



**MANDATE 2019**

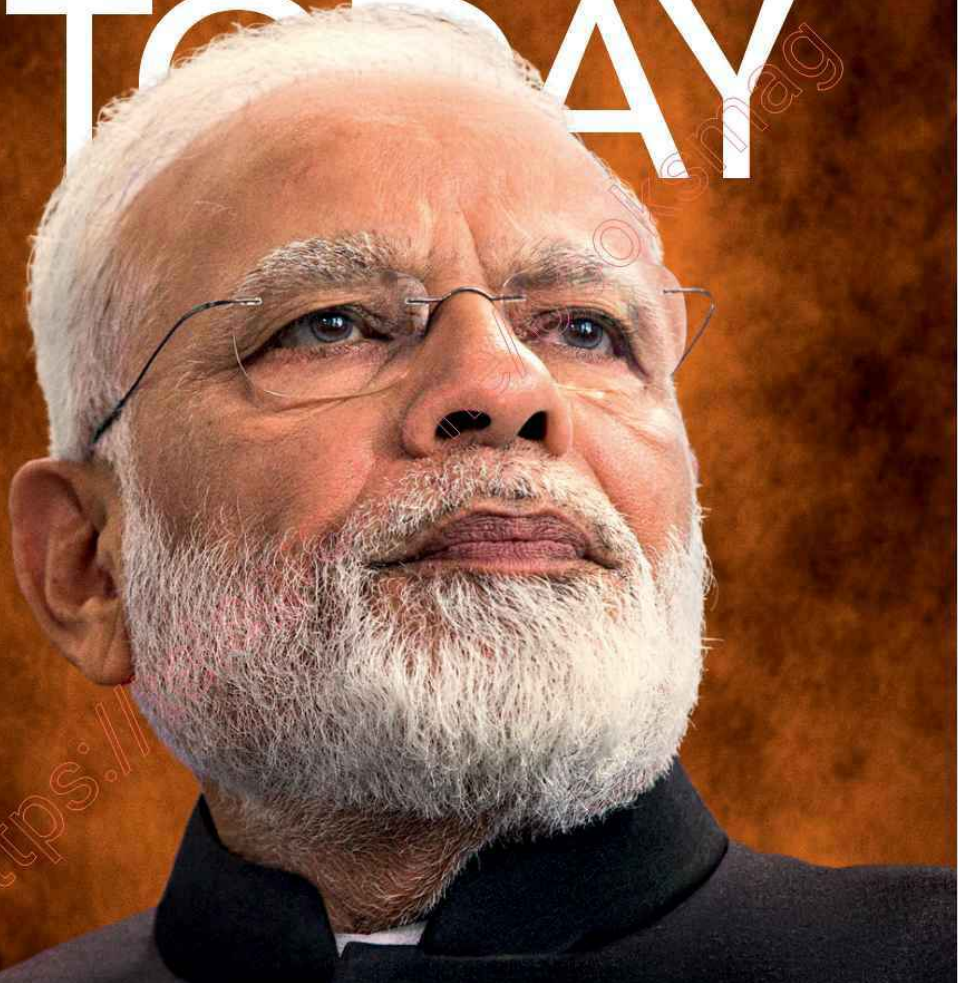
**SPECIAL ISSUE**

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# INDIA TODAY



## THE REPUBLIC OF MODI

**A PHENOMENAL VICTORY GIVES HIM THE  
MANDATE TO RESHAPE THE FUTURE OF INDIA**

**PLUS: A 100-DAY AGENDA FOR HIS SECOND TERM**



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30

# INDIA TODAY

DIGITAL EDITION



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- COVER STORY** THE REPUBLIC OF MODI
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- COVER STORY** A LOSING HAND
- COVER STORY** BEHIND THE MEGA MANDATE
- MANDATE IMPACT** UPHILL TASK
- MANDATE IMPACT** MODI CLOSES IN ON TMC
- MANDATE IMPACT** STALIN SHINES
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There are moments in the history of a nation when the voice of the people reverberates across the country. They are usually turning points which change the political landscape of the country. Narendra Modi's recent stunning victory is one such event. Not since Prime Minister Indira Gandhi's landslide victory in the 1971 Lok Sabha election has a prime minister returned with consecutive majorities. I have witnessed two other such moments in the 44 years of this magazine's existence. The first was the general election in March 1977 after Indira Gandhi lifted the Emergency. Indians shouted with their votes that they wanted Mrs Gandhi and the Congress party out regardless of who replaced them. She even lost her own seat in Rae Bareilly and a hotchpotch Janata government took charge. The second one was in 1984 after the assassination of Indira Gandhi when the nation mourned her death and gave her son Rajiv Gandhi an unprecedented mandate of 414 seats, reducing the BJP to a measly two seats. After the 1989 general election, what followed was a series of coalition governments for the next 25 years till 2014 when the Modi phenomenon burst on the scene, winning a full majority for the BJP. Many described it as a black swan event because of the listless, corruption-ridden UPA-II. The recent victory of the BJP and the decimation of the opposition alliance has blown away all these assessments. The opposition parties threw all the caste combinations and regional alliances that they could at the BJP, but it all came to nought.

