by higher receipts from taxation.

It's notable that additional net receipts to the central government after shedding states share for 2019-20 is estimated to be 2.52 lakh crores more than budget estimates for 2018-19 and 2.2 lakh crores higher than the revised estimates, which is a record. It is notable that budget estimates show extra rupees 1.18 lakh crores receipts from GST, rupees 0.9 lakh crores from income tax, 0.15 lakh crores from customs.

□□

## George Fernandes: The rebel politician



In September, 2001, George Fernandes surprised everyone, when he criticised the labour reforms of the then National Democratic Alliance (NDA) government led by Atal Bihari Vajpayee. George, as his friends and contemporaries called him, at that time was convener of the alliance. To vent his views, Fernandes chose Rashtriya Swayamsevak Sangh's (RSS) economic think-tank Swadeshi Jagran Manch's (SJM) seminar at the national capital. RSS was vehemently opposing PM Vajpayee's liberalisation agenda at that time. A unionist and socialist, George found comradeship in SJM, since RSS had floated this platform to oppose the introduction of FDI and globalisation in 1991.

George was their hero. In 1977, during his stint as industry minister in Janta Government, he pushed multinationals like IBM and Coca Cola to implement the provisions of the Foreign Exchange Regulation Act (FERA) which led to the exit of these two companies. They were back only after the 1991 liberalisation. There were some differences in approach. RSS' idea of 'swadeshi' included entrepreneurship and private investments, whereas, communists and socialists like Fernandes wanted firm control of the public sector enterprises. During NDA-1, when most of the BJP leaders like Arun Shourie, Jaswant Singh became incommunicado towards the RSS leadership (especially on the economic issues); Fernandes along with Murli Manohar Joshi gave them audience. This included issues like disinvestments in the public sector firms, opening up of FDI in multi-brand retail and insurance sector, and changes in the labour laws.

However, Fernandes didn't attend the SJM seminar without weighing in the impact. A week before the seminar, Madan Das Devi-the then Joint General Secretary of RSS, briefed him about the content. The invitation was extended only after he agreed to attend the discussion. The move caused murmurs amongst his comrades in the Samta Party that he was 'falling in the trap of RSS'. But some of his friends believed that this could benefit Fernandes in the long run. Vajpayee's health was on decline, and since LK Advani was not an ideal replacement for Vajpayee because of his Hindu hardliner image, Fernandes would have been the next obvious choice. In such a scenario, support from the RSS might have come in handy.

Many found this ironical since during his days in Janta Party government, Fernandes along with his socialist comrade Madhu Limaye would often question the influence of the RSS cadre in the establishment.

In fact, after his demise, RSS and SJM were the first to condone his death. Those who knew him from the beginning would have never imagined this friend-



*Fernandes first gained national attention in 1974 when he led an all India railway strike. He had massive influence among the unions of electricity, transport workers, mill worker and taxi drivers.*

**Anilesh S Mahajan**

## Obituary

ship or cordial relationship: RSS, a loud Hindutva organisation and Fernandes, a Mangalorean Christian who was trained to be a priest, left his native place in the age of 18 to reach Mumbai and lead a life of an atheist all his life thereafter.

In the cabinet meetings between 1998-2004 (he was not a part of the cabinet between March-October, 2001), he along with Murli Manohar Joshi continued to oppose the liberalisation and FDI proposals moved by the then finance minister Yashwant Sinha.

When he served as the defence minister in the Vajpayee's cabinet, he would often follow RSS' ideologies. He was the first Defence Minister to publically acknowledge China as a potential threat along with Pakistan. In hindsight one can criticise him for not pushing the modernisation of forces and constructing infrastructure

***George Fernandes as the Defence Minister in the Vajpayee's cabinet oftenly follow RSS' ideologies. He acknowledged China as a potential threat along with Pakistan.***

to allay his Chinese fears.

Fernandes first gained national attention in 1974 when he led an all India railway strike. He was the president of the All India Railwaymen's Federation then and at 44 years of age had massive influence among the unions of electricity, transport workers, mill worker and taxi drivers. Many say, he had the wherewithal to halt Bombay with-

in minutes, an influence which only Bal Thackeray could match. This strike started on May 8 and was called off on May 27 of 1974. Indira Gandhi-led Congress government in Delhi had to order a nationwide crackdown, by arresting more than thousands of the unionists. Before this he had gained lime-light by defeating congress heavy weight SK Patil from the Bombay South constituency in the 1967 Lok Sabha polls.

He remained member of the lower house for nine times thereafter, and faced defeat for the first time in 2009 -when his protegee Nitish Kumar refused him ticket and he contested as an independent from his pocket borough Muzaffarpur in Bihar. He was reluctant to accept Rajya Sabha nomination thereafter. □□

Source: <https://www.businesstoday.in/current/economy-politics/george-fernandes-the-rebel-politician/story/314938.html>

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# Trend and progress of Indian commercial banks



Reserve Bank of India has recently submitted (December 2018) its report on ‘Trend and Progress of Banking in India’ for the year ended June 30, 2018. This Report presents the performance and salient policy measures relating to the banking sector during 2017-18 and 2018-19 (up to December 2018). The Report also provides an analysis of the co-operative banks and non-banking financial institutions. As is known, RBI deals with Regulation, supervision and financial stability of financial system including the Credit delivery, Financial markets and Financial inclusion. It is important to know the status of Indian banking sector and listen to RBI what it says about its future policy options. Due to column constraints, status of only commercial banks has been covered.

## Global banking Perspective

RBI report has observed that improvement in global growth and intensification of post-global crisis reforms has lent considerable support to banks and has made them resilient, as seen in improving capital and liquidity buffers and declining Non-performing Loan (NPL) ratios. According to RBI, Credit growth is taking hold in many jurisdictions across the world and Technology-driven banking is the next frontier, presenting risks as also opportunities. RBI however feel that the Crypto-currencies need constant monitoring on overall financial stability considerations, given the rapid expansion in their usage. RBI has also reported that the risks emanating from geo-political conditions in some countries as also the pace of normalization by monetary authorities in advanced economies need to be monitored closely and warned that the Intensification of these risks entail reversal of capital flows from Emerging Market Economies, financial market volatility and institutional fragility amplified by swings in global risk sentiment.



*Intensification of post-global crisis reforms have supported and made banks resilient by improving capital. There is a need for adequate recapitalisation of public sector banks and good corporate governance.*

**Anil Javalekar**

## Indian Perspective

RBI has considered ‘the year 2017-18 as a watershed in the evolution of India’s banking system for five reasons. **First**, the foundations of a comprehensive, decisive and credible resolution architecture were laid and built upon with the Reserve Bank armed with the legislative amendment that empowered it to direct banks on the mechanism to resolve bad loan cases and the Insolvency and Bankruptcy Code (IBC, 2016) being established as the pivot in the architecture to resolve stressed assets. **Second**, urban co-operative banks (UCBs) were given an opportunity to voluntarily convert to Small Finance Banks (SFBs) enabling them to carry out a wider range of activities and have a pan-India presence. **Third**, concerted policy initiatives were put in place as force multipliers for inclusive lending— in addition to trading of priority sector lending certificates (PSLCs) on e-Kuber facilitating indirect lending to the priority sector, the Reserve Bank also

encouraged direct lending through co-origination of loans by banks and NBFCs. **Fourth**, the drive for financial inclusion was reinvigorated by the introduction of the modified Pradhan Mantri Jan Dhan Yojana (PMJDY). **Fifth**, the introduction of the newer version of Unified Payments Interface (UPI) has positioned the banking system to reap benefits from technology, while being mindful of cyber security risks.

### **Improvement in the health of banks is on the cards**

RBI report observed that while provisioning against the overload of deterioration in asset quality pulled down the banking sector into losses in 2017-18, a strong revival in bank credit growth during the first half of 2018-19 by private and public sector banks (PSBs) suggests that an overall improvement in the health of banks is on the cards. Stressed assets of scheduled commercial banks (SCBs) have begun to stabilize, albeit at an elevated level, capital positions have been buffered and the provision coverage ratio improved to 52.4 per cent by end-September 2018. These developments augur well for the banks and other financial intermediaries in the economy as they struggle to regain the loss of momentum in the preceding six years.

