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Tribal Art and Culture of Odisha

Odisha is marked by its rich traditional heritage of Tribal Arts and Culture. It has been the homeland of sixty-two tribes. Their interaction with the common people has influenced their life style and culture. Despite belonging to different linguistic divisions, the tribes of Odisha have many socio-cultural similarities, and together they characterize the notion of tribalism. Tribal societies share certain common characteristics and by these they are distinguished from complex or advanced societies. Mostly the Tribes inhabit the jungle and hilly region with wide distribution in Koraput, Phulbani, Kalahandi, Ganjam, Keonjhar, Dhenkanal and Mayurbhanj area. The Socio-cultural life of Odisha has been greatly shaped and influenced by the long continuing tribal traditions. They enjoy their lives through dance and music. Tribal villages often vibrate with drum beats and the hills echo with resonance of music. The waterfalls, springs, hills and forests come to life with the rhythmic musical moods almost every day. Each tribe has its rich patterns of music and dance which are variegated, specialized and artistic. This form of performing art has inspired the innovation of colorful costumes, varieties of musical instruments and excellent carvings and paintings in their houses.

Odishan tribes are strong, hard working and simple folk, who are peace loving and keep their distance from the people of other communities, as they are too shy. The major occupations of these tribes are agriculture, hunting and fishing. Men usually wear loin cloths and women drape long stretches of cotton fabric around them. Women are adorned with jewelry in the form of bangles, armlets, bracelets, necklaces, rings, and hairpins usually made of silver, aluminum, and brass. The ritual of tattooing is also prevalent among tribal women folk.

– **Namita Swain,** *Odisha*

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Quote-Unquote

India is the fastest growing economy in the world. If Indian economy continues to grow in the same way we will certainly become a superpower.

Ramnath Kovind
President, Bharat

Let us make sure that we do not use polythene, lower grade plastic as plastic pollution adversely impacts nature, wildlife and even our health.

Narendra Modi
Prime Minister, Bharat

India is a land of plenty inhibited by poverty; India has an enthralling, uplifting civilization that sparkles not only in our magnificent art, but also in the enormous creativity and humanity of our daily life in city & village.

Pranab Mukherjee
Former President, Bharat

Is there any valid research Niti Aayog has to show that FDI is increasing employment, especially in multi brand retail and this Walmart deal which it is trying to promote.

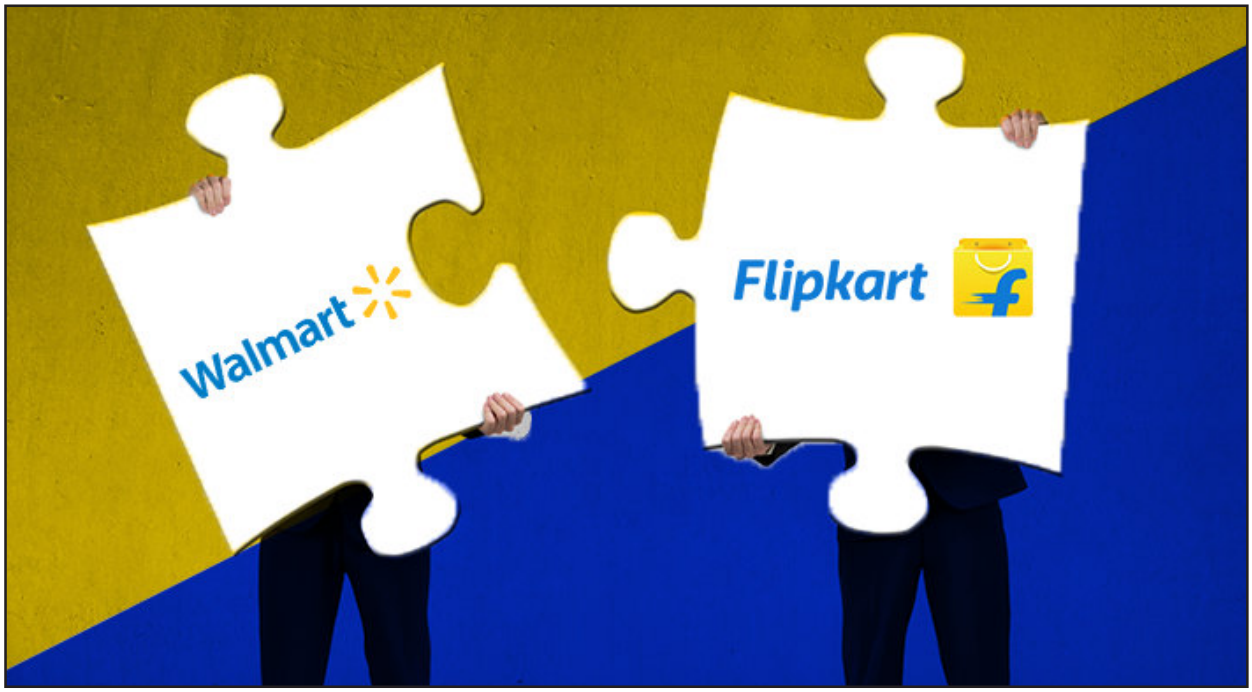
Dr. Ashwani Mahajan
National Co-convenor, SJM

EDITORIAL

Controversies Plague 15th Finance Commission

Generally recommendations of any Finance Commission become a subject matter of discussion; however 15th Finance Commission which has recently been constituted by the government is gathering heat even before it could start its work itself, because of its 'Terms of Reference'. It is notable that N.K. Singh has been nominated as the Chairman of the 15th Finance Commission. As per the constitution of India, a Finance Commission is constituted to recommend about the devolution of resources between the Union (central) government and state governments, by way recommending sharing of union taxes; between the union and states and among states. Constitution makers divided the taxation powers between union, states and local bodies on the basis of convenience of taxation and not on the basis of their respective requirement. Therefore, a provision of Finance Commission was made in the constitution, such that after every five years, Finance Commission would recommend about the devolution of resources between union and states by way of division of central taxes and also grant in aid from union to states. The Finance Commission is constituted after every five years by the government to make recommendations for next five years. 15th Finance Commission recommendation would be applicable from 2020 to 2025. Whenever a new Finance Commission is constituted, its terms of reference have always been a subject matter of debate. However, in case of 15th Finance Commission this debate has turned soar. Some terms of reference of 15th Finance Commission have particularly made some states governments, especially non-BJP ruled states unhappy. Terms of reference state, "The commission may also examine whether revenue deficit grants be provided at all." Fearing, probable financial loss, these states are seeking deletion of this sentence. This fear is not unfounded, because with this the revenue deficit grant for states may end. The Finance Commission has also been asked to have regard to "The impact on the fiscal situation of the Union Government of substantially enhanced tax devolution to States following recommendation of the 14th Finance Commission, coupled with the continuing imperative of the national development programme including New India-2022". The state governments are fearing that due to this direction, Finance Commission may reduce the share of state government in central taxes. It is notable that due to the recommendation of 14th Finance Commission, raising states' share to 42 percent, states have benefitted enormously. However, this has geopardised the central budget.

Finance Commission has also been directed to take into consideration "The impact of the GST, including payment of compensation for possible loss of revenues for 5 years, and abolition of a number of casses, earmarking thereof for compensation and other structural reforms programme, on the finances of Centre and States." For obvious reasons state governments want to delete this sentence also from the terms of references. In the last so many Finance Commissions, they were directed to make use of 1971 census for the purpose of distribution of resources amongst different states. This time the President of India has put this condition of using 2011 census data for the purpose. Against this, several state governments from southern states have complained that this would hurt their interests. It is notable that since 1971 southern states have been able to check population growth, whereas in most of the other states this has not been the case. Since southern states have non-BJP governments, they feel that this condition has been imposed to benefit the northern states. Whatever may be the said about the intention of the union government, we cannot question the legitimacy of using latest census data. One can easily understand that states with more population need more resources for provision of better facilities to take their people out of poverty. Though, opposition ruled states have been vehemently demanding tweaking of terms of reference of the Finance Commission, Union Government does not seem to be making a consideration for the same. We must understand that, Finance Commission is a constitutional body has always been above politics, recommendations of which are fully honoured by the government, without questioning the implication of the same. Similarly, no cognizance is taken of the demand for change in the terms of reference. It is believed that the financial relation between the union and the states is like a tug of war, where state governments always try to get more resources in the form of share in taxes and also grants. However, on the other hand intention of the union government is always to give less to the states. This tug of war is not only between the union and the states, it's also amongst different states. As every state wants that it gets bigger chunk of the share of the states. The Finance Commission is expected to use its prudence while making its recommendations within the limits of the terms of reference. Let's wait and watch, how the Finance Commission under N.K. Singh balances this tug of war.



Is Flipkart-Walmart Deal Legally Tenable

Flipkart has been operating by circumventing laws and therefore even will sale of business the fact remains the same. What we need is an effective regulatory system to curb rampant flouting of rules.

Dr. Ashwani Mahajan

We have witnessed a deal recently which has created a storm in India and anxiety in the world, a deal between Flipkart Ltd., Singapore and Walmart for acquisition of Flipkart, a top e-commerce company, which has been working in the guise of a platform company and Walmart, the largest multi-brand retailer having retail stores spread over many countries. It is notable that this company has been trying to enter India to expand its business in world's one of the most important emerging economies with a huge and ever growing middle class. It has been under criticism for its illegal attempts many years ago, when it came to light that the company bribed Indian opinion and policy makers in the name of educating them to facilitate their entry into India.

Flipkart Pvt Ltd, Singapore(cleverly structured and stationed at Singapore, while doing business in India), has been valued at nearly 21 billion US dollar. It is notable that apart from the promoters Bansal Brothers, who own 11.1 percent shares of this company, rest of the shares are owned by various foreign entities. In this deal 60 percent of the shares would go to the Walmart, which is an international retail giant, for a total consideration of 14 billion US dollars, and Walmart will further infuse 2.2 billion US dollars as equity, which would enhance the equity of Walmart to 77 percent. By virtue its three-fourth majority, Walmart will henceforth enjoy absolute decision making power in the company. This deal has been opposed by many organisations. And it is their belief that this deal has been made by circumventing the laws and is also not only unethical but against the

This deal has been opposed by many organisations. And it is their belief that this deal has been made by circumventing the laws and is also not only unethical but against the national interest too.

national interest too. Deal makers and their supporters are arguing that this deal has already been made, and since this is a matter of FDI through automatic route as per the government policy, the deal makers will only have to inform the Reserve Bank of India, that such a deal has been made; get a clearance from the Competition Commission of India (CCI), that it does not flout competition laws and Income Tax department. After these regulatory steps, this deal would materialise and Filpkart will be transferred to Walmart.

However, this deal is not as simple as projected. It has various disguised angles, which indicate towards its legal sanctity. First of all we have to look at the company, of which ownership is being transferred. The company in question is Flipkart Ltd., Singapore. This is a holding company which holds many other companies including Flipkart India Pvt. Ltd., Flipkart Market Place Pvt. Ltd., Singapore, Phone pe and others. By virtue of the fact that all these companies owned by the holding company Flipkart Ltd., Singapore, has been valued at nearly 21 billion US dollars. Therefore, firstly we must understand that this deal is not of 16 billion US dollars FDI flowing into India but actually it is only 2.2 billion US dollars, which may be infused in the company.

Valuation of the Company

It is notable that the company has been valued at nearly 21 billion US dollars in April 2018, was hardly 10 billion US dollars in August, 2017, when 'Softbank', an International Investment group, procured 22 percent of the shares of the company and purchased them for 2.2 billion US dollars. It is surprising, how valuation of the company has undergone such a big change in just 8 months. An angle of money laundering cannot be ruled out in this case. Another notable point in the context of valuation is that this company which was originally incorporated in October 2008 as Flipkart Online Services Pvt. Ltd., sold its entire business to Flipkart India Pvt. Ltd. in December 2011 has never made any profit in all these years, is valued so high. The methodology for valuation in this case is not the profitability of the company, but the intangible asset of brand value, created by increasing sales by selling at predatory prices and killing competition. This point was noticed first by Assessing Officer of Income Tax department and later by Income Tax Tribunal, which observed, while issuing an order on appeal of Flipkart Appellate Tribunal, Bangalore India Pvt. Ltd. against Assistant Commissioner of Income Tax, Bangalore.

"That the assessee is following a business model of creating marketing intangible assets for long term benefits … sells its goods at predatory prices … has not made profit even once till date. It's equity in being eroded. Yet it gets fresh investments from venture and angel investors at a high valuation. … Fund managers and investors make detailed verification and analysis of the business model and approve a valuation. These fund managers accept that assesses in spite of incurring losses, has generated huge marketing intangible, brand."

The Assessing Office (AO) noticed that the "Assessee was a wholesale dealer and acquired goods from various persons and was immediately selling the goods to retail sellers like M/S.WS Retail Services Pvt. Ltd. and others, who subsequently would sell those

goods as sellers on internet platform under the name 'Flipkart.Com'. The AO further noticed that the Assessee has been purchasing goods at say Rs.100/- and selling them to the retailers at Rs.80/-." The tribunal explained that the purchases during the relevant previous year was Rs.10335,73,05,882/- and sales was Rs.9351,75,05,319/-. After excluding closing stock of unsold goods, the purchase and sales figure indicate that the company made a gross loss of Rs. 242,14,93,727. The loss in terms of percentage was 2.52% of the cost of purchase value. The AO therefore was of the view that the action of the Assessee in selling goods at less than cost price was not a normal business practice.