There are many reasons why and how Narendra Modi achieved this historic win against heavy odds. There is a slowdown in the economy, unemployment is at an all-time high, the performance of the NDA government is questionable on several fronts, there is agrarian distress and the usual anti-incumbency. But none of this seemed to matter. As for the how, Modi had a consistent flow of funds and the party machinery to run a well-organised, high-powered and aggressive campaign. He realised that the only issue in the election was himself and converted it into a presidential-style campaign. He had more time for the media before the election than at any other stage of his term. He understood that thanks to the inroads made by cheap 4G connectivity, this would be India's first election to be fought on smartphones and used this to the hilt with tailor-made strategies to address various sections of the electorate. In Haryana, it was subtle appeals to caste. In the other Hindi heartland states, it was about the air strikes on Balakot in Pakistan. His skilled oratory helped steer the narrative towards muscular nationalism and away from the performance of his government. With his boundless energy, he also managed to be everywhere. He has, in the manner of a giant wrecking ball, altered India's political matrix by demolishing shibboleths of caste and dynasty. Two years ago, I used the acronym TIMO—There Is Modi Only—to describe India's political landscape. Now it goes beyond that. As academic Pratap Bhanu Mehta recently wrote, "Many leaders win because their public does not see an alternative. Modi won

because he made an alternative unthinkable."

I believe the why for the incredible mandate is because many believe in him. They trust him. With his *chawala* back-story, he is regarded as one of them. He understands the cultural idiom of India. He says he may make mistakes, but he works selflessly for the nation. According to our exit poll survey (which turned out to be the most accurate), 42 per cent of the unemployed voted for him because they said they had a better chance of getting a job under his rule. He has earned his credibility because many of his schemes like open defecation-free India, affordable rural housing, free gas connections or medical insurance have delivered, by and large. Those yet to benefit have got something else in the meanwhile. Hope. That's what he gives them. Hope.

His opponents, on the other hand, had no credibility and no narrative in the eyes of the voter. We witnessed a second successive rout of the Congress and the decimation of Rahul Gandhi as a leader. The Congress had a sensible manifesto but mismanaged its communication. He ran a disorganised campaign, had no ground troops, failed to utilise Priyanka Gandhi in his election campaign while his 'Chowkidar Chor Hai' drive backfired on him with a vengeance. The Indian electorate has spoken and they seem to be telling the opposition that they can't be fooled by mere alliances or promises.

This is the 12th general election INDIA TODAY has covered. Our cover story, 'The Republic of Modi', charts India's changed political landscape and also looks at the priorities for the first 100 days of the second Modi government, from fixing the economy to bringing peace to Kashmir.

Prime Minister Modi's victory is a great opportunity for India. His increased majority is a vindication of him and his five-year rule. He doesn't owe anything to anybody. It is, therefore, the Republic of Modi. He is free to follow

his own agenda. Many of the schemes he began five years ago are clearly long-term projects, which now need to be seen to fruition. I am sure in his five years as prime minister, he has learnt many lessons and will bring in the changes to make his vision of India a reality. To do that, he needs the right kind of talent in terms of experience and expertise to man his ministries. Perhaps even to think of trimming ministries and following through on his earlier promise of minimum government, which has largely gone unfulfilled.

A word of caution. This victory is not a mandate for Hindutva and Prime Minister Modi would do well to rein in the extremist elements within his party. He needs to protect the unity of India because the electorate has united behind him. That is the big message of this election.



Our May 26, 2014, cover

(Aroon Purie)

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04

COVER STORY

# THE REPUBLIC OF MODI

A phenomenal victory gives Prime Minister Narendra Modi the mandate to reshape the future of India

Cover by NILANJAN DAS; Photograph by GETTY IMAGES



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# AGENDA FOR MODI 2.0

From economic slowdown and unemployment to inflation and rural distress, critical challenges await the NDA government in its second innings. It's time for all hands on deck

## SPOTLIGHT

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- AVIATION
- RAILWAYS
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MANDATE 2019

LEAD ESSAY

# THE REPUBL



## VOTE OF THANKS

Prime Minister Narendra Modi delivers a victory speech at the BJP headquarters on May 23

धन्यवाद!