### **Indian Policy environment was positive**

As per the report, Reserve Bank reviewed and refined its regulatory and supervisory policies during the year in order to catalyze the banking system into scaling up the reach and quality of the financial intermediation needs of a digitizing economy. As per Report, li-

***The enactment of IBC, 2016 and the amendment to the Banking Regulation Act, 1949 in 2017 marked a watershed in the evolution of the regime for resolution of financial stress in India.***

quidity management operations endeavored to modulate system liquidity around a position closer to neutrality by employing variable rate reverse repo auctions with a preference for longer tenors, security issuances under the market stabilization scheme (MSS), cash management bills (CMBs) and open market operations (OMOs). As regard to the regulatory policy, key policy initiatives encompassed a revised framework for resolution of stressed assets. The Reserve Bank's other regulatory initiatives included, inter alia, progressive alignment of liquidity risk management with international standards, measures to strengthen the co-operative banking system as a purveyor of inclusive bank credit and a host of miscellaneous measures which have forward-looking implications. The report concluded that the enactment of IBC, 2016 and the amendment to the Banking Regulation Act, 1949 in 2017 marked a watershed in the evolution of the regime for resolution of financial stress in India, empowering creditors to deal with troubled financial assets in a transparent, timebound manner.

### **Performance of PSBs not good**

The report on Trend and Progress of Banking in India 2017-18 recorded that India's banking sector was facing a large overhang of balance sheet stress and the banking system registered losses during 2017-18 for the first time since 1993-94 due to persisting deterioration in asset quality and necessitated sharp increases in provisions. The report stated that Since 2015-16, provisioning by PSBs has consistently exceeded their operating profit or earnings before provisions and taxes (EBPT), resulting in net losses. As a result of higher provisioning, PSBs incurred net losses to the tune of Rs. 854 billion, while PVBs and FBs continued to report net profits. The report recorded that the deterioration in asset quality of Indian banks, especially PSBs, can be traced to the credit boom of 2006-2011 when bank lending grew at an average rate of over 20 per cent. Other factors that contributed to the deterioration in asset quality were lax credit appraisal and post sanction monitoring standards; project delays and cost overruns; and absence of a strong bankruptcy regime until May 2016.

### **Capital adequacy worsened for PSBs**

While the Capital to Risk-weighted Assets Ratios (CRARs) of Private Sector Banks (PVBs) and Foreign Banks (FBs) continued to improve, the capital position of PSBs worsened due to the persisting deterioration in asset quality and incurring of losses. CRARs of PSBs came down from 12.1 as on 31 March 2017 to 11.7 as on 31 March 2018 when it increased from 15.5 to 16.4 for PVBs and from 18.7 to 19.1 for FBs. Apart from

capital infusion by the government, banks were expected to raise ₹ 580 billion from markets, which remains incomplete.

#### **PSB's NPA level was high**

The Gross Non-Performing Assets (NPAs) of PSBs increased from 11.7 % of gross advances (2016-17) to 14.6% in 2017-18. The net NPAs were also increased from 6.9% to 8% during the period. Comparatively the status of PVBs remained stable whereas it improved in the case of FBs. The priority sector NPAs of PSBs were at 22.2% of which 8.9% were of agriculture and 9.7 % were of Micro and small enterprises. Total NPAs of all banks were at Rs 9,626 billion of which 88% (Rs 8,455) were of PSBs.

#### **Recovery of stressed assets improved**

The report stated that Recovery of stressed assets improved during 2017-18 through the IBC, 2016 and Securitization and Reconstruction of Financial Assets and Enforcement of Security Interests (SARFAESI) Act, 2002. Apart from vigorous efforts by banks for speedier recovery, amending the SARFAESI Act to bring in a provision of three months' imprisonment in case the borrower does not provide asset details and for the lender to get possession of mortgaged property within 30 days, may have contributed to better recovery. Recovery through Lok Adalats and Debt Recovery Tribunals (DRTs) declined alongside the number of cases referred partly indicative of growing clout of the IBC mechanism for resolution of stressed assets. This apart, banks are also cleaning up balance sheets through sale of doubtful/ loss as-

***Credit growth to industries turned positive in Nov. 2017, credit to NBFCs picked up, personal loans continued to register robust growth in 2017-18 and credit growth reached double digits.***

sets to assets reconstruction companies (ARCs) and other banks/NBFCs/financial institutions by taking haircuts. During 2017-18, the acquisition cost of ARCs as a proportion to the book value of assets increased, indicating better realisations by banks on sale of stressed assets. Bank group-wise, PVBs have been most aggressive on asset sales. PSBs lagged in asset sales mainly owing to large haircuts and various management issues.

#### **Bank frauds are of serious concern**

Frauds have emerged as the most serious concern in the management of operational risk, with 90 per cent of them located in the credit portfolio of banks. In terms of amount, frauds in the banking sector increased sharply in 2017-18 mainly reflecting a large value case in the jewellery sector. Incidentally, large value frauds involving ₹ 500 million and above constituted about 80 per cent of all the frauds during the year. 93 per cent of the frauds in terms of amount of more than Rs. 0.1 million occurred in PSBs while PVBs accounted for six per cent.

#### **Positive Credit growth**

Credit growth to industries turned positive in November 2017 after a hiatus of 13 months, but it remained anaemic. Credit to NBFCs picked up, especially to those with high credit ratings. Personal loans continued to register robust growth in 2017-18. During 2018-19 (up to September) credit growth reached double digits, largely driven by services sector lending and personal loans.

#### **Population coverage increased**

The proportion of persons joining the formal financial system in terms of an account at financial institutions has more than doubled since 2011 & by 2017, it had reached 80 percent of the Indian population.

#### **Overall assessment**

RBI report concluded that the IBC and the evolving framework for resolution of stressed assets is expected to address the bad loan problem and improve debtor-creditor relationships even as competition from NBFCs, bond market and fintech companies intensifies. In this environment, banks need to augment their capital base to guard against future balance sheet stress and improve their credit monitoring and risk management strategies in order to support inclusive growth in the evolving financial landscape. The major challenges that are likely to shape the outlook for the financial sector include Continuing with the progress made under the new resolution framework with the IBC as the focal point, the need for adequate recapitalization of public sector banks and firming up of corporate governance mechanisms to address the growing complexity of the Indian financial system. □□

## Direct benefit transfer no cure-all for farm crisis



*The focus of direct benefit transfer is to bring in transparency and reduce pilferage in subsidy distribution. It can by no means be considered as a direct income support measure. If direct cash transfer is all that the government has up its sleeve, there seems to be no respite in sight for the farming community.*  
**Devinder Sharma**

**NO sooner** did Finance Minister Arun Jaitley say that “agriculture needs a lot of support for the Indian economy to grow at a steady pace”, hinting at the possibility of a package of proposals to be announced for the distressed agriculture sector, a wave of industry-sponsored voices across the country, including the credit rating agencies as well as the investment portfolio economists, have begun to question the need for such ‘populist decisions’.

“The aggregate fiscal deficit will come in higher at 3.2 per cent in financial year 2020, which is higher than the financial year 2019 mid-year outlook forecast of 2.8 per cent,” India Ratings warns. “A fresh round of economic crisis is in the making,” screams a headline. Ever since the new governments in the Hindi heartland of Madhya Pradesh, Chhattisgarh and Rajasthan announced farm loan waivers, bankers and economists have been crying foul. Some are even questioning the fiscal prudence of providing direct income support along the lines of the Rythu Bandhu scheme in Telangana that provides financial assistance to small and marginal farmers.

Before we try to analyse the question of fiscal imbalances, let’s first look at what measures are likely to be announced in the forthcoming interim Budget. Quoting sources, several newspapers had earlier reported that the farm package would include interest-free loans without collateral and a direct income support package of Rs 10,000 per acre per year. Among the numerous suggestions was a proposal from the State Bank of India for financial support of Rs 12,000 per family per year in two instalments, to be split for each cropping season. NITI Aayog had its own estimates.

Meanwhile, latest reports say that the government hardly has any fiscal space left for the proposed additional spending on agriculture. The easy option being



contemplated by NITI Aayog, therefore, is to combine all farm subsidies, including subsidies on fertiliser, crop insurance, irrigation and interest subvention, and transfer it in cash to farmers. Since the Finance Minister had already budgeted Rs 70,100 crore for farm subsidies for the financial year 2018-19, the cash transfer of subsidies will not entail additional budgetary expenditure.