The relevant part of guidelines of FDI policy states, "E-commerce entities providing marketplace will not directly or indirectly influence the sale price of goods or services and shall maintain level playing field."

Here exactly is the catch. Flipkart has created a complex business structure by integrating its B2B operations with the marketplace model. A company called WS Retail was incorporated in 2009 (that was once held by Flipkart founders Sachin and Binny Bansal), which is being projected as independent entity, transacts with the customers and allegedly acts as a front for the B2B firm (Flipkart India Pvt. Ltd.), which receives foreign investment, using funds borrowed from Indian banks for working capital. This structure has been allegedly adopted to keep the foreign funded Flipkart India Pvt. Ltd., at an arm's length from selling directly to the consumers. While this structure is claimed to be complying with FDI policy, in essence the judgment of the income tax authorities exposes the fact that the front companies WS Retail and others are being used to offer price distorting discounts to kill competition. In terms of guidelines, which clearly state that the e-commerce entity will not directly or indirectly influence the sale price of goods or services and shall maintain level playing field, are clearly flouted by Flipkart. An analogy can be given like 'contract killing'. Whether one kills himself or gives contract for killing, it is one and the same thing. Motive of the murder is also clear by killing the competition, Flipkart stands to gain in terms of its intangible asset, its brand value, which fetches them a whopping 21 billion US dollars.

In terms of guidelines, which clearly state that the e-commerce entity will not directly or indirectly influence the sale price of goods or services and shall maintain level playing field, are clearly flouted by Flipkart.

Further guidelines do not permit FDI in the inventory-based model. The policy states that an ecommerce entity providing a marketplace will not exercise ownership over the inventory. However, Flipkart continues to flout this rule as well, through companies owned by known High Networth Individuals (HNIs) and controlled by Flipkart. Therefore we can conclude that Flipkart, Singapore is essentially a multi brand e-commerce company whose which is maintaining inventory through indirectly controlled companies such as WS Retail and others, eventually sold on its e-commerce website through circumvention of rules.

It is obvious conclusion that Flipkart has been operating by circumventing laws and therefore with sale of business to another entity fact remains the same. It's strange that such a big sector is working without any regulations. Result is, rampant flouting of FEMA Rules, DIPP guidelines and massive evasion of income tax and in these unscrupulous companies have been killing our business and industry. The power which this marketplace possesses with such questionable nexus had led them to arm twist sellers, B2B suppliers, brands and manufactures to toe their line, they dilute the market through various means and spoil the retail fabric of the nation for the entrepreneurs. This is a speaking case of rampant abuse of monopoly power exercised by this e-commerce company and also other such companies. Need of the hour is that regulatory system is put in place. Pending the same, those circumventing laws to kill competition to expand their base using wrong means are taken to task and not allowed to sell Indian markets for their private benefits. In other words cancel the deal, as the route they are adopting is clearly not legally tenable one. We should understand that the primary objective of DIPP guideline, which was to safeguard the interests of local manufacturers and traders, is defeated in this ruthless wave structure of companies built by these unscrupulous elements. ❑❑

Walmart enters in Indian Retail Market

Lastly world's giant Walmart's has acquired 77 per cent stake in India's largest online marketplace and its deal with flip kart can be said as the world's biggest e-commerce deal. This can also be termed as the failure of Indian policies that are not helping Indian start-ups and local entrepreneurs to stand with international competition. This reminds us the coca cola deal in 1993 with Indian Parle Bisleri acquiring brands like Thums-Up, Limca, Gold Spot and Maazaso to enter back in Indian market. The entry of Walmart in Indian retail trade is the story of so called globalisation and world trade competition realities where giant kills the small and win the battle of profit monopolies. For Indian people and India economy, this is a great defeat of swadeshi movement and swadeshi Government. True, online share of retail market is increasing, and, high-end urban consumer may benefit from the processof globalisation. But in the process, the small self-sustaining Indian entrepreneurial sector islosing its survival battle. India is still a country of small unorganised entrepreneurs and business community which creates large scale self-employment opportunities and destabilising this sector of small entrepreneurs may cost heavily to Indian economy in future.

Walmart has aggressively expanded its international business through acquisition of local entities. It is illusory that all consumers would benefit as their data profile would limit their choice of goods and services.

Anil Javalekar

Walmart is retail giant

Walmart is an American multinational retail corporation that operates a chain of hypermarkets, discount department stores, grocery stores etc. As of January 31, 2018, Walmart's international operations were in 26 countries outside the United States. Walmart has pursued globalisation aggressively since its first move across the border in 1991. Walmart has expanded its international business mainly

through acquisition of local entities. Walmart entered Canada through an acquisition of a poorly performing player, Woolco. For its entry into Mexico, Walmart took a different route of 50-50 joint venture with Cifra, Mexico's largest retailer. The entry into Brazil was also accomplished through a joint venture - with Lojas Americana, a local retailer. It chose to enter Argentina through a wholly owned subsidiary. It acquired the Wertkauf hypermarket chain of 21 stores, one of the most profitable hypermarket chains in Germany though sold out later. Walmart entered the U.K. market in June 1999 by acquiring ASDA Group PLC, Britain's third-largest food retailer. In 2002 Walmart set foot in Japan with the purchase of a 6 percent stake in the 371-store Seiyuchain and gradually made it a wholly owned subsidiary in June 2008. In March 2004, Walmart bought a 118-store supermarket chain, Bompreco, in north-eastern Brazil. In 2005 Walmart successfully entered South American countries with the purchase of a 331/3 percent interest in Central American Retail Holding Company (CARHCO). In 2009 Walmart acquired a majority stake of D&S (short for Distribución y Servicio) 224-store chain in Chile. Since 2009, Walmart has set up more than 10 wholly owned subsidiaries in Chinese cities and provinces. In India, Walmart teamed up with Bharti Enterprises to open cash-and-carry operations. The company's portfolio ranges from superstores in the U.S. to neighbourhood markets in Brazil, bodegas in Mexico, the ASDA supermarket chain in Britain, and Japan's nationwide network of Seiyu shops.

Indian retail trade and online marketing

Online retail in India is estimated to grow over 1,200% to $200 billion (Rs13,30,550 crore) by 2026, up from $15 billion in 2016, according to a recent report by financial services firm Morgan Stanley. As per report, only around 14% of India's internet users shop online and it will change.By 2026, Morgan Stanley expects India to have 475 million online shoppers, up from 60 million in 2016. Mobile phones, electronics, and apparel are currently the most popular segments for online shoppers in India. But going forward, groceries, personal and beauty products, furniture, and food delivery will also have a larger number of takers. Given the potentials, several global companies are trying to tap the market. India has already become a battleground for America's largest online retailer, Amazon, and China's biggest retailer, Alibaba. Now there will be Walmart.

Indian retails the largest employment provide after agriculture, employing 40 million people most-of them being self-employment are engaged in trade along with their families & hence some 120 million people depend on this sector.

Consumer benefits are illusory

One point made online shopping and entry of Walmart is that consumer is benefited by a wider choice of goods and services that to at low prices. This is illusory as all consumers are being tracked and their data profile is collected so to target the consumer so to limit their choice. Consumer will loose the price advantage also in the process. Instead, companies charge higher price once they know the consumer's choice. As is known, profile data is now shared and choices are tracked and this help companies to get every details of consumer. It is important to understand that markets could potentially become extremely fragmented, such that consumers' choices will be strictly limited to the offerings that have been selected according to their data profiles. As any student of economics understands, this kind of situation decreases overall welfare, because every consumer will be forced to pay the maximum of what they are willing to spend for each good or service they purchase.

Retail trade is important for Indians

Indian retail is the largest employment provider after agriculture, employing an estimated 40 million people. In contrast, the world's largest retail chain, Walmart, employs just five lakh persons. Moreover, being self-employed, most of them are engaged in the trade along with their families, and so the work and livelihood of some 120 million people depend on this sector. India's $350 billion retail sector is composed of small family-run ventures, with organised chains accounting for less than 5 percent of sales.Indian retail contributes over 14 per cent of

India's GDP, while the share of all companies in the BSE 500 Index put together is some 4 per cent. Therefore, Indian retail sector important to Indians and cannot be ignored.

Foreign trade affects us all

Foreign trade affects all sectors and therefore need a cautious approach. India is a country of small entrepreneurs, small traders and small agriculturists with small income and small needs. They make their survival by serving local markets within their capabilities. Exposing them to high technology and internationally competitive market players cannot be the priority. Nor is the priority to increase their income to the income level of richest in the world. Indian domestic markets are sufficient to help many of Indian sectors survive and grow with good income to the small entrepreneurs. Therefore, Indian foreign trade policies cannot simply be left to world economic players which are more interested in expanding and monopolising opportunities for their profits than help Indian increase their income.

First Indian national commitment is of self-reliance and second to protect the interests of small people and small sectors. None should be sacrificed for illusory trade expansion and foreign capital inflow.

India should learn from other countries

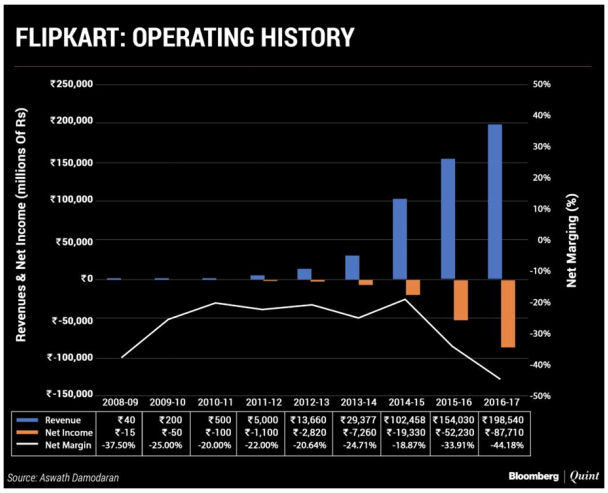
Indian retail tradeis not a simple business of profit but a survival kit for Indian small families and need to be saved from large corporate and their trade practices. Therefore, clearer the identification of sectors for foreign capital inflow clearer can be policies to attract foreign corporate and companies and positive will be the impact on Indian economy. The entry of Walmart giant has the capital and technology apart from operational economy and efficiency that help it to finish small competitors. Japan has intensely protected its retailing, which is also family and community-led and social capital-driven.

In contrast, countries such as China, Malaysia and Thailand, which opened their retail sector to FDI only in the recent past, have retracted and enacted new laws to check the prolific growth of foreign malls and hypermarkets to control their ill-effects on the economy and employment. India need to take lessons from other countries and their experiences protect the interests of its entrepreneurs and consumers. ❑❑

Fast Facts - Walmart Flipkart Deal

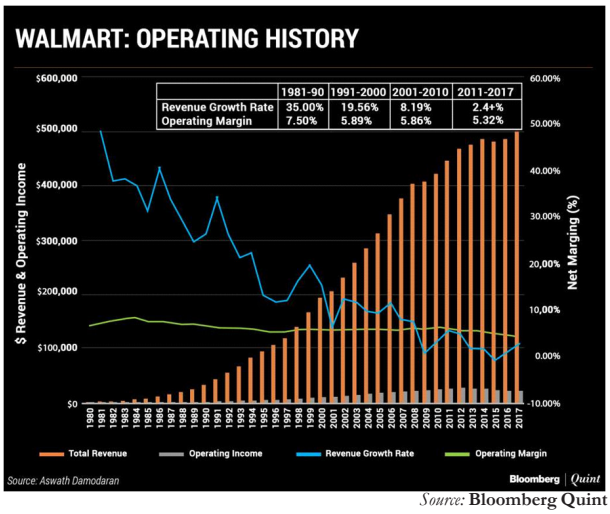
The business model pre-merger can be depicted by the graphs.

Flipkart Paradox; Rising Revenue fast accumulating losses (Rs. 48,000 crores)



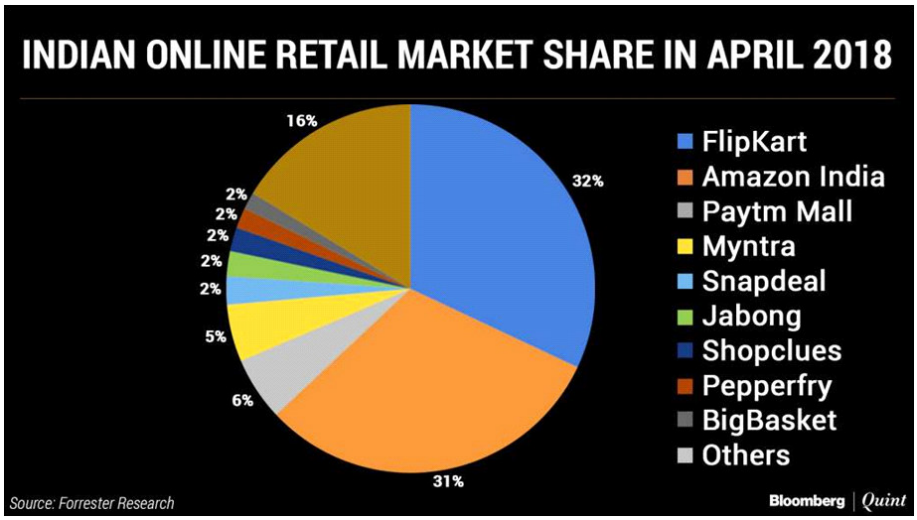
The figure depicts the increase of Revenue but decrease of Net Income which explains trend of deep discounts given by Flipkart over a period under study. However, Flipkart is legally bound to not give huge discounts as it is just a marketplace.