# IC OF MODI



**A decisive majority has given Narendra Modi the mandate to reshape the agenda and future of India. But with great power comes great expectation. And he needs to meet them with speed, strength and sensitivity**

**BY RAJ CHENGAPPA**

Photograph by **BANDEEP SINGH**





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# N

arendra Modi was busy answering routine e-mails on his computer on the morning of May 23 when the counting of votes began. He seemed unmindful of the outcome and the history that he was about to script. It was only around 10.30 am that he checked with an aide and

listened stoically to the leading positions of various parties. His aides have become accustomed to the supreme calm with which he deals with triumph and adversity. The prime minister often quotes to them his favourite *shloka* from the Bhagavad Gita:

कर्मण्येवाधिकारस्ते मा फलेषु कदाचन ।  
मा कर्मफलहेतुर्भूर्मा ते संगोऽस्त्वकर्मणि ॥

(You have a right only to your action, not to its outcome. Let not your action be motivated by its results, nor should you get attached to inaction.) Right through the election campaign, Modi would tell those who worked with him that more than winning, it was a spiritual journey for him—as a *harmayogi*.

As the results started pouring in, it soon became evident that Modi had powered the ruling Bharatiya Janata Party (BJP) to a historic second term in government with an absolute majority greater than what the party had got in 2014. Not since Indira Gandhi's back-to-back majority mandates in the 1966 and 1971 general elections had such a feat been accomplished. Modi looked satisfied, but was aware that with great power comes great expectation. He told his aides

that the responsibility for him to get things done had increased substantially and they needed to execute them with greater speed. Showing his awareness for minutiae, he also told them it was time to drop the *chowkidar* from his Twitter handle and those of his party colleagues and discussed what he should tweet.

A little later, the prime minister checked his schedule and was a trifle miffed that it was packed with appointments. He asked for some free time to think, but got none that afternoon. Apart from back-to-back meetings, leaders from across the world were calling in to congratulate him for his decisive re-election. The world, too, had taken note. The massive mandate will enable Modi to cement his standing on the international stage as a strong nationalist leader to reckon with and help India deal with pressing global issues.

That evening, in his victory speech at the BJP headquarters in Delhi, which was packed with adulatory crowds and colleagues, Modi alluded to the Mahabharata, stating, "Just like Lord Krishna said post the Kurukshetra battle that he was on the side of Hastinapur, 130 crore Indians have said today that they are on the side of India." Then, the prime minister went on to add significantly: "Now, there are only two classes of people in the country—those who are poor and those who will help the poor.... Together, we will build a strong and inclusive India...a new India."

It was, indeed, a new Republic for and of Modi. The prime minister had turned Election 2019 into a presidential-style contest, addressing 142 rallies across the country in the scorching summer heat. In doing so, he ensured that the personal popularity and trust he had built up with the electorate in his first term trounced whatever negatives the opposition hurled at him. Modi also played on the voters' concerns regarding an unstable coalition with the opposition unable to decide on a prime ministerial candidate. The Balakot strikes he ordered in February bolstered his image as a strong leader willing to take tough decisions—a nationalist card he played to the hilt.