While news agencies say that the rupee and bonds rebounded after the report pegged the cost lower than the over Rs 2 lakh crore estimated initially, it is certainly not a farm package that is expected to enthuse farmers. Already reeling under terrible distress, with real farm incomes declining for four decades now, agriculture is in urgent need of immediate relief as well as a series of strong measures for course correction leading to an increase in farm incomes. But if direct benefit transfer (DBT) is all that the government has up its sleeve, there seems to be no respite in the offing for the beleaguered farming community.

Direct benefit transfer is basically a change in the mechanism to deliver subsidies. Launched on January 1, 2013, the focus of direct cash transfer is to bring in transparency and reduce pilferage in subsidy distribution. Therefore, DBT can by no means be considered as a direct income support measure. It only replaces the input subsidies that the farmers are getting for crop cultivation. The cash that the farmers get eventually will be used to pay for inputs such as fertilisers, pesticides and irrigation. The cash payment is merely a replacement of the subsidy component.

There is a clear difference be-

tween DBT and direct income support that the policy planners must understand. NITI Aayog, however, is giving the illusion of income support when in reality it ends up computing the total subsidy outgo and presents it deceptively as an income support of roughly Rs 15,000 per hectare. It is worrying to see many mainline economists propagating the same line. DBT is being wrongly projected as a continuation of the Telangana model of direct income support, which has now been adopted in divergent forms by Odisha, West Bengal, Jharkhand and Karnataka.

Although agriculture needs a holistic approach to draw it out of the crisis it has sunk into over the decades, my suggestions to the government would be to initiate the following:

(1) After the farm loan waiver, which benefits roughly 30 per cent of the farming population, the remaining should be provided with a one-time direct income support of at least Rs 50,000 per family. These are the people who had timely repaid crop loans and are also in need of immediate relief. This will also ensure that credit line in future is not squeezed. As to where the money will come from, it will come from the same kitty that the economic stimulus package of Rs 1.86 lakh crore for India Inc, continuing since 2009, came from.

(2) Set up the Farmers Income Commission with the mandate to ensure a monthly income of Rs 18,000 to every farming family. The Commission for Agricultural Costs and Prices (CACP) should be renamed as Commission for Farmers Income and Welfare with the mandate to ensure a

minimum monthly living income package of Rs 18,000, which should incorporate the income accruing from MSP, FPO (Farmers Producer Organisation) and other market interventions. Take the average farm income in every district, and whatever is the shortfall should be paid by income transfer directly in Jan Dhan accounts of farmers.

(3) Revisit the Fiscal Responsibility and Budget Management (FRBM) Act, which provides for a limited outlay for agriculture and rural sectors. For instance, according to the Centre for Budget and Governance Accountability (CBGA), only 6.7 per cent of the Madhya Pradesh budget in 2017-18 was spent on agriculture and allied activities, whereas 85 per cent of the population is directly or indirectly engaged in agriculture. The macro-economic policies the Reserve Bank of India (RBI) lays out, too, are responsible for keeping farming impoverished. By mandating the inflation target at 4 per cent, it actually deprives farmers of a rightful income.

(4) Expand the existing network of regulated markets. Against the requirement of 42,000 APMC (Agricultural Produce Market Committee) mandis in a 5-km radius, only about 7,600 exist at present. Also, make it obligatory for trade on eNAM (National Agriculture Market) to purchase at the MSP that is announced for 23 crops. The modal price that eNAMs provide, which is based on the average of the day's price, is nothing but a distress price actually aimed at helping in commodity trading. It is time to learn from the failure of eChauhal that also had the same objectives as eNAM. □□

## UN predicts global financial turmoil Political changes apart, rural Indians may see more discrimination



The global economy is stagnating and income inequality is increasing concerns over growth as India enters vibrant political phase and pines for economic direction. The phase is important and critical. The world stagnation as the UN has predicted in 2019 and 2020 in its World Economic Situation and Prospects (WESP) 2019 has ramifications for India. Its efforts for economic recovery would be affected impacting its future budgetary provisions.

Will its political wisdom be able to address that? Would a Congress trying to fight on “front foot” with Priyanka Gandhi being formally launched as AICC general secretary and Rahul

Gandhi as a sober campaigner be able to make difference? The crucial question – whether the Congress has a vision beyond Manmohanomics. The Manmohanomics in 1991 did one good thing. It ushered in partly in practice more in theory an era of liberalisation. The 1991 path has been followed willy-nilly by all successive government, irrespective of the political colour.

All finance ministers after Manmohan Singh, followed his path. That was good – as there was a predictability of the course. But with years the supposed liberalisation that was talked in 1991, got lost somewhere. It has led to a firmer grip by the bureaucracy or the government itself of the course and lives of the people and their businesses.

This has led to a certain level of GDP growth but the social distribution of wealth has been convoluted leading to severe concentration of wealth, as per OXFAM, in 1 percent people and the growth of wealth of the multitude in most cases either has been minimal or reduced. The worst has happened to the daily wage labourers. Their earnings came down.

The WESP has noted the trend happening in different regions. Though it predicts a 3 percent annual growth till 2020 globally, but sees deceleration to 2 percent in the EU and the US, “as the impulse from fiscal stimulus in 2018 wanes. The Brexit or not has shaken the European economy”.

China is slowing down to 6.6 percent. Several parts of Africa, Western Asia, Latin America and the Caribbean are likely to see incomes stagnating.

Without mentioning India, WESP says, “Even where per capita growth is strong, economic activity is often driven by core industrial and urban regions, leaving peripheral and rural areas behind”. This is happening in Indian farms and rural areas. The political fall-outs marked the recent assembly elections. The global slowdown has impact on Indian exports and can cause domestic discontent.



*We need sagacious political leadership and dialogues to address uneven economic growth, income inequalities and financial turmoil worldwide.*

**Shivaji Sarkar**

Peculiar to Indian scenario, the WESP says, there “is a confluence of risks with the potential to severely disrupt economic activity and inflict significant damage on longer-term development prospects. The risks include waning support for multilateral approaches; the escalation of trade disputes; financial instabilities linked to elevated levels of debts; and rising climate risks, as the world experiences an increasing number of extreme weather events”.

The prediction is pessimistic. India is suffering many of these. The growth is not being reflected in people’s happiness. That is the greatest challenge to the political contenders for the 2019 elections.

So far, no political party has shown that they have a grasp of the situation. Instead all of them are in a wilderness failing to understand the crisis.

The Indian voters need an answer. The opposition is vocal that the BJP does not understand it. True or not, do any of them understand? The recent assembly polls brought to the fore not only the crisis but also that if a Telangana government had brought a half-baked solution for increasing farmers’ income by paying them Rs 4000 (now Rs 5000) per acre of their hold, all others are considering this as an instant vote-catching mechanism.

The announcement of Priyanka Gandhi leading eastern UP, once a Congress citadel has warmed up politics. One would have liked to see if there was a firm economic pattern also. No regional or national party has shown that vision, concept or wisdom.

The parties are suffering from myopia. They have lost sight of the

***Even where per capita growth is strong, economic activity is often driven by core industrial and urban regions, leaving peripheral and rural areas behind. This is happening in India.***

fundamental problems. Competitive rhetoric is raising doubts. People are in a quandary. They do not find a solution to joblessness, underemployment and falling incomes and a continuous rising inflation. The governments have lost will and control to correct the situation. So the UN chief economist and assistant secretary-general Elliott Harris says, “Alongside various short-term risks, there is an increasing urgency to deal with much more fundamental problems”.

He does not find sustainable development goals being achieved or poverty elevated till 2030. So does not political parties in this country. They are busy in caste politics, religious divide and raking up parochial issues. All lead to ignoring the 2030 SDG goals. India does not seem to have yet found the path.

A country that was once led by its own economic wisdom of Chanakya, that followed Gandhian principles, Marx, Engels, socialism or Keynes, and now the market economy or Deen Dayal Updhyay’s integra humanism, today finds all

of these have failed and now they do not have a model to follow.

The governments are only tightening financial conditions through the banks and other instruments of taxation or interest rates. The UN says it can lead to financial turmoil.

The WESP says “as global financial conditions tighten, an unexpectedly rapid rise in interest rates or a significant strengthening of the US dollar could exacerbate emerging market fragilities, leading to heightened risk of debt distress. This risk can be further aggravated by global trade tensions, monetary policy adjustment in developed economies, commodity price shocks, or domestic political or economic disruptions.”