Ageing Walmart



Source: Bloomberg Quint

Walmart business model suggests that they operate on higher margin by exploiting sellers and buyers. The figure depicts rise in total revenue but decrease in revenue growth.



Source: Bloomberg Quint

Flipkart has the highest market share followed closely by Amazon. If the deal suceeds, it will be two American giants exploiting the Indian traders, small businesses and Kirana shops etc. to capture market share.

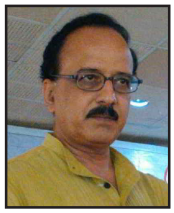
For start-ups all over India, though, I am afraid that this deal, which rewards the founders of Flipkart and its VC investors for building a money-losing, cash-burning machine, will feed bad behaviour. Young companies will go for growth, and still more growth, paying little attention to pathways to profitability or building viable businesses, hoping to be Flipkarted. Venture capitalists will play more pricing games, paying prices for these money losers that have no basis in fundamentals, but justifying them by arguing that they will be Walmarted. In the meantime, if you are an investor who cares about value, I would suggest that you buy some popcorn, and enjoy the entertainment. It will be fun, while it lasts! - Ashwath Damodaran *(Professor of Finance at the Stern School of Business at NYU.)*

Natural farming is the future. Andhra shows the way.

The evidence is all there. With soil fertility declining; excessive mining of ground water sucking aquifers dry; and chemical inputs, including pesticides, becoming extremely pervasive in environment, the entire food chain has been contaminated. As soils become sick, and erosion takes a heavy toll leading to more desertification, crop productivity is stagnating thereby resulting in more chemicals being pumped to produce the same harvest. A former Director General of Indian Council for Agricultural Research had rightly said: "In 1980s, farmers used to produce 50Kg of wheat by using 1 kg of fertilisers. Now farmers are producing only 8 Kg by using 1 kg of fertiliser",

As farmlands become more toxic, and with modern agriculture becoming a major contributor to Greenhouse Gas Emissions leading to climate aberrations, a startling study has gone unnoticed. Three quarters of flying insects in a nature reserve in Germany have vanished in past 25 years, says a study by the University of Sussex. While the alarming decline in population of honeybees had raised international concerns, that 75 per cent insect population has disappeared and that too inside a nature reserve raises the warning of an 'ecological Armageddon'. This is happening at a time when not only in Maharashtra, Punjab, Gujarat, and Andhra Pradesh in India, the dreaded bollworm pests on cotton have become resistant to genetically modified cotton in America too. From Carolina to Texas, bollworm insects have renewed their attack on cotton.

While Green Revolution has already run out of steam, leaving behind a trail of misery, the catastrophic consequences manifest in the form of farm suicides. With input costs growing, and farm gate prices remaining almost stagnant, if not declining, farmer's income is swiftly on the downward slide. In America, hundreds of dairy farms have closed down in the past 4 years. In Europe, many



This is how ghanajeevamrutham is made. It is solid jeevaamrutham which is to be spread into the soil, and provides life to soil.

Devinder Sharma

farms would be unprofitable if European subsidies were to be removed. In France, farmers' mutual insurance association (MSA) believes that in 2016 "a majority of farmers earned less than Euro 350 a month". In India, as per the government's own Economic Survey 2016, the average income of a farming family in 17 states, which means nearly half the country, has been computed at a paltry Rs 20,000 a year. Another study by Niti Aayog tells that real farm incomes have remained virtually stagnated in the five year period, 2011 to 2016.

And yet more of the same is being pushed as the solution. Despite all the laudable objectives, the world is almost at a tripping point as the International Panel on Climate Change had warned us a few years ago. 'Business as usual' is not the right way forward, we are repeatedly told. But despite warning, there is no policy change that actually keeps environment protection as a non-negotiable. Even the report of the International Assessment for Agricultural Knowledge, Science and Technology for Development (IAASTD), which was ratified during an intergovernmental plenary in Johannesburg, April 7-12, 2008, and had called for a shift towards sustainable agriculture has been lying in limbo ever since.

Every disaster is an opportunity. But it invariably ends up as an opportunity for business. The rhetoric has been the same and the solutions have remained the same too: more aggressive push for industrial agriculture. Just to illustrate, to ensure that the world does not witness a repeat of the 2008 food crisis — when 37 countries faced food riots — the international community has been swift in proposing a roadmap (not one, but a plethora of similar privates-sector driven blueprints). Business leaders from 17 private companies had announced at the 2009 World Economic Forum the launch of a global initiative — New Vision for Agriculture — that sets ambitious targets for increasing food production by 20 percent, decreasing greenhouse gas emissions per ton by 20 percent, and reducing rural poverty by 20 percent every decade. The 17 agribusiness giants include Archer Daniels Midland, BASF, Bunge Limited, Cargill, Coca-Cola, DuPont, General Mills, Kraft Foods, Metro AG, Monsanto Company, Nestlé, PepsiCo, SABMiller, Syngenta, Unilever, Wal-Mart, and Yara International. In other words, the more the world tries to change, the more things remain the same.

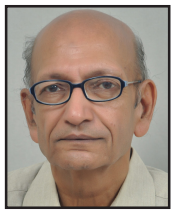
Andhra Pradesh by increasing crop productivity without using chemical fertiliser & pesticides, has increase the net income of farmers. Why not other states can do the same like Andhra Pradesh.

In these difficult times, it is heartening to see the Chinese President Xi Jinping acknowledging the ecological crisis the world faces. Addressing the National Congress of the Communist Party in Beijing last October, he acknowledged that"Any harm we inflict on nature will eventually return to haunt us… this is a reality we have to face," and then went tospecify in more detail his plans to "step up efforts to establish a legal and policy framework ... that facilitates green, low-carbon, and circular development," to "promote afforestation," "strengthen wetland conservation and restoration" and "take tough steps to stop and punish all activities that damage the environment." He has called for 21st century to be the beginning of an 'ecological civilisation'.

Back home, as we get half way through 2018, the script for an ecologically sustainable agriculture, which brings back the smile on the face of farmers, without leaving any scar on the environment, is being rewritten. Andhra Pradesh has launched a massive programme to promote natural farming. Called Rythu Sadhikara Samstha, this programme aims to bring 5 lakh farmers in all the 13 districts during the period 2017-2022 to adopt natural farming practices. I recently visited a number of villages in Kurnool district to meet some farmers who have moved away from chemical agriculture to natural farming practices. I was amazed to learn that crop yields are increasing across all crops. In groundnut, yields have gone up by 35 per cent; Cotton productivity has increased by 11 per cent; Chilli by 34 per cent; brinjal by 69 per cent; and paddy by 10 to 12 per cent. So far, 1.63 lakh farmers have switched to natural farming. If crop productivity can increase without using chemical fertiliser and pesticides; if the net income in the hands of farmers goes up considerably; and if natural farming ushers in a climate resilient agriculture, I see no reason why other states cannot emulate the pioneering efforts being made by Andhra Pradesh. ❑❑

The Rupee is in for trouble

The Rupee has been sliding lately. The price of the Rupee was hovering around Rs 64 to a US Dollar for the last few years. Recently it has slid to Rs 67 and analysts expect it to further decline to about Rs 70 to a Dollar. The price of the Rupee is determined in our foreign exchange market. It is similar to how the price of potato is determined in the weekly street corner market. The price increases if there are large numbers of customers wanting to buy potatoes but the supply is less. Similarly,the price of the Dollar in our foreign exchange market increases if there are large numbers of customers wanting to buy Dollars but the supply is less. The increase in the price of the Dollar means that the supply is less but the demand is more. Thus the price of the Dollar has increased from Rs 64 to Rs 67; and the value of the Rupee has declined correspondingly.



The price of rupee is expected to decline to about Rs. 70 to a dollar due to decreasing salad dollars by our exporters as our exports have been weak along with a decline in foreign investments.

Dr. Bharat Jhunjhunwala

Why is the supply of Dollars less? The first reason is that our exports been weak. The Dollars sold by our exporters in our foreign exchange market are less. The second reason is that foreign investment is declining. Foreign Investors sell the Dollars in our foreign exchange market and convert them into Rupees. Then they invest the Rupees in buying equities or bonds in our share markets, which is known as (FII). We received FII of about USD 14 Billion in January to April 2017. This has declined to a meager 0.3 Billion USD in January to April 2018. The supply of Dollars has reduced both from exports and foreign investment.

The demand for Dollars has increased at the same time. The immediate cause is the increase in the global price of crude oil. We are hugely dependent on imports of oil. The price of crude oil has increased in the recent times from USD 60 to Rs 80 per barrel. Therefore, the demand for Dollars by oil-importing companies like the Indian Oil Corporation has increased. We are also importing more manufactured goods like eye glasses and footballs.

In conclusion, the supply of Dollars from exports and foreign investment has been declining while the demand for Dollars for the import of oil and other commodities has been increasing. The price of Dollar has increased and that of the Rupee has declined because of this mismatch.

We cannot do anything about the increase in the price of oil in the global markets. However, we could earn more Dollars. The question is why our ex-

ports have not increased? Reason is that the cost of production is high in India. For example a T-Shirt made in India may cost Rs 200 while a T-Shirt of the same quality may cost Rs 150 in China. Our T-Shirt manufacturer will not be able to export in such a situation. On the other hand, our retailers would like to buy imported T-Shirts from China.

The NDA Government has made huge improvement in infrastructure. Highways are being built at a rapid pace. There is improvement in the rail infrastructure. The spread of internet has taken place due to the expansion of mobile telephony. This improvement in infrastructure has reduced the cost of production. The slow growth of our exports, therefore, cannot be blamed on the poor infrastructure. So what is leading to high cost of production in India?

Mr. Michael Sneyd, global head of foreign exchange strategy at BNP Paribas has mentioned education, ease of business and labour productivity as the other reasons for high cost of production in India. Our education system continues to be dominated by Government Universities which have become certificate printing machines. The graduates do not have the basic skills to engage in productive employment. Their focus is to obtain a government job which does not require high productivity. Therefore, we have large numbers of educated unemployed coexisting with a shortage of employable candidates. The second factor is continued unease of doing business. Corruption at higher levels has been much controlled in the last four years of the NDA Government. However, corruption at the ground level continues unabated and may even have increased. The NDA Government has not implemented any systemic measures to stamp out corruption at the lower levels. A Bengaluru-based exporter of auto parts said that the NDA Government has made a rule that requires the exporter to provide a certificate form a Chartered Accountant with every consignment. The time taken to establish an inter-state power transmission line, or to settle a case in the High Courts or the Supreme Court—which are in the domain of the Central Government—remains unchanged. The time taken to obtain a driver's license or an electricity connection—which are in the domain of the State Governments—also remains unchanged.

The rupee may rise if we shift from manufacturing to services which may lead to low demand of oil and hence will put some restriction on the outflow of rupee.

The third factor contributing to the high cost of production is low labour productivity. One manufacturer of cables said that the wages in India are comparable to those in China but the output per worker in China is nearly double that of India. Indian Labour Laws are so much tilted towards providing protection to the workers that it is impossible for an industrialist to extract high productivity from them.

The unavailability of truly "educated" workers, the load of corruption, the delays in judiciary and the low labour productivity are contributing to high cost of production in India. Thus our exporters are being priced out of the global markets, we are earning fewer dollars from exports and the rupee is sliding.

We should not take the upswing in corporate earnings as an indicator of good health of our economy. Demonetization and GST have made it difficult for small businesses to survive. The market has been taken over entirely by large corporations. The cable manufacturer cited above also said that his sales constituted one-half each to the small traders and large Original Equipment Manufacturers (OEMs) before Demonetization and GST. Now 90 percent of the sales are taking place to OEMs. The revival of profits of the corporate sector is, therefore, the flip side of decline in production from small industries.

We need to take deep steps to rectify the situation. One, we must improve our education system, implement systemic measures to stamp out corruption at the lower levels, reduce delays in the judiciary and simplify labour laws in favour of labour productivity. Two, we must shift from manufacturing to services. The requirement of energy per Rupee of GDP is about 10 times in manufacturing as compared with services like software production and medical transcription. That will reduce the requirement of energy and our demand for oil. The Rupee will continue to slide of we do not take these measures. ❑❑

The author is formerly Professor of Economics at IIM Bengaluru.

Rate rise to boost savings;

Oil, Dollar surge lead to wage, farm crisis; Tax rule change can boost business: ESCAP

The world economy is in turmoil as crude touches a high since 2014 in the wake of US rejection of the Iran nuclear deal. Rupee is on a roll to touch one of the lowest marks against a surging dollar, a phenomenon that occurs for the eleventh time since 1983. Inflation is set to rise in India. The only good news is that as interest rate rises it would cause cheer to the depositors and the banking sector. This is to boost savings which has touched a low of 29 percent growth India in 2016 from a peak of 38.3 percent in 2007, just before the Lehman Brothers crisis ruined the banking sector. Malaysia and Pakistan have already started gradual increases in interest rates. The rupee had touched Rs 58.96 against dollar in May 2014 soon after the NDA government took over and now it has gone to a low of Rs 67.43 and is projected to fall further. It poses politico-economic problem as twin rises – oil and dollar – disturbs the businesses and the government. It leads to an inflationary situation, trouble for international commerce, trade balance, budgetary projections and possible inequalities. All this happening at a time when the UN's Economic and Social Survey of Asia and Pacific 2018 (ESCAP), launched in Delhi, and International Monetary Fund's (IMF) latest economic outlook project low regional and world growth necessitating economic reorientation. The world bodies are worried at the US attitude and economic roil. India is seeing a currency crisis that had hit it in September, 2013, when rupee had touched almost Rs 68 to a dollar.