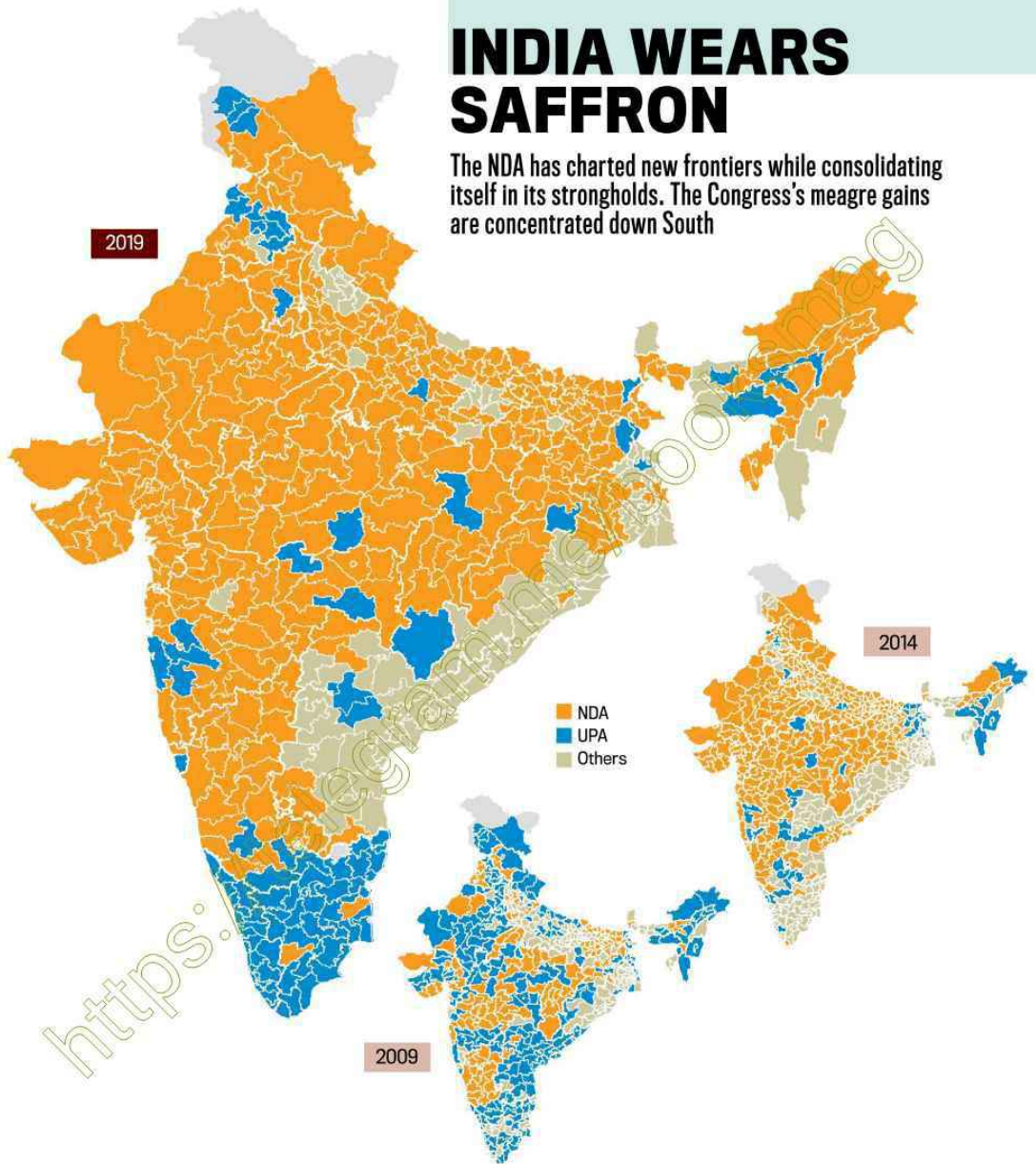
The simple question Modi posed to voters was: Who do they trust more to deliver on national security and development: him or those he termed the *mahamilavat* (highly adulterated) opposition leaders? The undercurrent of support he generated saw the voters answer that question resoundingly in his favour. The strength of the victory has also radically altered what BJP leader Vinay Sahasrabudhe

**THE MASSIVE MANDATE  
WILL HELP MODI  
CEMENT HIS STANDING  
ON THE INTERNATIONAL  
STAGE AS A TOUGH  
NATIONALIST LEADER  
TO RECKON WITH**



# INDIA WEARS SAFFRON

The NDA has charted new frontiers while consolidating itself in its strongholds. The Congress's meagre gains are concentrated down South



2019			2014			2009		
NDA	UPA	OTHERS	NDA	UPA	OTHERS	NDA	UPA	OTHERS
<b>351</b>	<b>93</b>	<b>98</b>	<b>336</b>	<b>59</b>	<b>148</b>	<b>159</b>	<b>259</b>	<b>125</b>
VOTE SHARE			VOTE SHARE			VOTE SHARE		
<b>45%</b>	<b>27%</b>	<b>28%</b>	<b>38%</b>	<b>23%</b>	<b>39%</b>	<b>25%</b>	<b>35%</b>	<b>39%</b>

\*NDA and UPA are not comparable between 2014 and 2019 since their constituents have changed  
Source: India Today Mood of the Nation poll; India Today Economic Intelligence



**BY ADDRESSING  
142 RALLIES AND  
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termed the “very grammar of electoral politics”. It gave the prime minister the power to reshape the agenda and future of India—something no leader has been given in the recent past.