That exactly is happening here. Large external financing needs and limited policy buffers are particularly vulnerable to financial stress. Often it is said that the country should spend more on research. It is doing. Its research investment in theoretical non-productive research has grown phenomenally. Universities are producing more doctorates. But fundamental thinking is eluding.

This leads to uneven economic growth. The fears of incomes stagnating further would be real. It says double digit growth is required. That is also not a solution. Growth and amelioration of conditions are not synonymous.

So the government may continue or change for the present, ground realities may be disturbing and solutions half baked. Income inequality, as feared by the UN, is likely to aggravate. For a solution there has to be dialogues and political leadership has to be sagacious. A tall order! □□

## Orphaning Green Revolution



When a scientist who basked for decades in the glory of a technology that ‘rescued’ India from starvation says the green revolution was a failure and the claims made for Generation Next genetically modified (GM) crops are utterly bogus, the shock waves are likely to resonate for a long time. Unsurprisingly, “Modern technologies for sustainable food and nutrition security” by geneticist P.C. Kesavan and agriculture scientist M.S. Swaminathan (*Current Science*, Vol. 115, No. 10, 25 November 2018), has set the cat among the pigeons.

Given sharp rebuttals by angry scientists, the article merits scrutiny. Kesavan-Swaminathan state that none of the modern technologies aimed at

boosting food production, including the Green Revolution of the 1960s, is sustainable because of “adverse environmental and social impacts”. The Bt- and HT (herbicide-tolerant) crops are highly unsustainable, cause environmental damage, exhibit “genotoxic effects” and have failed to achieve “the original objective of reducing the need for chemical pesticides”. Swaminathan claims he warned about the ecological consequences of the Green Revolution at the Indian Science Congress, Varanasi, in 1968. This is hardly known even today and does not match his public positions, especially the promotion of GM crops, in recent years.

The gene-based Green Revolution reduced the height of wheat and rice crops without altering the length of the grain-bearing panicle, hoping that these dwarf and semi-dwarf plants could uptake high levels of chemical fertilizers and water, and produce greater number of heavy grains. This high-input technology of inorganic chemical fertilizers, chemical pesticides and fungicides needed copious irrigation with groundwater drawn with thousands of pumps (electricity was given free). Some of these high-yielding varieties were grown continuously over large areas, displacing several locally adapted varieties and land-races, leading to loss of biodiversity, while being more susceptible to pests and diseases with potential for widespread failure.

Kesavan-Swaminathan claim it “was already known that chemical inputs exert deleterious effects on soil and water”, which constitute the ecological foundations of sustainable agriculture. Given the extent of soil and water degradation, and the explosion of health epidemics among the population, we need a White Paper on which authorities knew about the ill-effects of chemical agriculture and let it be extended all over the country, barring hill regions. In the West, private companies are being sued for suppressing data that exposed the poisonous effects of glyphosate; India must also fix responsibility. Swaminathan says he warned that the Green Revolution was showing ‘yield fatigue’ by the late 1980s and reached peak decline by the mid-1990s.

Modern biotechnology using recombinant DNA (r-DNA) allows genes from



*Explosion of health epidemic, soil and water degradation, we need a white paper on the ill-effects of chemical agriculture and focus on indigenous varieties.*

**Sandhya Jain**

widely different species to be 'inserted' into another species. This is so undesirable and fraught with danger that one is astonished it never raised moral qualms with scientists worldwide. As Kesavan-Swaminathan now admit, the problem with genetic engineering is that all molecular and cellular events triggered by the process are not yet understood. As the cost of GE seed like Bt cotton, and inputs, are exorbitant compared to non-GE seeds, small and marginal farmers cannot withstand financial losses if crops fail for any reason.

GE organisms have shown many 'unintended' effects, raising health safety concerns. Calgene Company's 'Flavr Savr' tomato, the first GE food crop in the US, was withdrawn in barely two years in the late 1990s after stomach lesions developed in experimental rats. GE failed in L-tryptophan, causing the deaths of 37 people and paralysis in about 1500 people, hence Kesavan-Swaminathan insist that "the assumption of 'substantial equivalence' to give market approval to genetically modified (GM) crops is wholly unscientific and extremely dangerous". Ironically, all arguments in favour of commercial cultivation of GM Mustard rest on equivalence.

The duo debunk claims that hybrid Bt-cotton has led to an unprecedented increase in India's cotton production. According to Keshav Kranthi, former Director, Central Institute for Cotton Research, Nagpur, from 2008 onwards, Bt-cotton yield stagnated at around 500 kg/ha and may be lower at present, despite large increases in the area under Bt-cotton cultivation. Pest resistance to Bollgard II was already evident in

***Indian data  
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The failure of cash-  
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2008 and secondary pests area serious concern. As Kranthi observes: "Bt-cotton was supposed to have conferred two major benefits to cotton production: (a) high yields due to effective protection of bolls from bollworm damage and (b) reduction in insecticides recommended on bollworm control. Official data show that none of these promises was kept in the past ten years in India".

The Union of India in its counter affidavit in the Delhi High Court (in WPCC No. 12069 of 2015), correlated farmer suicides with failure of Bt-cotton. Simultaneously, leading American cotton scientists, Gutierrez and co-workers, showed that farmers' annual suicide rates in rainfed areas are directly related to increases in Bt-cotton adoption (i.e. costs). Indian data establishes the failure of Bt-cotton due to rising resistance, hybrid policy and secondary pests.

Blaming Monsanto is not enough. Why did state governments allow poor farmers to incur debt from private moneylenders (not covered by loan waivers) and grow high-input food and/or cash crops in rainfed areas? The failure of these crops triggered

farmer suicides year after year, yet no state agriculture ministry ever told poor farmers to grow hardy crops and practice sustainable agriculture. In irrigated areas, farmers were not educated about the soil and water pollution caused by chemical fertilisers and pesticides.

The Supreme Court-appointed Technical Expert Committee had recommended a total ban on HT-crops. Given the failure of Bt-cotton and rising health concerns with Bt-crops, Kesavan-Swaminathan support the ban on commercialization of Bt-brinjal, imposed by Jairam Ramesh, then Union Minister for Environment and Forests. Two Parliamentary Standing Committees (of 2012 and 2017) concluded that Regulators failed to uphold rigorous and independent test protocols for GMOs and conflicts of interests hampered proper regulation.

All HT-crops of corn, soy and cotton are resistant to Roundup, whose active ingredient is the herbicide glyphosate, which was classified as a group 2A carcinogen by the World Health Organisation's International Agency for Research on Cancer, in 2015. Today, Argentina suffers significant birth defects and cancers in HT-soy regions. After the California Supreme Court's verdict on Roundup's link to cancer, Kesavan-Swaminathan advocate that Deepak Pental's HT-mustard hybrid DMH-11, tolerant to glufosinate, must be banned as the genotoxic glufosinate is as hazardous as glyphosate. They add that India has several mustard varieties and hybrids that out-yield DMH-11. This is what activists have consistently argued. □□

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

## Glorify our Heritage that is Consistent with Modern Science

**Claims** were made in the recently held Indian Science Congress that ancient India produced test-tube babies, and that Ravana had 24 types of airplanes and guided missiles. It is indeed gratifying that we have started to become aware of our glorious past. That instills a sense of self-esteem and enables us to move ahead in future. However, we have two types of ancient heritage—one that is supported with modern science and other that is not substantiated by the same. Our self-esteem is strengthened by the glorification of both these heritages. We have to choose which of these we shall anchor our self-esteem on.

There were three major civilizations in the Bronze Age that began at about 3500 years before the present Common Era. Generally speaking this is same as 3500 years before Christ. The three civilizations were of Egypt, Iraq and India. Evidence suggests that the origin of the first two lay in India. The ancient Egyptians believed that they had come to Egypt from the Land of Punt which was reached by a boat and where the sun rose. This means that the Egyptians came from the east from across the ocean. The Egyptian Papyrus of Ani says that the sun rises in the “land of Manu.” Now, Manu was the first man in the Hindu tradition. Thus the Egyptians acknowledge that they had come from the land of Manu that lay across the ocean in the east. That could only be India. Similarly, French historian Pierre Grimal says that the ancient Iraqis believed that the birth of life took place in the country of Dilmun, which historian of ancient Iraq Samuel Noah Kramer has identified with India. These quotations indicate that the origins of the ancient Egyptian and Iraqi civilizations lay in India. This possibility is supported by the fact that the cities of Mohenjo Daro and Kalibangan were



*We must glorify our heritage that is supported by modern science and respected by the World community. India was a vibrant civilization not only culturally but also economically.*

**Dr. Bharat Jhunjunwala**



about 10 times bigger than the largest cities of ancient Egypt and Iraq. The Indian cities were made with advanced burnt bricks while those in Egypt were made with primitive mud bricks.