It makes crude more expensive for an Indian. It hits an Indian home and may lead to a farm crisis as input costs, particularly irrigation, fertiliser and transport, are bound to rise. Consequently there may be problems for growth, job creation and development funding. Wage rise and many readjustments are must.

The IMF has just projected India growth at 7.4 percent up from 6.7 percent in 2018 though advanced economies including the US would have almost 0.2 percent

Currently, the international situation such as high oil prices and rupee depreciated may remain the problem but still India can remain the engine of growth.
Shivaji Sarkar

rise in 2018 at 2.9 percent and in 2019 at 2.7 percent. The euro zone will grow 2.4 percent this year before falling to 2 percent in 2019.

The ESCAP projects 0.4 percent growth for Asia-Pacific, having 53 states with 60 percent of world population, at 5.8 percent in 2017 against 5.4 percent in 2016. India and China lead the growth and Russian Federation having come out of recession on oil price recovery may add to the cushion. But 2018 growth in Asia-Pacific is set to fall to 5.5 percent as in half the countries consumption of the bottom 40 percent grows at a slower pace. As real wages are not rising by rising productivity, consumption would be led with debt and cause financial vulnerabilities.

Social inequalities are also set to rise with higher inflation as economies would be operating below their potential hit by low wage and job growth. Though e-commerce may meet demand at lower costs, automation may further lower wages. The working classes in the region are in for big trouble. It may be an uphill task to contain social discontent.

Trade barriers and harsh US measures are likely to further disrupt cross-border production networks. This may affect not only trade but also long-term investments. Even short-term investments like the withdrawals by foreign portfolio investors from Indian market may cause forex problems to be further fueled by rising import bills for crude and other goods. Exports rises would be moderate & are unlikely to offset the forex.

A repeat of 1997-98 Asian financial crisis is forecast. It may have adverse impact on the India's Look East Policy as the countries like Malaysia, Thailand, South Korea and China face financial vulnerability in the wake of rising private debt resulting in asset price corrections, says ESCAP. It may impact projected Indian investments in building roads in Myanmar and south-east Asia.

India was hedged as commercial lending rates were not lowered because of banking sector problems, ESCAP says. So rising deposit rates would not be much of a problem for Indian businesses and would help individual savers.

While ESCAP has stressed on further tax widening and increases, it has not stated how rising taxes add to citizen's woes as it is inflationary and increase in government expenditures. It leads to a concern of povertisation of the transitional, middle, class, says Jaimini Bhagwati, RBI chair professor, ICRIER and former joint secretary in finance ministry. Head of ESCAP South and South-West Asia Rupa Chanda says the tax increase measurers also leads to problem of attitudes (tax-terror) of tax officers.

As per ESCAP, macro-prudential measures do away with financial excess. Hence it will reduce systematic risks and safeguard stability of financial system and markets.

If the government wants deposits, that had fallen because of lowering of interest rates and taxing individual banks deposits, to rise, improve health of the banking sector, it has to amend its policies and let the deposits not be subjected to TDS.

It will boost the banks, economy, reduce government burden on avoidable costs, processes, and litigation. Since the introduction of TDS on bank deposits, reviews and litigation have increased. If it is done away with individual and bank liquidity is set rise, the government finances are bound to improve with higher consumption, tax realization and better ease of doing business. Similarly, many unnecessary recently introduced banking procedures also have to be simplified. For a few rogues all bank clients should not be punished. Tax procedures and banking should create a friendly approach to the government in the run up to 2019 polls.

The ESCAP also suggests 'macro-prudential' measures to do away with financial (tax) excess. These, it says, reduce systemic risks and safeguard stability of financial (banking and revenue) system and markets. It sees problem in India's Rs 9.5 trillion NPAs caused by corporate leverage. Its oblique suggestion is not to hit the 'micro' individuals - citizens of institutions.

Another aspect that has to be taken care of is the surging deficits of the Indian state governments. The centre's deficit, it finds, is controlled and overall debt is one of the lowest at 60 percent compared to Japan's of above 20 percent.

It finds strengths in Indian economy but calls for fine tuning to make the trajectory smoother and faster. The international situation – oil prices and dollar – would remain problem but with some ease of methods and trust in citizens, Indian can remain the engine of world growth. ❑❑

Rohingya: A threat to Jammu

In an interview with Russia Today on the crisis in Europe, French politician Marine Le Pen said, "Immigration is an organised replacement of our population. This threatens our very survival." Syria's Grand Mufti, Sheikh Ahmad Badreddin Hassoun, supports New Delhi's view that Rohingyas are a security threat and not a religious problem. Yet, the Supreme Court has repeatedly deferred the deportation of thousands of illegal Rohingyas and is even hearing their petition against expulsion.

In Jammu, the demographic and security threat posed by illegal Rohingyas and Bangladeshis has reached a boiling point. Local 'permanent residents' (hereditary State citizens) allege a well-funded and politically-backed conspiracy to settle them across the Province and trigger Hindu migration, as already reported from some villages. In November 2017, the United Nations High Commission for Refugees visited at least five Rohingya habitations in Jammu and urged them to leave, promising funds to settle elsewhere. They refused, saying, "We are used to Jammu, we know everyone over here, why would we leave?" That, in a nutshell, sums up their comfort levels in Hindu-majority Jammu, as opposed to living with their co-religionists in Kashmir.

While the Government is of the view that Rohingyas are a security threat and not a religious problem, the top court has repeatedly deferred their deportation. A solution to the problem is imperative.
Sandhya Jain

Perhaps this is why Jammu led the campaign to deport Rohingyas from India. As is well-known, Hindus who fled West Pakistan in 1947-48 and landed in Jammu & Kashmir were treated shabbily by Sheikh Abdullah and are languishing without official recognition (identity certificates) needed for Government jobs, education in State institutions and other benefits. The Bharatiya Janata Party (BJP) promised to address this seven-decade-old injustice during the 2014 election, but met with fierce resistance from Kashmiri separatists, the National Conference and the Congress; and also the People's Democratic Party.

At the Union Home Minister's nudging, the State Government set up a Group of Ministers in May 2017, to examine illegal Rohingya and Bangladeshi settlements in Jammu and Samba districts. But it was non-serious. The attack on the Army camp at Sunjwan in February this year increased the clamour to evict the Rohingyas, who have even settled near the camp. A senior police official said there are "consultation camps" on the border, which direct the groups to settle at a particular place or city. Jammu is preferred due to proximity with Pakistan and to "strengthen" its Muslim minority.

The infiltrators are given mobile phone, I-cards, Aadhaar cards, even 'permanent resident' cards, illegal power and water connections, and allowed to grab State lands and build houses on them. Funds for them are raised through hawala channels and routed through local NGOs, such as Jamaat Ahle Haider, Yateem Trust and Kashmiri Welfare Trust. The National Conference regime had forced

schools in some localities to admit Bangladeshi and Rohingya children, who comprise 80 percent of the student body.

Rohingyas are active in Tablighi activities through local mosques in Jammu (as in Chennai and Hyderabad). Security agencies suspect them of having links with the Islamic State, Lashkar-e-Tayyeba, Al Qaeda and Pakistan's Inter-Services Intelligence (ISI) agency. In fact, Rakhine (Arakan) is becoming an important node of the global jihadist movement and is being funded by organisations in Saudi Arabia and Pakistan. Rohingyas are linked to the Bangladesh Islami Chhatrashibir of Bangladesh Jamaat-e-Islami. They are involved in unsavoury activities such as trafficking girls from Myanmar and selling drugs.

Given the inexcusable sympathy for the infiltrators in some well-heeled sections of society, it is worth recollecting how they burst into the international limelight. Strategic analyst Brahma Chellaney observes that Rohingyas were among the first groups in Asia to be radicalised by the British Raj and to demand partition; they tried to expel Burma's Buddhist population north of Arakan (170-odd miles) to join East Pakistan.

The current crisis began on August 25, 2017, when the Arakan Rohingya Salvation Army attacked police posts in Maungdaw, Myanmar; over 100 people died. The jihadis also attacked the Hindu minority in Rakhine; over 500 were slaughtered; the Army later found mass graves with Hindu bodies.

Many Hindu families fled to Bangladesh to escape, but were again persecuted by the 4.5 lakh Rohingya Muslims fleeing the Myanmar Army. In the refugee camps, Hindu women were forced to break their bangles, read namaz, wear burqas, and convert. They sought shelter near two temples at Ukhia in Cox's Bazar. The Hindus said they were attacked by Rohingyas and feared to return to Myanmar as several members of their families had been slaughtered and their homes burnt down. In October 2017, Bangladesh arrested 22 Rohingya Muslims posing as refugees, but who were linked to the massacre of Hindus in Myanmar.

In October 2017, Bangladesh arrested 22 Rohingya Muslims posing as refuses, but who were linked to the massacre of Hindus in Myanmar and trained by Pakistan's ISI.

They were reportedly trained by Pakistan's ISI.

The Jerusalem Post was the only international media to assert that while it was true that the Myanmar Army had begun ethnic cleansing of Rohingyas after the ARSA assault on police posts, the ethnic cleansing of Hindus in Arakan ('Rohingya Hindus') could not be ignored. Even while fighting the Army, jihadi groups were entering Hindu areas and "stabbing, shooting and raping the residents". One survivor reported that the terrorists would dig three holes — one to dump the bodies of women, one for children and one for men; all overflowed. The paper noted that while conditions in Bangladesh refugee camps were tough, Hindu refugees were worst hit. Many wanted refuge in India.

By the end of September 2017, when matters subsided, the Myanmar Government urged Hindu refugees who fled to Bangladesh to return, and assured that they would be taken care of in Sittwe, capital of Rakhine State. So far, there has been no response to this plea and it seems unlikely that Hindus would return to Rakhine. The enmity between Myanmar's majority Buddhists and Rohingyas, most of whom are denied citizenship on grounds of being British imports from the region now known as Bangladesh, has flared up intermittently since 1948 when Burma (Myanmar) became independent. But what happened to the miniscule Hindu community was genocide.

Rohingyas are known to have settled in Jammu, Hyderabad, Haryana, Uttar Pradesh, Delhi-NCR and Rajasthan. However, in April, Gorkha Janmukti Morcha leader Bimal Gurung alleged that Rohingyas were being settled in Darjeeling and Kalimpong districts of the Gorkhaland region of West Bengal, as part of a sinister conspiracy to alter the demography and marginalise the native Gorkhas, superseding national interests for vote-bank politics. Gorkhaland, which borders Nepal, Bhutan, Tibet and Bangladesh, is politically sensitive and any "replacement" of the population, as warned by Marine Le Pen, could have a deleterious impact on the nation. A solution to the Rohingya threat is an urgent imperative. ❑❑

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

A victory for 'seed freedom'

Seeds are the first link in the food chain and the repository of life's future evolution. As such, it is our inherent duty and responsibility to protect them and to pass them on to future generations. The growing of seeds and their free exchange among farmers is the basis of maintaining biodiversity and food security. For me, "seed freedom" is the freedom of the seed to keep evolving in its autopoietic freedom based on self-organisation, self-renewal and self-regeneration in co-evolution with all the beings that depend on the seed and contribute to the life of the seed. This includes farmers who, over millennia, have intelligently maintained rich seed diversity.

All life begins in seed. Seed is not just the source of life, it is the very foundation of our being and hence it is not patentable as the same maintained by the court and restricted Monsanto not to patent it.
Vandana Shiva

Seed is the self-urge of life to express itself, in its diverse expressions, abundance, permanent renewal and rejuvenation. All life begins in seed. Seed is not just the source of life, it is the very foundation of our being. For millions of years, seed has evolved freely to give us the diversity and richness of life on the planet. For thousands of years farmers, specially women, have evolved and bred seed freely in partnership with each other and with nature to further increase the diversity of that which nature gave us and adopt it to the needs of different cultures. Biodiversity and cultural diversity have mutually shaped one another. We have the diversity of seeds because of the coevolution and co-creation by nature and farmers over 10,000 years.

Seed is the embodiment of millions of years of nature's evolution and thousands of years of farmers' evolution and breeding. It holds the potential of millions of years of future evolution. Seeds are, therefore, the repository of centuries of biological and cultural evolution. They hold the memory of the past and potential of the future.

Seed does not only hold the memory of time, evolution and history. It holds the memory of space, of the interactions in the web of life, of pollinators such as bees and butterflies to whom the flowers of the seed gave its pollen, who then fertilised the plant so it could reproduce and renew itself. Seed is also the gift of millions of organisms present in soil which nourish the seeds and plants and are in turn nourished by the organic matter produced by plants.

Seed is more than a metaphor. It emerges as the site of ethical, ecological, ontological, scientific, legal, economic and political contest between two worldviews and ontologies. One worldview is based on corporations as "persons" with minds who create "life" and can then own life, as intellectual property for

corporate profits. The alternative worldview is based on the recognition of the self-organising and self-making nature of life forms, including seeds of humans sharing the earth with the diversity of life forms and beings as an "earth family".

The duty to save seeds and defend seed freedom — Bija Swaraj — is an ethical and ecological imperative. This is why I founded Navdanya and the global seed freedom movement and sow the seeds of earth democracy — Vasudhaiva Kutumkam.