There is also compelling evidence that the four Prophets of the Christian and Muslim religions may have lived in India. The Bible tells of Adam having lived at the Garden of Eden where four rivers flowed from a mountain. We find four rivers flowing from Pushkar in Rajasthan. The Bible says that the flood waters at the time of Noah stayed for 150 days. The area of Jalore in Rajasthan has a bowl like structure. Flood waters stay for more than three months in the villages near here even today. The Bible says that Moses led the Exodus across the dry bed of a water body. The Quran says that the sand came pouring down and drowned the Pharaoh who was pursuing the Hebrews. These descriptions match with the flow of the Indus River having been obstructed for a short time by the eruption of a mud volcano. These volcanic eruptions in Baluchistan spew out mud instead of lava. These evidences suggest that the Jewish, Christian and Muslim Prophets may have lived in India and migrated to Israel from here.

A study in the Atlantic Magazine suggests that 40 percent of the world GDP was produced in India, 30 percent in China, 20 percent in Egypt and Iraq, and the remaining 20 percent in rest of the world at the time of Jesus Christ. India exported textiles, jaggery, spices and steel to rest of the world. These glories of ancient India are strongly substantiated. Then the decline of India set in

***A study in the Atlantic Magazine suggests that 40 percent of the world GDP was produced in India, 30 percent in China, 20 percent in Egypt and Iraq and remaining 20 percent in rest of the world at the time of Jesus Christ.***

around 1000 years after Christ. We failed to stand against the gun powder of the Mongols and canons of the British. Thus, our share in the world GDP declined to as little as three percent at the time of Independence in 1947.

We could not march with the technological advances in the Western countries, the United States in particular, after Independence either. The atom bomb was invented during the Second World War. This became the precursor of nuclear power. Jet airplanes, computers, internet and Genetic Modification were all invented in the last 50 years. India has been nowhere in the reckoning.

We were the most technologically advanced and prosperous area of the world till about 1000 years ago but we faltered thereafter. It is good that we are remembering our past glory. That will raise our self-esteem. But there are two components to this our past glory. One component is of test-tube babies, and airplanes and guided missiles. This glory is based entirely on particular interpretation of our scriptures and is not substantiated by modern science. For

example, the Sanskrit word “vimana” only means a vehicle that moves. It could be a chariot, ship or an airplane. We have no archaeological evidence of airplanes at 2000 BCE at the time of Ravana. Therefore, these assertions remain dicey in the eyes of the world scientific community. At the same time we have compelling evidence of India being the origin of the ancient Egyptian and Iraqi Civilizations and of the Christian and Muslim religions, and being the richest area till about 1000 years ago. These assertions are based on solid historical evidences and are substantially accepted by the world scientific community.

We have two paths open in front of us. We could assert that ancient India had test-tube babies, and airplanes and guided missiles and be made fun of by the world scientific community; or we could assert that India was the origin of the ancient Egyptian and Iraqi Civilizations and of the Christian and Muslim religions, and the richest and most technologically advanced area till about 1000 years ago and receive kudos from the world scientific community. Our self-esteem would be strengthened equally by both the assertions.

It is tragic that we are focused on Sanskrit language, cow and caste-based reservations and wasting our energies in making unsubstantiated claims of test-tube babies, airplanes and guided missiles and the like. There is a need to change track urgently. Instead of making such unsubstantiated claims we must make those that are based on sound scientific evidence. It is as if we are glorifying the shine of the window glass when we have a diamond sitting in our palm. □□

## Temples in State Formation in Pre-colonial India: The Case of Mewar (Southern Rajasthan)



*Temples have played a major political and legal role in stabilizing state formation processes and emerging regional states in pre-colonial India. The ideological support lent by regional temples to political regime like the Ekalingaji temple and the Guhila/Sishodia state in Mewar are an important case in point.*

**Prof. Nandini  
Sinha Kapur**

**Temples played** a very significant role in state formation processes and social and political integration like what we read in the last essay published on the role of temples in the December issue (2018) of Swadeshi Patrika. Temples played important political role not by just supporting a ruling dynasty in its rule of a territory but gave political and legal legitimacy to emerging states and political regime. We shall present glimpses of the role of Shaivite temples, Shaivite acharyas and particularly Ekalingaji temple in the long duree of state formation processes spanning from the seventh to the thirteenth and then thirteenth to the fifteenth centuries in Mewar in this essay.

The Goddess Durga has been a part of this process and figured dominantly along with Shiva. Mewar consists of the districts of Udaipur, Rajsamand, Chittorgarh and Bhilwara in Southern Rajasthan. This region of Rajasthan is semi-arid compared to Marwar. Geographically, Mewar is divided into two zones: Mewar hills consist of Udaipur and Rajsamand districts while upper Banas plain consists of Chittorgarh and Bhilwara districts. Mewar hills span throughout the north-south axis of the Aravallis while upper Banas plain represents the agricultural belt of Mewar. Agriculture is restricted to the banks of rivulets and streams in Mewar hills. Bhomat, the highest peak of the Aravallis. Bhomatis home of the famous Bhil community of Rajasthan. Bhilshave also contributed to the functioning of the state of Mewar.

The seventh century inscriptional records from Mewar clearly indicate popularity of Shaivism both among the people and royal family. The royal family of the Guhila Rajputs began patronizing the Shaiva acharyas as early as the eighth

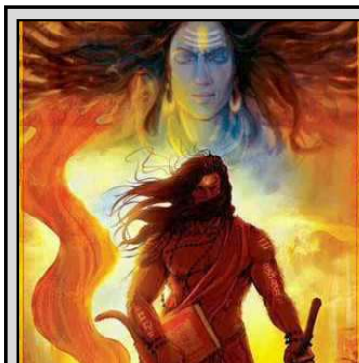


Eklingji Mahadev

century in areas of Southern Udaipur and northern Dungarpur. Along with Shiva the cult of Goddesses made prominent presence in Mewar in the seventh century. The local goddesses popularly known as Aranyavasini and Ghatavasini were identified later with Parvati or Durga in Ekalingamahatmya, a Sthala Purana composed in the royal court of Mewar in the fifteenth century. Goddesses Ghatavasini and Aranyavasini appear in the rural setting of Mewar in seventh century.

Goddess Aranyavasini specially played a significant role in integrating the Bhils initially into the growing political identity of Mewar as a state. The local elite and rural society built a temple for Aranyavasini at a hilly and forested region around the copper-rich belt of Udaipur. This temple drew pilgrims and developed into a weekly market centre. All these facts are recorded in Samoli inscription of AD 646. Hence, temples not only incorporated communities into an emerging state structure but also facilitated economic integration between rural India and towns manufacturing centres. In this case, this forested and hilly settlement known as Aranyakupagiri developed into a manufacturing/mining centre sending copper-ore/objects to the neighbouring nebulous towns. In this economic integration, temples built in forests also initiated agricultural activities to sustain a newly emerging rural settlement.

On the other hand, it also meant temples induced nascent "peasantization" of forest-communities such as Bhils in the case of Mewar. As we proceed in time, the famous Shaivite sect of the Lakulisha Pashupata genre ap-



***The presence of the Shaivite Pashupata acharyas accomplished a significant political and legal task for the Guhilas by declaring them as kings of the highest caste.***

peared in Mewar in the tenth century. The Ekalingaji temple inscription of AD 971 (the royal temple complex of Eklingaji is located in Nagda, 24 Kms north of Udaipur city). Lakulisha Pashupata sect traced its origin to a sacred place, Karvan or Kayarohan (Shiva is claimed to have descended there) in Gujarat around the ninth/tenth century. The Ekalingaji temple inscription clearly mentions the names of few Pashupata acharyas who instructed the then Guhila Rajput king of Mewar, Naravahana to build a temple to the God, Ekalinga (Shiva). This inscription introduces a mythical royal figure, an ancient king Bappa Rawal who flourished at the ancient pilgrimage centre, Nagda. Around this time, the Guhila Rajputs claimed a prestigious caste-origin of Brahmana status with a myth of migration from Gujarat.