Not all seeds are the same. There are varieties bred by farmers, which are also called indigenous varieties, native seeds and heritage seeds. These seeds are "open pollinated", which means they are fertilised by pollinators through open pollination, and are hence renewable. They can, therefore, be saved.

"Open pollinated seed" renews itself. Farmers have always saved seeds from their harvest to grow the next crop. And while saving seeds, they select and breed not just for taste but also for quality, diversity, resilience to pests and diseases as well as to droughts and floods. But seed saving is seen as a problem by the agrichemical industry, which started out as a war industry and is now genetically modifying itself into biotechnology and the so-called life sciences industry.

Industry has transformed seed from being a self-organised renewable resource into a non-renewable commodity to be bought every year. Patents on seed are central to the seed monopoly attempting to be created. About 95 per cent cotton seed in India is now controlled by Monsanto.

Monsanto has collected illegal royalties as "technology fees" since 1992, driving farmers into debt, even suicide. Most of the 300,000 farmer suicides in India since 1995 when WTO came into force are concentrated in the cotton belt.

When India amended its Patent Act, scientifically based safeguards consistent with TRIPS were introduced. Article 3 defines what is not patentable subject matter. Article 3(j) excludes from patentability "plants and animals in whole or in any part thereof other than micro-organisms but including seeds, varieties, and species, and essentially biological processes for production or propagation of plants and animals".

Monsanto has collected illegal royalties as "technology fees" since 1992, driving farmers into debt, even suicide.

Article 3(j) was used by the Indian patent office to reject a Monsanto patent on climate resilient seeds.

Monsanto tried to challenge Article 3(j) in the Delhi high court. I had intervened in the high court case on May 3, 2017, and on April 11, 2018, the high court announced a very significant decision in the context of the planet's future, farmers' freedom, and freedom of society from corporate power.

The high court dismissed Monsanto's case and upheld India's sovereignty, India's laws for seed sovereignty, farmers' rights and public order. Some judges don't lie.

The courts have maintained that seeds fall within the exclusion of Article 3(j), and Monsanto does not have a patent on Bt Cotton seeds. The courts also upheld the Indian company Nuzeevedu's claim that seeds are protected by the Plant Variety Protection and Farmers Rights Act, and Monsanto should register under this law.

I was appointed as a member of the expert group set up by the then agriculture minister to draft the Plant Variety Protection and Farmers Rights Act 2001 to implement the sui generic option in Article 27.3.b of TRIPS.

We introduced a clause on "farmers' rights": A farmer shall be deemed to be entitled to save, use, sow, resow, exchange, share or sell his farm produce, including seed of a variety protected under this law in the same way as he was entitled before the coming into force of this law.

Seed freedom enshrined in India's laws is the foundation of swaraj in our times. Bija Swaraj is vital to address the crisis of hunger, malnutrition and farmer suicides.

It's vital to bring back taste, nutrition and quality in our food. It's central to ending the vicious and violent cycle of debt and suicides. And without conservation and evolution of biodiversity of our seeds, we will not be able to adapt to climate change.

The Delhi high court's decision upholding Article 3(j) is, therefore, of evolutionary significance for the planet and for humanity. ❑❑

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

Gender Parity in India

The Need & The Way Forward

"Indian Economy is strong because of responsible families and responsible women" – *S Gurumurthy*

When we plan to cerebrate the potential of women in being contributors to the Indian GDP which is slated to touch fancy numbers by 2030 and beyond, we should not really forget the service the women folk does to hold the family together, raise children, cook and clean, shop and save and do every thing that does not add to the numbers that are projected to the entire world as "Gross Domestic Product".

The WEF report is prepared after considering various parameters of gender equality in health, education, economics and politics. The critical fact is that India has a dismal performance when it comes to the health and survival category. It is a shame that the least improved country in this measure over the last decade is India, ranking 141 in a list of 144.

MR Ranjit Karthikeyan (CA)

Going by the recently published World Economic Forum report on the gender gap, a small scandinavion nation, Iceland tops the list. India, in 2017 ranked 108 out of the 144 countries profiled by WEF. The surprising fact is that a big drop of 21 places from the previous year. Whatever be the parameters for ranking, there is something that need to be done for the women in India. The question is by whom? Should we wait for our women to start a nation-wide movement like what Iceland women did? Women from all walks of life, 25,000 of them – professionals to housewives – took to the streets to protest over wage divide in the year 1975. We do not see any gender gap in that nation now, with Norway, Finland and Rwanda following that nation.

The WEF report is prepared after considering various parameters of gender equality in health, education, economics and politics. The critical fact is that India has a dismal performance when it comes to the health and survival category. It is a shame that the least improved country in this measure over the last decade is India, ranking 141 in a list of 144.

There is nothing to be proud of when it comes to economic participation and opportunity. The rank is 139. The Labour Force Participation Ratio is around

28% and about 66% of the labour is found to be unpaid. Yes, the guess is right – the household chores, shopping, caring for family members and household travel. Are we going to take our women away from what they are doing right now and put them in a "gainful employment" so that we gallop towards a multi-trillion dollar economy. However, there is something to cheer about in the field of educational attainment. The overall rank is a low 112 but one major achievement is the 1st rank in the Primary and Secondary Education enrollment. This certainly is a good start in empowering the future generation. Also, a credible performance in the Political Empowerment where India ranks 15. However, the women account for less than 20% of all ministerial jobs and parliamentary seats.

Gender inequality is not only an important social issue but also a critical economic challenge. If women, who account for half the world's working-age population, do not achieve their full economic potential, there will be a negative impact on the global economy. No government, be it state or central, can by itself bring long-lasting change. Government authorities, the donor community, the private sector and civil society need to come together to act to close the gender gap, and a system of accountability should be put inplace to record the aid they provide. More importantly, the men has to take up the matter more seriously and work towards enabling the women with a open mind and also share more responsibilities towards the family. When she ventures out to be a partner in earning income and creating wealth, he should be able to lend a helping hand at home.

The Government of India, is certainly putting efforts to bring about a positive change not just by direct intervention in schemes like Beti Bachao–Beti Padhavo. A study report "Gender and Livelihoods Impacts of Clean Cookstoves in South Asia" by Global Alliance for Clean Cookstoves conducted in May, 2015 in three states of India, as well as Nepal and Bangladesh, found an average time-saving of 30 minutes to one hour ten minutes per day through improved cooking stoves, enabling women's increased involvement in social, economic and family activities. The importance of programmes like Pradhan Mantri Ujjwala Yojana certainly impacted in bridging the Gender Gap.

Encouraging the MSME sector especially "Women Owned Business Enterprises" with better gender ratios will lead to more women joining the workforce.

The major area is the removal of social stigma. The awareness campaign has to be by joining hands with the Governement and the employers to root out the stigma– or whatever is left of it – that surrounds the working women. Once the belief that a woman's place is at home is removed from the minds of the masses and, conversely, the participation of male family members in household chores and child care improves, there will automatically be an improvement in diversity ratios.

Another area is vocational training to the girls having a focus on the career can bring about a positive change in the employability of women, especially in small towns and rural areas. Encouraging the MSME sector especially "Women Owned Business Enterprises" with better gender ratios will lead to more women joining the workforce. Also, influencing the corporate policy makers by creating awareness to encourage employers to proactively hire women.

McKinsey Global Institute in its report titled "THE POWER OF PARITY– Advancing Women's Equality in India" (Nov. 2015) opined that to bring 68 million more women into the non-farm labour force over the next decade, India's policy makers, business leaders, and social-sector leaders need to focus concerted action in eight areas:

1. Closing gender gaps in secondary and tertiary education in India's large states;
2. Lowering barriers to job creation;
3. Expanding skills training for women in key sectors;
4. Expanding the reach of financial and digital services to enable women entrepreneurs;
5. Stepping up gender diversity policies and practices in private-sector organisations;
6. Further strengthening legal provisions for women and the enforcement of laws;
7. Improving infrastructure and services to address the high burden of routine domestic work, childcare and elder care; and
8. Reshaping deep-rooted attitudes about the role of women in work and in society.

[Conitnued on page no. 26]

Legal Entitlements For Farmers – Is There A Political Will?

It is somehow intriguing that despite being active, visible and strong, farmers' movements in India have not been able to secure any legal entitlements for the farmers that they represent, against the usual demands that they place before governments. Very often, their demands have been met by schemes or executive orders in a good scenario, with Committees formed to look into the grievance in the moderately-successful scenario and no positive response in the usual-case-scenario. Contrast this with the successes of other people's movements – for women's rights, for adivasi rights, for dalit rights, for the rights of the differently abled, for right to information or right to education, or rural employment guarantee. In fact, even peasants' movements some decades ago were successful in getting statutes in their favour, during the land reforms in this country. It appears that Indian farmers' movements have been too trusting of the regimes in power.

Incidentally, this is the case even at the international level. It is only now that the United Nations is debating a Declaration on the rights of peasants and other people working in rural areas, under the Council for Human Rights (UNCHR) which is limping forward slowly.

Against this backdrop, the current struggle by farmers, under the broad umbrella of All India Kisan Sangharsh Coordination Committee (AIKSCC), to secure two legislations for themselves wherein would be embedded legal entitlements against indebtedness, against unremunerative prices and against lack of support in case of disasters, assumes great historical significance.

MSP should be implemented effectively & efficiently throughout India. Moreover, the Court has also put out a directive that suggests that a legal status should be provided to MSP through a suitable legislation for its proper implementation.

Kavitha Kuruganti

A small expert group was constituted by AIKSCC to revise the two Bills comprehensively. The Bills have been finalised as "The Farmers' Right to Freedom from Indebtedness Bill 2018 and The Farmers' Right to Guaranteed Remunerative Minimum Support Prices for Agricultural Commodities Bill 2018".

Soon after the Mandsaur firing incident against the spontaneous farmers' uprising in Madhya Pradesh (after a similar struggle in Maharashtra), wherein 6 farmers were ruthlessly killed by the state police, some farmer leaders of the country began making the effort to join hands for a joint struggle. When AIKSCC was formed in July 2017, there were only a handful of organisations which had resolved that they will put aside differences if any and work on two commonly-agreed demands: loan waiver and prices as recommended by the National Farmers' Commission. Subsequent to the initiation of the platform, Kisan Mukti Yatras were taken up in various regions of the country over the next few months, lasting till November 2017. These Yatras not only refined the demands of AIKSCC, but also brought in many more new constituents.

Today, 193 farm organisations, small and big, representing different categories of farmers are part of the AIKSCC. This conglomeration of organisations also has constituents who primarily raise issues of agricultural workers, tenant farmers, adivasi farmers, small and marginal holders, women farmers etc. A mutual shaping of thinking and visioning is also a natural consequence of such an unusual formation.

From October 2017, a process of creating statutory frameworks for the two demands of AIKSCC got initiated. In November 2017, in a historical Kisan Mukti Sansad on Parliament Street in an exclusive, all-women farmers' parliament, the first drafts of two Bills, named then as "The Farmers' Freedom from Debt Bill 2017" and "The Farmers' (Right to Assured Remunerative Price for Agricultural Produce) Bill 2017" were introduced and passed.

Subsequently, in scores of state level and other meetings, public consultations with thousands of farmers were organised making the revisions of these Bills into a widely-informed process. There were numerous legal and agricultural experts who gave detailed feedback, often clause-wise, on the Bills circulated.

In the month of February and March 2018, a small expert group was constituted by AIKSCC with some of its Working Group members and some legal experts to look carefully at all the comments received and revise the two Bills comprehensively. The Bills have been finalised as "The Farmers' Right to Freedom from Indebtedness Bill 2018 and "The Farmers' Right to Guaranteed Remunerative Minimum Support Prices for Agricultural Commodities Bill 2018".

On March 28th 2018, one more historical moment arrived for this farmers' movement. In the Constitution Club in the national capital, leaders of various political parties were invited to a Round Table by AIKSCC, to extend their support and solidarity to these two Bills. A very large number of parties, 21 of them, not only extended their support but have also signed a formal resolution addressed to the Speaker of the Lok Sabha and Chairperson of Rajya Sabha urging them to use the powers vested in them to permit the Bills to be taken up for consideration and passing on an urgent and priority basis. They resolved to support the two Bills. Among the political parties which supported the two draft bills are NCP, JDU-S,

INC (Congress), CPI (M), RJD, BJD, Shiv Sena, Trinamool Congress, AAP, RLD, Jammu and Kashmir National Conference, Swabhimana Paksha,YSR Congress Party, TDP, TRS, Samajwadi Party, BSP, INLD, DMK, AIADMK, Janata Dal (S), Jharkhand Vikas Morcha and CPI. Importantly, the parties went one step ahead and suggested that a joint team of the AIKSCC and the political parties study the Bills one more time, clause-by-clause, to fine-tune them before submission as Private Members' Bill.

On 25th of April, senior leaders of 13 parties and 5 members of the Working Group of AIKSCC went through the two Bills carefully and finalised the Bills to be submitted by Mr Raju Shetti of Swabhimana Paksha in Lok Sabha and Mr. KK Ragesh of CPI-M in Rajya Sabha. It appears that the Rajya Sabha could see the Bills passed. It is now to be seen which party or MP opposes these Bills if they manage to first fulfil the procedural challenges of being listed and discussed. Shiv Sena, an NDA ally, has expressed its support to the Bills. Will the ruling Bharatiya Janata Party be able to ignore these Bills of, for and by farmers when the demand is for the government to bring in these measures?

Meanwhile, on May 10th this year, on the day India's first War of Independence started (the beginning of the "Sepoy Mutiny" against the British Rule in 1857), in hundreds of districts around the country, thousands of farmers are going to submit memoranda to the LS Speaker and RS Chairperson through their District Collectors, pointing out that these Bills have been created by farmers of the country to secure in reality rights that the Constitution of India had guaranteed for them. Farmers are asking for a special session of the Parliament to discuss these Bills and pass them. They had to do this, given that the political system has failed to ensure basic entitlements for them for a dignified life and livelihood, even though farmers have more than fulfilled their responsibility towards the country. The country has food security and sovereignty. Industry and other sectors have been propped by invisible subsidies and support that agriculture sector had lent them over the decades. It is time now that the rest of the society and governments fulfil their obligation to farmers. India needs to ensure that farmers get legal entitlements that ensure that they are free from indebtedness, that they are protected from natural disasters and ensuing losses, and that they get remunerative prices in a legally guaranteed fashion for all the commodities that they produce.

As this article is being written, Uttarakhand High Court has directed the Centre and the State Government to implement the broad recommendations of Swaminathan Commission and to consider providing MSP at 3 times the C2 cost of production. The Court has also put out a directive that suggests that a legal status should be provided to MSP through a suitable legislation. ❑❑

Kavitha Kuruganti is an eminent social activist and is associated with Alliance for Sustainable & Holistic Agriculture (ASHA), a nation-wide alliance of organisations working to improve farm livelihoods.

[Conitnued from page no. 23]

Gender Parity in India ...

Women's economic empowerment is not only a "women's issue." The Human Rights, Economic Growth, Politics, Business and the Society at large should shoulder its responsibility in creating a gender equality. To achieve an inclusive sustainable economic growth of the nation it is important that a peaceful, prosperous and resilient community is built which can be achieved by higher productivity, profitability and stakeholder trust. Above all, the criminal justice system should come to her support and the Police force has to provide justice, protection and safety to the women so as to create a confidence for a harassment free work place. Supporting women's economic empowerment is therefore a leadership imperative for all leaders in all sectors.

A New Normal for women occurs when behaviour and social change take place at a significant scale, creating conditions that help her to have agency and consequently become empowered.

"Empowerment" means that girls have agency — the ability to make decisions about their own lives and to act on them — and that the environment around them allows them to exercise it. In turn, this enables girls to be educated, healthy, safe, and economically empowered.

For women to become empowered, change must occur. This change takes place on several layers and is driven by many influences at once. ❑❑

The author is Kerala State convenor of SJM

Venezuela in Shambles: Lessons for the World

If people in a country in this global village experience unprecedented hardships, such that in just one year the average weight of 75 percent citizens goes down by 8.7 kg (2016), if price level increases by 4000 percent in just one year (2017), the value of currency goes down to such an extent that purchasing one kilogram of food takes big bag full of currency, when murder rate goes up to 100 per lakh, it really calls for a worry. The country in question is not in sub Saharan Africa, it is a onetime prosperous country Venezuela. In Venezuela conditions have reached to a civil war. And this situation has not arisen in decades, but only in the last four years.

Venezuela, an oil rich country, founder member of OPEC (Organisation of Petroleum Exporting Countries), a country with per capita income as high as $17700 in 2013, has been undergoing a deep crisis for the last 4 years, that this crisis has started affecting the whole world due to reduced supply of crude oil. Though, the outcome of the recently held elections, shows that otherwise extremely unpopular President Nicolas Maduro has once again captured the reign of power in Venezuela, however, there is a general belief that these elections were neither fair or free and nor secrete. Venezuela continues to remain in shambles due to ongoing agitations, lack of governance and extreme shortage of daily needs including food.

We find that Venezuela's crisis is not limited to itself. Whole of the world is facing the heat of rising crude prices; due to fall in Venezuelan oil production. In the process Venezuelan GDP is declining. Apart from this economic sanctions proposed by USA are multiplying the woes of Venezuela and the world.

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Swadeshi Samvad

Generally in developing countries, which include medium income and lower income developing countries, per capita income has been rising and there is an improvement in the quality of life almost everywhere. Overall development is taking place due to improvement in literacy, health facilities and other civic facilities, infrastructure facilities etc. in these developing countries.

Hyper Inflation

Inflation is no new word in this world; however, in the last four years, inflation has crossed all limits in Venezuela. Rate of inflation was 69 percent in 2014, 181 percent in 2015, 800 percent in 2016 and 4000 percent in 2017. In such circumstances one doesn't find a price tag on the goods in shops, after every hour prices may change. The currency in Venezuela has reached to such a state that the currency notes are being used to make envelopes and bags. Nobody believes the official exchange rate (announced by the government), people have to shed more than one lakh Venezuelan currency (Bolivar) for one single US dollar. It is notable that in 2013 the exchange rate between Bolivar and USD was 6.3 Bolivar per USD.

Venezuelan Economy was not weak earlier

Before 2013 Venezuelan economy was not like this. In 2013 the per capita income in Venezuela was 17700 USD and accordingly Venezuela was coming at 106th position in the world. Now after consistently contracting GDP over the years, government has stopped publishing GDP data. It is notable that 80 percent of GDP in Venezuela comes from petroleum. Share of agriculture in GDP is 3 percent, while share of industry is 17 percent. Venezuela used to be known for its electronic, automobiles and beverages.

If we look at the shortcomings of Venezuelan economy, we find that it is not at all self reliant in food. Since 2003, its food requirements have increased by 95 percent by 2012. However, its domestic production was very meager. Given its huge oil proceeds, it could manage to fulfill its food and other requirements. However, excessive dependence on petroleum has been its biggest weakness. In 1980s also, Venezuelan economy had suffered due to worst oil glut (recession). Venezuela had experienced worst banking crisis in 1996. However, uptrend in oil prices post 2001, gave massive reprieve to Venezuela. Economy improved, but politics spoiled the situation in the name of improving the conditions of poor, adopting socialist measures; which ultimately proved to be disastrous for the economy. To somehow manage the poverty and hunger, Venezuelan government did adopt some measures, but situation in Venezuela shows that they have proved to be utter failure. Because of shortage of food and other essential products, standard of living has been badly hit. Declining oil price after 2013 have multiplied their woes. GDP started contracting while living standards were going down and crimes were going up.

Though, oil prices have started rising once again, however, to add insult to the injury, US has proposed economic sanctions against Venezuela. Given these sanctions, it would be difficult for Venezuela to sell its crude oil to the rest of the world. It is notable that India which has been procuring a major part of its oil requirements from Iran and Venezuela, will find it difficult to continue with the same, given economic sanctions imposed by US on these two countries.

Lessons for India and Rest of the World

Though, conditions in Venezuela are distinctly different from the other countries, as 80 percent of its GDP comes from crude exports and ill conceived economic policies adopted by its government are responsible for ongoing mess in the economy. However, we need to understand that the major reason for the woes of their people has been shortage of food. In India we see some economists suggesting that we should not bother much about our agriculture, as we can always import food required for our population. They say that we are living in global village and therefore we need not worry about self sufficiency in food, as this is a thing of the past. But we see that Venezuelan people excessively depend upon government subsidy and ration, because of shortage of food. Today due to shortfall in government revenue, people there, are forced to live under the condition of poverty and hunger. Today India is almost self sufficient in food, a merit which we will have to maintain. We have to empower people by raising their income through gainful employment, so that they are not dependant on the government, either for employment or for food. Any shortfall and mismanagement of public exchequer may cause hardships for the citizens, as Venezuelan are facing. ❑❑

Dated: **May 9, 2018**

Shri. Narendra Modi

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

Respected **Shri Narendra Modi ji**,

We are writing this letter with a very heavy heart, complaining about series of violations law in allowing the barge entry of global retail giant Walmart hurting national interests. As per the reports, this US based giant is buying controlling stakes of Flipkart Pvt Ltd. Singapore and will steer its Singapore and India based subsidiaries. Swadeshi Jagran Manch, or SJM, and Bharatiya Janta Party, or BJP had a consensus that FDI in multi-brand retail will not only kill entrepreneurship, and is anti-farmers and will kill job creation opportunities in the market & rightly this is kept out. But strangely, Walmart is using the ecommerce route to circumvent the rules to attack Indian market. It is to be noted that nowhere in the world, Walmart has a market place model.

We know from the experience of other countries that wherever such domestic companies existed, they all sold out to bigger MNCs. All over the world, giants like Walmart and Cosco have taken over. This deal is unfortunate, but not surprising. Now the danger is knocking at our doors, these developments force us to write this letter; and appraise you of various disruptions it will do to the market and violations of the law of the land, along with being unethical and against the national interests.

Via Flipkart this is not only a backdoor entry, but they are barging into the Indian market. This will further eliminate the small and medium businesses, small shops, and opportunity to create more jobs. Most of these small entrepreneurs are already battling for their existence; entry of Walmart will further create problems for them.

We are very confident that you will intervene and ensure that the interests of those at the bottom of the pyramid are safeguarded. Walmart is the world's largest importer of Chinese goods –after top six countries, they are seventh—they will continue to pump in these products, killing our small and medium enterprises further and kill our 'Make in India' dream too. We all know that they have interests in the multi-brand retail of food and combination of both will kill the interests of farmers.

The Indian farmers are in process of getting trained to deal with Farmer Producers Organinsations, it will still take time to make him understand the value of his produce and negotiation skills to deal with the MNCs. Unleash of Walmart, will destroy their space. We all are with you to honour you commitment to the farmer to double his income. These MNCs will not only bind him, but will also kill his appetite to experiment new crops and newer markets.

SJM is committed to the scenario that farmer must not only earn more, but is independent to sell his produce. This scenario will take India to an ultimate situation of food security. This deal is counterproductive to achieve this. We will again make more farmers dependent on the designs of MNCs. Certainly; this is not in our national interests.

India is strategically opposing the discussion on ecommerce in World Trade Organization, or WTO & we support the decision. The biggest reason behind opting for this strategy is; we need to strengthen our laws and regulations, so that Indian interests could be best protected. But this entry of Walmart, will defeat our purpose. At present, the absence of watchdog, regulator, ombudsman and the connivance of certain bureaucrats, allowed many of the violations to become a norm. There are no rules set for the B2B trade via ecommerce, so there is no check and balance. In absence of rules and regulations, companies such as Flipkart India Pvt Ltd, Myntra Jabong India Pvt Ltd and companies of similar nature should not be allowed to raise any funds directly or indirectly from existing or new investors. Flipkart's operations are not beyond suspicion, their group companies, such as, Flipkart India Pvt Ltd, Flipkart Internet Pvt Ltd –which do sizable business in India—have not filed their statement of accounts for the year 2016-2017, 2015-2016 and have only made partial disclosures. It will be very dangerous, if we allow them to raise funds, transfer assets, that too to company like Walmart. There have been series of complaints with DIPP, Enforcement Directorate and RBI of violation of clarifications on FDI rules as stated in DIPP Press Note 3 / 2016, but surprisingly no action has been initiated them.

In last few years, Flipkart has created a cobweb of companies and arrangements under the garb of B2B ecommerce and marketplace structure which has remain unchecked from the scrutiny of government and existing mechanisms.

Flipkart's wholesale arms like Flipkart India Pvt Ltd admitted to Income Tax Officers of carrying out deep discounts and predatory pricing in wholesale transactions to the sellers who subsequently sell on Flipkart.com. This is violation of the principle of indirectly influencing the price laid out in DIPP Press Note 3, 2016, but is also a dangerous business practice of using foreign funds to dilute the market, pay no GST due to transactional losses, pay no Income Tax in India due to book losses, and increase the value of foreign based holding company. We along with other countrymen look at you to intervene and safeguard the interests of the weakest & take appropriate action in this regard.

With regards

Dr. AshwaniMahajan

All India Co-Convenor, SwadeshiJagaranManch

CC: ***Sh. Suresh P. Prabhu*** (Hon'ble Minister of Commerce & Industry)

Dated: **May 24, 2018**

The Secretary,
Department of Industrial Policy and Promotion (DIPP),
Ministry of Commerce, Government of India,
New Delhi.

Subject: Request to initiate investigation in Walmart's acquisition of Flipkart Group of Companies and to represent before the Competition Commission of India(CCI) for not approving the deal under anti-trust laws of India

Sir,

We would like to draw your attention to the recently concluded deal whereby Walmart, USA has acquired 77% shareholding in Flipkart Limited, Singapore, and the holding company of Flipkart Group of Companies in India. It is narrated as the biggest e-commerce deal in the world. This acquisition shall result in Walmart's back door entry into multi brand retail trade in India which is not permitted under the present foreign direct investment policy of India.

In fact, management of Flipkart Group is already illegally carrying on multi brand retail trade through e-commerce by flouting Reserve Bank of India's directions on Foreign Direct Investment (FDI). It can be easily seen that through a complex corporate structure, the management of Flipkart are presenting itself as an entity in B2B segment whereas it is operating in both in B2B and B2C segments.

The government of India has expressed clearly its intention of not allowing FDI in multi brand retail trade in 'brick mortar' as well as 'e-commerce' modes as it is essential not only to protect the consumers from predatory pricing practices of multi-national companies operating in these segment but also to protect small traders as well as small manufacturers for their exploitative practices. There are number of studies available which have proved and established that multinational companies in multi-brand retail trade have massive negative effect on local traders, suppliers, consumers and local employment. Accordingly, FDI policy of the government has put restrictions on multi brand retail trade. It has been observed that in spite of clear Government's policy, the application of the policy by bureaucracy is not being implemented in letter and spirit and the glaring example of the same is this Flipkart group. Walmart has already made its presence felt in B2B segment and has opened 21 stores and has plans to open 50 more such stores. Acquiring Flipkart at a very high valuation is only on account that through this it would be able to come into B2C segment.