We quote the famous Sanskrit verse from The Atapur inscription dated AD 978, "Anandapura Viringata Viprakulananda Jayati Shri Guhadatta Guhilavamshasya Pravah" (Guhadatta, the founder of Guhila lineage was a Brahmana hailing from Anandapura). Anadapurais identified with Vadnagar in north-east Gujarat. There is a direct link between the prestigious caste-origin and the building of the

royal temple of Ekalinga Mahadeva by the Guhila Rajput royal family. The presence of the Shaivite Pashupata acharyas accomplished a significant political and legal task for the Guhilas by declaring them as kings of the highest caste.

The Pashupata acharyas also popularized the story of the Guhila migration into Mewar from Gujarat. This tradition of migration elevated the status for the royal family. The Pashupatas continue to build more Shaivite ashramas and temples of Shiva in Mewar between the tenth and the fifteenth centuries. When the Guhila Rajputs conquered the mighty Chittorgarh fort in the thirteenth century they specifically mentioned the worship of Shiva, Samaddhishwara Mahadeva.

The Ekalingamahatmya, the Shtalapurana composed in the court of Mewar in the fifteenth century refers to the zenith of this religious process/role of temple in the state formation of Mewar. The famous ruler, Maharana Kumbha (fifteenth century) of Mewar dedicated himself to the service of Ekalingaji Mahadeva (designated himself as Ekalingajinijasevaka) and Ekalingaji Mahadeva became the De jure ruler and the Guhila Rajputs the De facto ruler of Mewar. □□

## Sabarimala: Lord at the Mercy of Lordship

When faith gets pitted against the Constitution, one is bound to ask that if such a situation has aroused by choice or chance. The Sabarimala Temple in the state of Kerala has been at the eye of the storm that has torn the social fabric of the state. The recent Supreme Court judgement has changed the long-standing tradition of allowing only women below 10 and above 50 years to visit the shrine in the dense forests, at the Periyar Tiger Reserve.

This tradition, perceived as obscurantist and gender biased, based on the Public Interest Litigation (PIL) filed in the Supreme Court in the year 2006 by Young Lawyers Association, was headed by Naushad Ahmad Khan. The Supreme Court had designed an Essential Religious Practices test way back in 1954 in the Shri Shirur Mutt case which stated that any matter related to faith will be ascertained with reference to the tenets and doctrines of the faith itself. So, any practice or ritual fundamental to the faith cannot be interfered by the judiciary. But every time Article 25 which gives us the fundamental right to practice religion is invoked in a petition, the court uses its discretion to interpret it on its own merits. In 2015, the Supreme Court dismissed a PIL which asked to ban the practice of animal sacrifice during religious festivals permitted under section 28 of the Prevention of Cruelty to Animals Act. The court replied that judiciary has to maintain a balance and harmony between all faiths and it cannot close eyes to centuries old tradition followed by people. A recent PIL asking for women entry in mosque to pray was rejected by the Kerala High Court on the ground that the petitioner, Swami Sai Nath was not a person who was concerned with the prac-



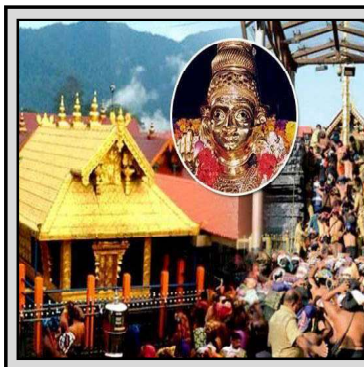
*Lakhs of devotees of Lord Ayyappa which includes children and women have been protesting on streets since the past two months against the implementation of the SC judgement.*  
**Dr. Geeta Bhatt**



tices of Islam and does not have satisfactory credentials as a person who has a history of espousing such cases before the court.

Article 32 of our constitution also cites that a PIL when filed related to religious matters must have devotees as co-petitioners. This was cited by judge Indu Malhotra, the lone dissenting judge in the bench on Sabarimala that the petitioners are not direct devotees of the deity. It is difficult to understand that those who do not directly worship and pray to the deity were entertained in the case of Sabarimala. The selective redressal in the name of liberty and dignity supported by the state government has been taken without taking the stakeholders in confidence.

Lakhs of devotees of Lord Ayyappa which includes children and women have been protesting on streets since the past two months against the implementation of the SC judgement. In Hindu faith, Temple is the abode of the deity and not a public place. Deity's abode has to be visited as per his wishes just as we expect someone visiting us to follow the norms set in our home. In Hindu law, deities are 'juristic entity' and hence have all rights of protection of life and personal liberty as given in Article 21. The arguments in the court unfortunately were deliberated and related to the biological clock of women. An agenda was pursued portraying the restriction on entry of women between 10 and 50 years related with their fertility while the status of the deity as a 'celibate' was ignored. This is the only shrine of Lord Ayyappa where he sits in his 'Brahmacharya' and hence wants the mode of worship with the constraint of not



coming in contact with women of the said age.

The submission of the CPI (M) lead LDF government of Kerala in the SC, on Sabarimala case was without any dialogue or consensus building exercise with the locals and was pivotal in shaping the majority judgement. In spite of the sentiments running high in the state post SC judgement, the state government was eager to implement the judgement and allow women of all ages to go to Sabarimala. Thousands of protesting devotees have been arrested by the state government without any provocation and atrocities done in gross violation of human rights. The Kerala High court also reprimanded the state government on their action and told them not to play to the gallery. Sabarimala shrine which is annually visited by five crore devotees has faced many assaults, some to crush the spirit of devotees and other to desecrate the physical form of the deity. In the year 1950, major part of the temple premises was found burnt when the priests went to open the shrine. The idol of Lord Ayyappa was badly damaged with cut marks on the face, head and left-hand palm separated from the idol. An inquiry committee headed by Kesava Menon submitted in its re-

***One can only hope that the judiciary will refrain from expecting secular arguments while defending a matter of faith.***

port that there was no theft from the temple premises and the motive of the crime was religious, Christians responsible for the offence. No one has been arrested till date for vandalising the temple in 1950. The synergy between Ayyappa and his devotees make the temple stand tall in spite of many confrontations and assaults.

A judgement which brought tears in the eyes of the police officers who find themselves torn between their constitutional duty and faith, which has left the temple 'hundis' meant for donations filled with paper strips with Ayyappa written on them, which compelled the Tantri (priest) to give the temple keys to the state as he refused to participate in dishonouring the traditions of the temple, which forced lakhs of devotees to bring a state to standstill in order to protect the rights of their deity; need to reflect upon its veracity. When the review petitions on the Sabarimala judgement will be heard on the January 22, legal arguments will weigh over the endurance and prayers of the devotees. One can only hope that the judiciary will refrain from expecting secular arguments while defending a matter of faith.□□

(Author is an Associate Professor and Member, Academic Council at University of Delhi)

### **SJM tells govt to focus on pro-farmer initiatives, not fiscal deficit**

As the BJP gears up for the general elections, Swadeshi Jagran Manch, passed some resolutions at their national convention at Madurai, which ended on January 20. The resolutions include a push to seek an e-commerce policy, curb cheaper Chinese imports (via digital mode), not to commit on the Regional Comprehensive Economic Partnership (RCEP), work for betterment of farmers and create more opportunities for employment, curb illegal infiltration and an alternative model of economic governance.

The SJM leaders felt that in preparation of the budget, the Union Government should not remain fixated with reducing fiscal deficit. The target for this year is to maintain the fiscal deficit at 3.3 per cent of GDP. The SJM leaders opine that additional funds should be used for farmers' welfare, and not in wasteful expenditure. They expressed concern over the plight to agriculture and the financial condition of farmers. The leaders said that most of them were of the opinion that debt waiver was not a solution, and that the business models around agriculture needed to be overhauled. According to them, the government must play the role of assisting farmers reduce input cost and find appropriate markets. They lauded several of the steps taken by the Narendra Modi-led government, but said that more needs to be done. They also said that government must open up its resources for farmers, but the method should be meaningful. This may allow Finance Minister Arun Jaitley some breathing space, but will pose a challenge for Commerce Minister Suresh Prabhu.

In the resolution adopted at the three-day convention at the industrial town in Tamil Nadu, SJM refused to give in to the pressure to dilute or defer the implementation of the e-commerce policy. Global majors like Amazon, Uber and the newer entrants like Walmart are finding it difficult to cope with the



new policy. They want the commerce and industry ministry to not defer the day of implementation from February 1. But SJM is in no mood to discount them.

SJM also red flagged the Indian commitment to conclude the negotiations at RCEP. At the recent RCEP Leadership Summit at Singapore, PM Modi expressed his pleasure at significant progress in the negotiations and committed to conclude the negotiations in the next one year. SJM believes that RCEP is a road to disaster and that there are several proposals that are not acceptable to them as well as to other stakeholders. The negotiations in RCEP, which started about six years ago, have seen 24 rounds so far. For a long time, these negotiations were not yielding results and a conclusion was not in sight as the partner countries, including India, have been wary of the fall-out of the proposed agreement. Minister of Commerce Suresh Prabhu needs to do much more to please these leaders, as they want more from him to curb the cheaper imports coming in from neighbouring China via the e-commerce model. In the resolutions, SJM underlined the concerns of MSMEs and suggested measures to prevent entry of Chinese products illegally. The national convention of SJM at Madurai urges the government to immediately halt the illegal practice of deep discounts, foreign currency transactions, illegal activities of Chinese apps and use of dominant position by e-commerce companies, to exploit vendors and other stakeholders.

In another resolution passed, SJM sought a more decentralised model of economy. The SJM leaders said that in the past many years, there has been huge loss of employment in the conventional retail trade due to indiscriminate discounting and predatory pricing policies practiced by e-commerce companies working with the foreign investment. These leaders say that the current obsession with FDI oriented services and manufacturing is only pushing the same. They cited the example of e-commerce companies, which follow a 'cash burning model'. "Despite the fact that the law of the land neither permits foreign investment in e-commerce nor deep discounts, these e-commerce companies continue to circumvent laws, detrimental to the interests of the traders namely small shopkeepers, book sellers, medicine shops, and others," these leaders resolved. All eyes are on Prabhu's ministry to see which lobby it will give in to - the e-commerce majors or their ideological parents.

<https://www.businesstoday.in/current/economy-politics/swadeshi-jagran-manch-wants-pro-farmer-policies/story/312574.html>

## Flipkart, Amazon circumventing laws, says SJM

SJM has passed a resolution demanding a robust e-commerce policy to protect the interests of small shopkeepers, as big online retailers Flipkart and Amazon are circumventing laws.

The SJM firmly believes that India should have a robust e-commerce policy to protect the interests of 13 crore people engaged in retail trade and crores of people in small and medium industries, the Sangh's economic wing said in the resolution passed in its national convention in Madurai.



“The e-commerce companies including Flipkart and Amazon continue to circumvent laws detrimental to the interests of the traders namely small shopkeepers, book sellers, medicine shops and others. India should have a robust e-commerce policy to protect the interests of 13 crore people engaged in retail trade and crores of people in small and medium industries,” SJM’s co-convenor Ashwani Mahajan said.

It further said that new guidelines issued by the government for those e-commerce companies which have foreign direct investment (FDI) are prohibited from selling products from those companies in which they have stakes, but they continue to do so.

Cloudtail Ltd which is a subsidiary of Amazon accounts for 70 to 80% of its sales. Similarly, WS Retail Ltd of Flipkart accounts for 30 to 40% of its overall sales, the Sangh affiliate said, adding that the e-commerce giants must be dealt with according to law.

Underlining that huge loss of employment in the conventional retail trade has been witnessed due to indiscriminate discounting and predatory pricing policies practised by the e-commerce companies, the SJM said these companies follow a business model called ‘cash burning model’.

The SJM also claimed that China-based sellers

have been selling Chinese products illegally via e-commerce channels and it has identified that over 200,000 such orders are being fulfilled on a daily basis.

The organisation suggested measures to the government to prevent entry of Chinese products illegally and it urges the government to immediately halt the illegal activities of deep discounts, foreign currency transactions, illegal activities of Chinese apps, SJM said.

<https://www.thehindu.com/news/national/flipkart-amazon-circumventing-laws-says-affiliate-swadeshi-jagran-manch/article26061012.ee>

## Centre under US pressure on e-commerce issues, alleges SJM

The Government of India is extensively working to defer the Press Note 2, 2018 for the implementation of the e-commerce policy for three-four months as it is under pressure from Washington, said Swadeshi Jagran Manch (SJM) in a letter written to Prime Minister Narendra Modi on Friday.

“Swadeshi Jagran Manch is writing to you after we received news from various quarters that the government is thinking of deferring the Press Note 2, 2018 under pressure from Washington. We understand that some of the officials are working under the influence of the regime in Washington to defer the implementation of the e-commerce policy for three-four months,” the letter by SJM co-convenor Ashwani Mahajan read.

The SJM underlined in the letter that by giving any relief to foreign e-commerce giants and deferring Press Note 2 would benefit the MNCs entering into multi-brand retail against 13 crore people earning their livelihood from retail business and a large number of small manufacturers, who have got a ray of hope for their existence by Press Note 2.

The SJM also reminded the Prime Minister of an electoral promise made by his party Bharatiya Janata Party (BJP) in 2014 that it would halt the charge of these companies in the multi-brand retail.

The SJM sought the direct intervention of the government to halt mischievous endeavours of the US. “The SJM believed that the US circumvents the law by using ambiguities in the Press Note 3 of 2016 to make entries in the Indian market via digital mode.”

“The Press Note 2 December 2018, plugged the loopholes and clarified most of the grey areas. We seek your direct intervention to halt this mischievous endeavour, which will only help two multi-national companies, Amazon and Walmart. Both these compa-

nies have made their entries and existence by violating and circumventing the law,” the SJM further reads.

According to the SJM, the Centre’s direct intervention will not only help India at various multi-laterals but also offer a level playing field for the indigenous players. Most of the domestic and indigenous players who have actually welcomed the stated e-commerce policy are marred with unfair trade practices adopted by these MNCs.

The SJM also asserted that its research has shown that these players have invested very less in the e-commerce business, however, they have put in most of their funds in the wholesale business logistic company and payment wallets.

[https://www.business-standard.com/article/news-ani/centre-under-us-pressure-on-e-commerce-issues-alleges-swadeshi-jugran-manch-119012501559\\_1.html](https://www.business-standard.com/article/news-ani/centre-under-us-pressure-on-e-commerce-issues-alleges-swadeshi-jugran-manch-119012501559_1.html)

### E-commerce curbs may cover domestic companies like Snapdeal and Paytm too



The government is considering extending recently announced restrictions on foreign-owned e-commerce entities such as Amazon India and Flipkart to domestic firms like Snapdeal and Paytm as well to avoid complaints that it is discriminating against online retailers based overseas, two officials aware of the development said.

The matter is under consideration at the highest level of the government as pressure mounts on it from two fronts — giant foreign investors and the governments of their country of origin, and millions of small domestic traders, who want curbs on all e-commerce entities, domestic as well as foreign, the officials at two different ministries said on condition of anonymity.

On December 26, the government barred online retailers like Flipkart India, in which Walmart is the majority shareholder, and Amazon, a unit of Amazon Inc., from selling products of companies in which they own stakes and disallowed them from

entering into exclusive deals with companies such as phone-makers for selling merchandise.

The new norms kick into force on Friday, February 1. The commerce ministry’s decision to introduce the new norms followed complaints by small traders, who form a core support base of the ruling Bharatiya Janata Party (BJP), that the deep discounts offered by e-commerce firms are hurting their business.

An email query sent to the commerce ministry did not elicit any response. The Confederation of All India Traders (CAIT), which claims to have the support of 70 million small offline and online traders, including small mom-and-pop stores, wrote a letter to Prime Minister Narendra Modi last week demanding similar curbs on domestic e-commerce firms.

“The FDI (foreign direct investment) norms as spelled out in the policy should be made applicable on domestic e-commerce players as well to restrict them from adopting any unethical business practices and remain at par with other e-commerce players,” CAIT national secretary general Praveen Khandelwal wrote to PM Modi on January 24 in a letter, a copy of which has been seen by HT.