We have noticed that Flipkart promoters initially transferred the ownership of the companies operating in India to Singapore and in subsequent years made changes in ownership of the holding company at different valuations without paying any taxes in India on as happened in Vodafone Case.

Flipkart promoters also segregated B2C business from the B2B business by creating companies apparently owned by independent persons but actually controlled by them only. Our records show that the directors of these companies are mostly employees of Flipkart group of companies. Operations of WS Retail Services Pvt. Ltd and Tech Connect Retail Private Limited can be clearly seen as camouflage for showing that B2B and B2C business are independent of each other. Flipkart India Private Limited, operating in B2B segment has confirmed before Income Tax authorities that it has been selling goods at prices lower than their cost to build brand which is actually Flipkart.com which is an e-commerce platform. The goods are sold to the so called independent companies at prices less than the cost with the conditions that they would be selling those goods only at the e-market places of the same Group. Even the prices of the products offered on e-commerce platform are determined by either the B2B company or e-commerce platform owned and operated by the same Group. This clearly establishes that transactions between B2B companies and B2C companies shown as independent companies are sham transactions and are in contravention of government policy on establishing 'market place'. Another indicator of the fact that these companies are being operated under one management is that these so called independent companies are able to carry on business to the tune of Rs. 8000 Crores (approx.) annually with a paltry investment of Rs. 1.5 crore as share capital.

It is further submitted that Walmart has earlier also made an unsuccessful attempt to come into multi brand retail trade in India and wanted to capture and control the retail business in India. This deal is their

second unholy attempt which must be foiled.

Swadeshi Jagran Manch, therefore, requests you to:

1. Immediately initiate an enquiry into the dubious deal between Flipkart owners and Walmart which has been written outside India but for all the tangible and intangible assets placed in India,
2. Immediately initiate enquiry into the nexus between Flipkart companies and the so called independent B2C companies and how they were allowed to carry on their activities without any objections from the regulators including DIPP in the past,
3. Make a strong representation before the Competition Commission of India(CCI) not to approve the takeover deal before the results of the enquiries being initiated by you are available,
4. Communicate to the tax authorities to enquire the modus operandi used by the promoters of Flipkart to take away ownership of companies and their brands outside India, various valuations at which ownership changes happened over the period and taxes involved into that.

We hope that you as an efficient Government functionary and a true nationalist shall take quick and appropriate action in the matter reported to you.

We shall be pleased to provide any further information which is in our possession to you, if so required by you.

Yours faithfully,

For Swadeshi Jagran Manch

(Ashwani Mahajan)

National Co-convener

No. 15(2)/2014-FC.I(Pt.)/FDI Pol.
Government of India
Ministry of Commerce & Industry
Department of Industrial Policy & Promotion
(FDI Policy Section)
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Udyog Bhavan, New Delhi-110011
Dated the: 28 May, 2018

OFFICE MEMORANDUM

Sub: Representation received from M/s Swadeshi Jagran Manch-reg.

The undersigned is directed to forward herewith a copy of the representation dated 24.05.2018 received from M/s Swadeshi Jagran Manch **(SJM)** alleging irregularities in various aspects including FDI policy norms, competition and taxation issues in Walmart-Flipkart deal. SJM in its letter has alleged that M/s Flipkart is illegally carrying out multi brand retail trading through e-commerce by flouting FDI policy norms by a complex corporate structure. It is mentioned in the letter that a management of Flipkart are presenting itself as an entity in B2B segment whereas it is operating in both in B2B and B2C segment

2. It is submitted that this Department has been entrusted with the formulation of FDI policy across the sectors including e-commerce. FDI policy as contained in 'Consolidated FDI Policy Circular 2017' is notified under Foreign Exchange Management Act (FEMA), 1999. Any violation of FDI regulations is covered by the penal provision of the Foreign Exchange Management Act, 1999. Reserve bank of India administers the FEMA and Directorate of Enforcement under the Ministry of Finance is the authority for the enforcement of FEMA. Violation of FDI policy is therefore, subject matter of RBI/ Enforcement Directorate.

3. Similar references alleging violation of FDI Policy by e-commerce companies were sent to RBI/Enforcement Directorate.

4. It is requested that the matter may be examined and appropriate action may be taken.

Encl: As above.

28/5/18
(Reetu Jain)
Director

To,

1. Enforcement Directorate
   [Shri. D. K. Gupta, Special Director],
   6th Floor, Lok Nayak Bhawan,
   Khan Market, New Delhi-110003.

2. Reserve Bank of India,
   Foreign Exchange Department,
   [Shri Shekhar Bhatnagar, Chief General Manager-in-Charge],
   Central office, Central office Building,
   Shaheed Bhagat Singh Marg, Fort, Mumbai-4000001.

3. Reserve Bank of India,
   Shri Anil Kumar Sharma,
   Chief General Manager,
   Enforcement Department,
   Mezzanine Floor, Main Building,
   Fort, Mumbai 400001

4. Competition Commission of India
   [Ms. Smita Jhingran, Secretary]
   The Hindustan Times House
   18-20, Kasturba Gandhi Marg,
   New Delhi: 110001, India.

5. Directorate Of Income Tax (PR,P&P)
   [Shri Sushil Chandra, Chairman]
   6th Floor, Mayur Bhawan,
   Connaught Circus, New Delhi – 11000

Pranab to address RSS cadres in Nagpur on June 7

Former President and one of the tallest Congressleaders of post-Indira Gandhi era, Pranab Mukherjee, has been roped in by Rashtriya Swayamsevak Sangh to deliver the valedictory address to cadres attending the third year course on June 7. Around 800 RSS workers aged below 45 years from across the country are attending the final year camp that is held every year at its headquarters here. Earlier it was called third year of officer training course (OTC) but is now rechristened Sangh Shiksha Varg. The passouts can become full-time 'pracharaks' who then carry forward the Sangh work for the rest of their lives. Sources in the RSS here said the official announcement would be made at the "right time" about the former President attending the RSS event, but admitted that he had been invited. More than the first NDA government headed by AB Vajpayee, the present one led by Narendra Modi is seen as working in consonance with the RSS on all aspects of governance. Senior ministers of the Modi govt. frequently visit the RSS headquarters. Two days ago defence minister Nirmala Sitharaman spent five hours at the RSS facility here during which she addressed the third year trainee and had interaction with general secretary Bhaiyyaji Joshi.

Mukherjee, 82, has been associated with the Congress party right since 1969 when Indira Gandhi helped him to get elected to Rajya Sabha. He became one of her trusted ministers and had his first stint as Union finance minister between 1982-84. However, after her assassination, he fell out with the party. He then formed the Rashtriya Samajwadi Congress party in 1986 which later merged with the Congress in 1989 when he returned. Mukherjee was the top troubleshooter of the Congress till 2012. He was the 13th President and was in office from 2012 to 2017.

https://timesofindia.indiatimes.com/city/nagpur/pranab-to-address-rss-cadres-in-city-on-june-7/articleshow/64334643.cms

Don't Need Niti Sermons on Swadeshi Policies, Says SJM

While Niti Aayog vice-chairman Rajiv Kumar has recently appealed to Swadeshi Jagran Manch (SJM) to consider a new definition of 'Swadeshi Economics', the Manch on Wednesday said the think tank is giving sermons without proper research.

In a recent interview to ET, Kumar had urged the RSS affiliate Manch to look at the definition of 'Swadeshi Economics' in the light of two critical objectives — generating more jobs and high growth.

"We don't need sermons from others on Swadeshi policies and everybody should be open to other ideas, including Niti Aayog. We have been raising questions about this open-door approach to FDI and our reports show that outgo and royalty on FDI have gone up by four times. Has Niti Aayog questioned this? Is there any valid research it has to show that FDI is increasing employment especially in multi brand retail and this Walmart deal which it is trying to promote. In fact, Niti Aayog has been in the habit of giving sermons without any research on research," SJM national co-convenor Ashwani Mahajan told ET.

"We have proof that retailers get hurt within three kilometres of a Walmart store opening. Why is there so much interest in Walmart in Niti Aayog when the government is seized of the matter? We have said time and again that there is a need to look into FDI policy and we want the government to come out with a white paper on FDI in all fields, including in retail," he said. Rajiv Kumar had said in the ET report that there was little case for government intervention in case of a 'friendly merger' like Flipkart-Walmart. Reacting to his views, Mahajan had tweeted saying: "@RajivKumar1 ji friendly @NITIAayog is not going to help this 'friendly deal'. Already there are a few hundred cases against this company in question for violating laws. You please make necessary corrections in your notes".

SJM has sought government intervention to stall the deal which it has called 'back door entry' to FDI in retail. SJM has also said this is very detrimental to the future of small retailers in India. Mahajan was reacting to another strong tweet by All India Online Vendors Association questioning Rajeev Kumar's view in the ET report.

"@RajivKumar1 why are you silent on violations of FDI policy, anti competitive practices and absence of regulatory and nodal authorities for this sector? We

dont expect to hear from you on above anytime," tweeted All India Online Vendors Association.

https://economictimes.indiatimes.com/news/politics-and-nation/dont-need-niti-aayogs-sermons-on-swadeshi-policies-says-sjm/articleshow/64394156.cms

China has a long way to go in shadow banking crackdown

According to reporting by Bloomberg, China still has a long way to go before reaching the bottom on their $10 trillion shadow banking sector. Following headlines in the Chinese press that China may face a liquidity crunch in June or July, Chinese banks hungry for funding are continuing to find creative ways around lending and asset curbs.

Chinese regulators are making progress in their attempts to tame the country's $10 trillion shadow banking sector, but after a one-year squeeze on the riskiest areas of the industry, there's still a lengthy battle ahead. The best measure of success is last year's reversal of the surge in shadow banking assets as a proportion of gross domestic product. After doubling over the past five years to reach 87 percent of GDP in 2016, the ratio slipped back last year to 79 percent, according to Moody's Investors Service. Two key prongs of the shadow banking campaign have been a clampdown on sales of high-yield asset management products, and an attempt to reduce the hidden inter-dependencies between financial institutions. After explosive growth between 2010 and 2016, wealth management products sold by banks barely increased in 2017. And the slight drop in banks' borrowings from other financial firms this year is another measure of regulators' success, albeit a modest one so far. A key element of the campaign against asset management products is a ban on providing implicit guarantees for the riskier offerings to Chinese savers. Instead, banks have boosted their issuance of structured deposits with derivative features, many of them with embedded options that are unlikely ever to be exercised, as a way of continuing to offer high yields to depositors. That helped boost issuance of structured deposits almost 47 percent to a record 8.8 trillion yuan ($1.4 trillion) in the year through March, according to official data. More than 1.8 trillion yuan of the new stockpile was added in 2018.

SJM preparing report on 'alternative ways' to revive Air India

SJM, which has expressed reservation on Air India's disinvestment, will present a report to Civil Aviation Minister Suresh Prabhu this month suggesting "alternative ways" to revive the national carrier. As per SJM "A five-member team led by Mahajan is preparing a report, which will suggest alternative ways to revive Air India and will present its report to the civil aviation minister this month," a source said. The report will be considered before taking any call on Air India's disinvestment, the same source added. When contacted, Mahajan confirmed that he and four other economists are preparing the "report" on Air India.

SJM has previously suggested that the government monetise Air India's assets to repay debt, rather than selling its stake. Mahajan said Air India has operating profits, but is running into losses due to its debts. "So, rather than selling stake in the national carrier, the government can reduce its debt by selling off its land," he told. His remarks assume significance as RSS chief Mohan Bhagwat has categorically said Air India should not be sold to a foreign buyer. The Centre has invited 'expression of interest' to sell a 76-per cent stake and management control in the airline. Mahajan has said that the SJM is "opposed" to disinvestment of the national carrier in its "current form", asserting the airline can be made profitable by repaying debt. He blamed the Congress for the sorry state of the airline and alleged that during the UPArule, profitable routes of Air India were given to other airlines.

"Rather than selling stake in the company, the government should make the airline profitable and then, if required, explore the option of raising money from markets by issuing shares," Mahajan said.

The Indian government owns 100-per cent equity of Air India, which was founded in the 1930s. The airline is commonly known for its Maharajah mascot. The government has injected more than Rs 23,000 crore since 2012 to bail out the airline.

https://timesofindia.indiatimes.com/business/india-business/sjm-preparing-report-on-alternative-ways-to-revive-air-india/articleshow/64051335.cms

SJM urges PM to step in, halt Walmart India entry

Swadeshi Jagran Manch has written to Prime Minister Narendra Modi seeking his intervention to ensure there is no Walmart-Flipkart deal, stating that any such deal will kill his 'Make in India' dream and hurt farmers and small businessmen. "Walmart is using the ecommerce route to circumvent the rules to attack Indian market" through a backdoor entry into multi-brand retail space, SJM said in its letter to the PM. Entry of the American retail giant, if it happens, "will eliminate the small and medium businesses, small shops, and opportunity to create more jobs", it said.

SJM has also raised suspicion on Flipkart's operations group companies, such as Flipkart India Pvt Ltd and Flipkart Internet Pvt Ltd. "It will be very dangerous, if we allow them to raise funds, transfer assets, that too to a company like Walmart," its letter said. "There have been a series of complaints with DIPP, Enforcement Directorate and RBI of violation of clarifications on FDI rules as stated in DIPP Press Note 3/2016, but surprisingly no action has been initiated them."

https://economictimes.indiatimes.com/news/politics-and-nation/sjm-urges-pm-to-step-in-halt-walmart-india-entry/articleshow/64103466.cms

Most respondents agree with our view on Air India disinvestment: SJM

SJM, which is preparing a report to suggest alternative ways to revive Air India, has said most of the respondents in their inputs supported the Manch on the disinvestment issue. A five-member team is preparing a report to suggest alternative ways to revive Air India as it has expressed its reservation over the current form of the disinvestment and has sought to explore other options. The report would be presented to Civil Aviation Minister Suresh Prabhu soon. The report would be considered before taking any call on Air Indias disinvestment, sources had earlier told PTI.

"We are overwhelmed with the responses to our call for inputs on disinvestment of #AirIndia. Its very encouraging to see, most of respondents agree with our point of view," SJM co-convenor Ashwini Mahajan tweeted. The tweet of Mahajan, who leads the five member team, came in the backdrop of the government holding a series of meetings about the disinvestment process even as the deadline for submission of preliminary bids for the stake sale in Air India ends on May 31. A group of ministers, constituted to chalk out the strategy for the disinvestment had met here yesterday. The meeting was attending by Prabhu, Road Transport Minister Nitin Gadkari and Railway Minister Piyush Goyal, who holds the additional charge of finance. A separate review meeting surrounding the disinvestment process was also understood to have been chaired by the PMO.

The government had on May 1 announced extension of the deadline for submission of initial bids for Air India stake sale till May 31 and issued a slew of clarifications on the divestment process, including that individuals other than the airline employees are barred from bidding. Coming out with a set of clarifications in the form of 160 questions and respective answers, the government also made it clear that it would have the rights of a "minority shareholder" with 24 per cent stake in Air India post disinvestment. Major private carriers such as IndiGo and Jet Airways have already announced to opt out of the disinvestment process.

https://www.businesstoday.in/pti-feed/most-respondents-agree-with-our-view-on-air-india-disinvestment-sjm/story/277256.html

No comprehensive dialogue with Pakistan till it shuns terrorism: Sushma Swaraj

There cannot be any comprehensive dialogue with Pakistan till it shuns terrorism, External Affairs Minister Sushma Swaraj said, asserting talks were not appropriate while people are dying on the border.

"We are always ready for talks with Pakistan but with a caveat that terror and talks cannot go together... There cannot be A comprehensive dialogue till Pakistan shuns terror," the minister said while addressing a press conference at the completion offour years in power of the Narendra Modi-led government.

"Jab seema par janaze uth rahe hon, to baatcheet ki awaaz acchi nahi lagti (when people are dying on the border, talk of dialogue is not appropriate," she added. She was replying to a question on whether

India-Pakistan talks can take place after the general elections there. However, she admitted that the NSAs of India and Pakistan met to hold "talks on terror".

The minister also hit out at Pakistan over its "Gilgit Baltistan Order 2018" relating to administrative control over Gilgit-Baltistan, saying Pakistan always "distorts history".

"Pakistan tries to teach us history and geography. It is one country which does not believe in rule of law and I would just say one thing to their answer 'look who's talking', Swaraj asserted.

Pakistan's Cabinet on May 21 approved Gilgit-Baltistan Order 2018 which was also endorsed by the assembly of the region. The order is being seen as Islamabad's efforts towards incorporating the disputed region as its fifth province. India summoned Pakistan's Deputy High Commissioner Syed Haider Shah in New Delhi and lodged a strong protest over Islamabad's latest move, saying any action to alter the status of any part of the territory under its "forcible and illegal occupation" has no legal basis. Pakistan termed India's claim over Jammu and Kashmir as "spurious" and said it contradicts everything from history to the situation on the ground.

https://economictimes.indiatimes.com/news/politics-and-nation/no-comprehensive-dialogue-with-pakistan-till-it-shuns-terrorism-sushma-swaraj/articleshow/64354745.cms

All macroeconomic parameters improved in last 4 years: NITI Aayog

NITI Aayog Vice-Chairman Rajiv Kumar termed the performance of the Modi govt as 'miraculous' saying that all the macroeconomic parameters including growth, inflation and fiscal deficit have shown considerable improvement in the last four years.

The government has done well on all fronts considering that the country plunged into a state of policy paralysis and was on a standstill mode during the closing years of the UPA regime. Narendra Modi took over as the 15th Prime Minister of India four years ago, on May 26, 2014.

"In 2014, the economy was on decline, non-performing assets (NPAs) of banks had risen already. Plus there was a complete policy paralysis, the government was on standstill. With that kind of legacy, it is quite miraculous that we have come to where we are at this moment in terms of macroeconomics," Mr. Kumar told PTI in an interview.

He further said that inflation is down now, foreign exchange reserves are high, fiscal deficit is in control and growth has accelerated. This government has also made growth hugely inclusive, he added. "...in terms of the macroeconomics conditions we have achieved what would have been very difficult for anybody to have thought that this is possible," he said.

Mr. Kumar admitted, however, that some areas to concern still remain. "For example NPAs of banks are still high, the current account deficit (CAD) has not improved much, but it is still better than 2014," he said. "Oil prices, which had given us comfort, have increased, which means that we will have to look at macroeconomics all over again to make sure that we can sustain and maintain growth rate, which I think we will be able to do," he added.

Mr. Kumar also emphasised on the need to look at corporate governance in the banking sector to improve investment flows. He expressed the hope that headline inflation won't go up and core inflation will remain subdued. Replying to a query on the farm sector, he pitched for involvement private traders in procuring crops from farmers. "I think that would be fiscally much more prudent and doable option, if we can implement it well," Mr. Kumar suggested.

http://www.thehindu.com/business/Economy/all-macroeconomic-parameters-improved-in-last-four-years-niti-aayog/article24005211.ece

Chinese CCTVs Chosen By Kejriwal

The Chinese firm, whose subsidiary has been chosen by the Aam Aadmi Party (AAP) government to supply closed-circuit television cameras is on the watch list of the security agencies in the United States.

According to the report, US security agencies have also issued an advisory against the company for threats such as remote hacking and potential backdoor access. While the Us Air Force last year cancelled a contract with the company, issues of security threats have also been raised in the United Kingdom.

Various groups have also raised concerns over the fact that the company is owned by the Chinese government, which is known to have used state-owned companies to spy on adversaries and steal trade

secrets. As part of the proposed deal, public sector unit Bharat Electronics Limited will supply cameras manufactured by Prama Hikvision India Private Limited. The company, according to one of its senior employee, is a subsidiary of the Chinese state-owned Hangzhou Hikvision Digital Technology.

In its defence, the Delhi government has claimed that the Delhi Metro Rail Corporation and the Defence Research and Development Organisation have procured cameras from Hikvision in the past.

https://swarajyamag.com/insta/chinese-firm-chosen-by-kejriwal-government-to-supply-cctvs-for-delhi-on-us-security-threat-radar

Venezuela willing to accept oil payments in rupees: Envoy

Venezuela is willing to accept oil payments from India in rupees, its envoy to New Delhi said today, suggesting that doing so will help both the countries to bypass the sanctions imposed by the United States. Augusto Montiel said the US sanctions have hit oil production in Venezuela and criticised Washington for "interfering" in its domestic affairs. Venezuela wants India to buy its oil and pay in rupees, which the South American country can in turn use for trading India food products and medicines. It has a similar arrangement with Turkey, China and Russia. A proposal to start payments in rupees was discussed with India's finance and petroleum ministries in March.

"India and Venezuela are trying to find ways to bypass the sanctions," Montiel said at an interaction with journalists at the Press Club in New Delhi. He claimed that a shipment carrying Indian medicines and food in 160 containers was confiscated at the Cartagena port in Colombia at the "behest" of the US, ahead of the presidential polls in Venezuela held on May 20. Incumbent president Nicolas Maduro won the polls. A day after the results were declared, the US imposed fresh sanctions, which Venezuela has called "illegal".

"Oil production in Venezuela has been hit due to the sanctions. There are oilfields whose production is directly affected due to the sanctions," Montiel told reporters at a programme at the Press Club in New Delhi. He said overall oil supply to India has also dipped from 4,00,000 barrels a day in 2016 to 2,80,000 barrels in 2018. Asked whether the decrease in Venezuelan crude supply to India was due to the sanctions, he said he did not have information whether wells supplying oil to New Delhi had been hit too.

Venezuela is a major oil producing nation and is also an important crude oil supplier to India. In March, Venezuelan Foreign Minister Jorge Arreaza said his country wants India to buy its oil in Indian currency.

https://energy.economictimes.indiatimes.com/news/oil-and-gas/venezuela-willing-to-accept-oil-payments-from-india-in-rupees-envoy/64281757

Over 2,100 companies settle Rs 83,000 crore bank dues

The fear of losing control over their companies has prompted promoters, who have defaulted on repayment of loans to banks, to settle their dues of around Rs 83,000 crore before action was initiated under the newly-enacted Insolvency and Bankruptcy Code (IBC). On last count, data compiled by the ministry of corporate affairs (MCA) showed that over 2,100 companies have cleared their outstanding amounts, a majority of which came after the government amended the IBC to explicitly bar promoters of companies that were classified as a non-performing assets (NPAs) from bidding for these companies where the National Company Law Tribunal, the bankruptcy court, initiated action. A loan is classified as an NPA if dues are unpaid for 90 days.

The move had faced severe criticism from the corporate sector as top names in the industry such as Ruias of Essar, Singals of Bhushan Group and Gaurs of Jaiprakash Group were locked out of the resolution process and there were fears that the bids may not be aggressive, resulting in the lenders having to recover only a small part of the loans. The government had countered the criticism by arguing that the move was meant to ensure that the promoters did not walk away with the same asset at a heavy discount. A clause was, however, inserted allowing the promoters to participate if they cleared the dues.

"The real success is the pressure on loan defaulters to clear dues. The borrowing and lending culture is changing because of IBC," said a source, who did not wish to be identified. ❑❑

https://timesofindia.indiatimes.com/business/india-business/owners-settle-rs-83k-crore-bank-dues/articleshow/64279946.cms

Don't privatise Air India, give it 5 years to revive: Parliamentary panel

This is not an appropriate time to divest government stake in Air India, which should be given at least five years to revive and its debt written off, a parliamentary panel is likely to tell the government.

The panel is also understood to have concluded that the equity infusion in the national carrier, as part of the turnaround plan (TAP), was made on a "piece meal basis", adversely affecting its financial and operational performance and "forcing" the airline to take loans "at a higher interest rate to meet the shortfall".

The Parliamentary Standing Committee on Transport, Tourism and Culture concluded that the government should review its decision to privatise or disinvest Air India and explore the possibility of "an alternative to disinvestment of our national carrier which is our national pride".

Observing that Air India has always "risen to the occasion" at times of need like calamities, social or political unrest in India or abroad, the Committee said "it would be lopsided to assess and evaluate the functioning of Air India solely from business point of view, as has been done by the NITI Aayog."

In its revised draft report on the airline's proposed disinvestment, the panel noted that the TAP and financial restructuring plan (FRP) was for a period of 10 years from 2012 to 2022 and Air India has shown "an overall improvement in various parameters and every indication is that it is coming out of the red".

"At the end of TAP period, government may evaluate the financial and performance status of Air India and take a decision accordingly," the panel said.

The parliamentary committee, after hearing the views of all stakeholders, "strongly feels that it will not be appropriate at this stage to disinvest when Air India has started earning profit from its operations."

It also said that as some of its subsidiaries Air India Air Transport Services Limited (AIATSL), Air India SATS Airport Services Private Limited (AI-SATS), Alliance Air and Air India Express were making profits, these units should "not be disinvested."

Strongly recommending that the airline's debt "should be written off by the government", the revised draft report said, "Air India should be given a chance for at least five years to revive themselves". The tenure of five years indicates the end of the TAP and FRP period in 2022. It said the airline's debt was "due to policy directions of the Ministry of Civil Aviation. Air India may be permitted to function as a government PSU with less government control."

The Committee also expressed apprehension that Air India's strategic disinvestment "would result in job loss of many people" and asked the government to "make an assessment" of the job loss before deciding on stake sale.

"If the disinvestment of Air India and its subsidiaries is inevitable, the Committee emphatically recommends that the interests of employees should be protected," the revised draft report said. It asked the Ministries of Finance and Civil Aviation to "develop a strategic package to protect the rights and interests of officers and staff of Air India and its subsidiaries in respect of their pension, gratuity and VRS and also the wages of contractual workers engaged by government from time to time in case the disinvestment of Air India is inevitable."

The panel found merit in the views of some of its members that if Air India is withdrawn from the aviation scene, "private airlines would indulge in gouging and that (will not be) in the interest of the consumers." Air India has a total debt of about Rs 48,877 crore at the end of March 2017, of which about Rs 17,360 crore were aircraft loans and Rs 31,517 crore were working capital loans. The airline is expected to report a net loss of Rs 3,579 crore for 2017-18, as per budget estimates projected for 2017 -18 from a provisional net loss of Rs 3,643 crore for 2016-17. The airline is projected to increase its operating profit to Rs 531 crore (BE projected) for 2017-18 from a provisional operating profit of Rs 215 crore for 2016-17, as per latest figures tabled in Parliament. (Jan 08, 2018) ❑❑

https://economictimes.indiatimes.com/industry/transportation/airlines-/-aviation/dont-privatise-air-india-give-it-5-years-to-revive-parliamentary-panel/articleshow/62400999.cms