The letter said, “In larger interest of the country and the economy, we request your good self to kindly direct the Ministry of Commerce not to budge against any pressure and do not defer or extend the stipulated date of 1st February, 2019 for implementing the policy nor bring any change or amendment in the policy”. The government press release of December 26, 2018 contained nothing new on e-commerce norms, according to Ashwani Mahajan, national co-convenor of the Swadeshi Jagaran Manch (SJM), an affiliate of the Rashtriya Swayamsevak Sangh, the ideological mentor of the BJP.

“In fact, it is a clarification of an earlier press note-3 that was issued in 2016. The clarification was, perhaps, issued after observing non-conformity with the prevailing FDI rules by foreign e-commerce players,” he said.

“The government should have taken action against the foreign companies violating FDI norms instead of issuing clarification and giving time to observe law of the land,” he said.

“I have strong faith in the PM that he will save 7 crore small businesses by not extending the date,” Khandelwal said. Amazon and Flipkart are seeking more time to implement the new business model.

<https://www.hindustantimes.com/business-news/e-commerce-curbs-may-over-domestic-companies-like-snapdeal-and-paytm-too/story-DLG.GgXnJrHLAb2SjUhdW3O.html>

## Modi's village electrification is among world's biggest successes this year: Report



PM Narendra Modi-led government's initiative to bring light to every village in the country is one of the greatest success stories in the world this year, the global energy watchdog International Energy Agency (IEA) said in its latest assessment in the World Energy Outlook 2018. Providing electricity was an important milestone in order to provide modern energy to every person on the earth, said Paris-based IEA, adding that for the first time ever the total number of people with access of energy has gone below 1 billion.

"In particular, one of the greatest success stories in access to energy in 2018 was India completing the electrification of all of its villages...India has been the star performer: in April 2018, the government announced that all villages in the country had an electricity connection, a huge step towards universal household access, it added.

Since 2000, more than 900 million people have gained access to electricity in developing countries in Asia continent with 91% of the region getting electrified by 2017 compared with 67% in 2000. Of the total about 61% of this progress has happened in India only, making a "remarkable progress towards its target to deliver universal electricity access.

It may be noted that India achieved its goal of 100% village electrification in April this year. During the independence speech in 2015, PM Narendra Modi had announced that all Indian villages will get power within the next 1000 days through the marquee Deen Dayal Upadhyaya Gram Jyoti Yojana (DDUGJY), with a deadline of 10 May 2018. In April, the government announced that all of India's 597,464 census villages have been electrified.

In the next phase of its programme, the Indian government is now in the process to ensure that power lines are connected with major institutions and administrative centres of every village as well as every household in the country.

After this, IEA said in a report that the while the government fulfils its vow to provide electricity to every village, the next 'last mile' challenge will not be easy to achieve in such a diverse and large country.

The IEA also lauded India's efforts and getting success in providing liquefied petroleum gas (LPG) to poor households. "In India, 50 million free LPG stoves and initial refills have been provided to poor households via the high-profile Pradhan Mantri Ujjwala Yojana since 2015, and the government has set a target of providing LPG connections to 80 million households by 2020," it said.

Meanwhile, the agency said that the South Asian nation will become the single largest source of global growth the energy demand of the country is expected to more than double by 2040.

<https://www.financialexpress.com/economy/modis-village-electrification-is-among-worlds-biggest-successes-this-year-says-this-report/1380269/>

## Oxford chooses 'Nari Shakti' as Hindi word of 2018

Oxford dictionaries on Saturday declared Nari Shakti as the Hindi word for the year 2018. The announcement was made during a session at the Jaipur Literature Festival at the Diggi Palace here. According to the Oxford dictionaries, the word has been derived from Sanskrit and is used today to symbolise women "taking charge of their lives".

"March 2018 recorded a large spike in the use of 'Nari Shakti' as discussion arose around the Government of India's Nari Shakti Puraskar (Women Power Award) held on the International Women's Day," they said in a statement. The word was selected by the Oxford Dictionaries (India) with the help of an advisory panel of language experts, including Namita Gokhale, Randhir Thakur, Kritika Agrawal and Saurabh Dwivedi.

"Nari Shakti encapsulates the spirit of our times, with all its struggles, challenges and triumphs," Ms. Gokhale, who is also the director of JLF, said.

Oxford had named Aadhaar as its Hindi word for the year 2017. □□

<https://www.thehindu.com/news/national/oxford-chooses-nari-shakti-as-hindi-word-of-2018/article26102051.ee>

## Highlights of Union Budget 2019



- Individual taxpayers with annual income up to 5 lakh rupees to get full tax rebate.
- Individuals with gross income up to 6.5 lakh rupees will not need to pay any tax if they make investments in provident funds and prescribed equities.
- Standard tax deduction for salaried persons raised from 40,000 rupees to 50,000 rupees.
- TDS threshold on rental income raised from 1.8 lakh to 2.4 lakh rupees.
- Gratuity limit increased from 10 lakh to 30 lakh rupees.
- Benefit of rollover of capital tax gains to be increased from investment in one residential house to that in two residential houses, for a taxpayer having capital gains up to 2 crore rupees; can be exercised once in a lifetime.
- Benefits under Sec 80(i)BA being extended for one more year, for all housing projects approved till end of 2019-2020.
- "We are poised to become a 5 trillion dollar economy in the next five years, we aspire to become a 10 trillion dollar economy in the next eight years," Goyal said.
- Businesses with less than Rs. 5 crore annual turnover, comprising over 90% of GST payers, will be allowed to return quarterly returns.
- Direct tax collections from 6.38 lakh crore rupees in 2013-14 to almost 12 lakh crore rupees; tax base up from Rs 3.79 crore to Rs 6.85 crore. 99.54% returns have been accepted without any scrutiny. In January 2019, GST collections has crossed 1 lakh crore rupees.
- GST has been continuously reduced, resulting in relief of 80,000 crore rupees to consumers; most items of daily use for poor and middle class are now in the 0%-5% tax bracket.
- Two per cent interest subvention on loan of 1 crore for GST registered MSME units.
- Group of Ministers examining how prospective house buyers can benefit under GST.
- Within almost two years, almost all assessment and verification of IT returns will be done electronically by an anonymized tax system without any intervention by tax officials.
- "Cost of data and voice calls in India is now possibly the lowest in the world; mobile and mobile part manufacturing companies have increased from 2 to 268," he said.
- Single window clearance for filmmaking to be made available to Indian filmmakers, anit-cam-cording provision to be introduced to Cinematography Act to combat film privacy.
- Allocation for North Eastern region proposed to be increased to Rs 58,166 crore in this year a rise of over 21% from the previous year.
- Increased allocation for Rashtriya Gokul Mission to 750 crore in current year.
- Two per cent interest subvention to farmers pursuing animal husbandry and fisheries.
- Mega Pension Yojana, namely Pradhan Mantri Shram Yogi Mandhan, to provide assured monthly pension of 3000 rupees per month, with contribution of 100 rupees per month, for workers in unorganised sector after 60 years of age.
- "(This) will benefit 10 crore workers in unorganized sector, may become the world's biggest pension scheme for unorganized sector in five years," Goyal said.
- Under Pradhan Mantri Kisan Samman Nidhi, 6000 rupees per year for each farmer, in three installments, to be transferred directly to farmers' bank accounts, for farmers with less than 2 hectares land holding.
- This initiative is likely to benefit 12 crore small and marginal farmers, at an estimated cost of Rs 75,000 crore.



# Swadeshi Activities 13th National Convention

18-20 January 2019 (Madurai, Tamil Nadu)

Pictorial Glimpses



Dr. Ashwani Mahajan addressing the delegates



Sh. Arun Ojha addressing the delegates



Delegates supporting resolutions



Cultural Programme

# National Council Meeting

17 January 2019 (Madurai, Tamil Nadu)

Pictorial Glimpses



A view of National Council meeting.

Swadeshi Activities

# 13th National Convention

18-20 January 2019 (Madurai, Tamil Nadu)

Pictorial Glimpses



Books released by Sri Sri Ravi Shankar Maharaj and SJM's National Office Bearers



A view of Swadeshi Jan-Jagran Rally



Swadeshi Jan Sabha & Participants