There are several reasons why the contours of his victory signal a radical departure from the past. Modi and the BJP have all but ended the era of Mandal and caste-dominated politics, particularly in Uttar Pradesh, a state that has 80 Lok Sabha seats—more than any other state. The Samajwadi Party (representing the OBCs, particularly the Yadavs) and the Bahujan Samaj Party (the Dalits) had come together to form a seemingly formidable caste-based alliance in the state. The arithmetic of that coalition meant the dice was loaded against the BJP. But using his personal chemistry backed by solid organisational strength, Modi successfully demolished the alliance, with the BJP and ally Apna Dal winning 64 seats. The opposition combine ended up with only 15 seats and the Congress one, Rae Bareilly.

Barring the three southern states—Tamil Nadu, Kerala and Andhra Pradesh—where the BJP was unable to win a single seat, Modi’s pan-India appeal saw his party make an almost clean sweep of 542 Lok Sabha seats in as many as 17 states. This included the three Hindi heartland states of Rajasthan, Chhattisgarh and Madhya Pradesh, where the BJP had lost to the Congress barely five months ago.



PANKAJ NANGIA

In doing so, Modi reversed conventional electoral calculations that a party that wins the state election usually goes on to win a substantial number of the Lok Sabha seats in the state if a parliamentary election is held within six months of an assembly victory.

**R**egional parties like the All India Trinamool Congress (TMC) in West Bengal, the Biju Janata Dal (BJD) in Odisha and even the seemingly invincible Telangana Rashtra Samithi (TRS) felt the heat of the BJP juggernaut. The party made deep inroads in these states, garnering a fair share of the vote to emerge as the prime challenger to the ruling party and even winning a substantial number of seats. In West Bengal, for instance, its vote share increased from 17 per cent to 40 per cent, fetching it 18 of the 42 seats—up from two in 2014. The BJP has now emerged as a major player in the Northeast too. So, apart from retaining most of the seats in the states it won in 2014, the BJP boosted its tally with wins in these states.

The BJP’s claim of having done away with dynastic politics with the Congress reduced to a rump again and Rahul Gandhi defeated by Smriti Irani, though, is a bit premature. Jagan Mohan Reddy of the YSR Congress, son of former Andhra Pradesh chief minister Y.S. Rajasekhara Reddy, won the





**FOREGONE CONCLUSION**  
Alliance leaders garland Modi on May 21, two days before the results

## **MODI POSED A SIMPLE QUESTION TO VOTERS: WHO DO THEY TRUST TO DELIVER ON SECURITY AND DEVELOPMENT? THEY VOTED RESOUNDINGLY FOR HIM**

state assembly handsomely and took 22 of the 25 Lok Sabha seats in his state. In Tamil Nadu, M.K. Stalin of the DMK, taking over the mantle of leadership after his father M. Karunanidhi's death in August 2018, won 23 of the 39 Lok Sabha seats in the state, with its alliance partners winning another 14. To the credit of both these regional leaders, they had worked hard in the past couple of years to build a substantial base to challenge the ruling parties.

Modi had also learnt from the mistakes he and party president Amit Shah made in the first term in the way they treated allies, particularly former Andhra chief minister Chandrababu Naidu, who broke off ties with them. Realising that it was

imperative for them to win in large states like Maharashtra (48 seats) and Bihar (40 seats), they were willing to yield more seats than their allies deserved. It paid huge dividends. In Maharashtra, the BJP's alliance with the Shiv Sena saw them win 41 of the 48 seats. In Bihar, along with the Janata Dal (United) and the Lok Janshakti Party, the BJP won 39 of the state's 40 seats. Modi made it a point to wish both Naveen Patnaik and Jagan Reddy after their victories in their respective states, opening the door for issue-based support, particularly in the Rajya Sabha, where the BJP is well short of the numbers needed to push through reforms.

The INDIA TODAY-AXIS My India exit poll, that predicted the outcome of the results accurately, lists several other reasons why Modi and the BJP got a substantial mandate. The poll reveals that apart from the presidential style of campaign that Modi conducted, the opposition was divided and its votes fragmented. The Modi government's welfare schemes, particularly the ones to provide toilets, housing and cooking gas, made a substantial impact, subsuming issues like the lack of jobs and farmers' distress. Surprisingly, the poll reveals that demonetisation, despite its drawbacks, proved to be a game-changer in the polls as it established Modi's image of being pro-poor and willing to target the rich and the corrupt.

Modi's aides believe there was more than one

**WINNING STRATEGY**

The April 25 Modi road show in Varanasi

BANDEEP SINGH

reason behind the spectacular mandate. As one of them put it, "It was a combination of factors that the prime minister achieved in the past five years that the voters scrutinised and endorsed. It was the welfare programmes, particularly for the poor and the farmers, apart from decisive leadership, which contrasted sharply with what the opposition was putting up. His commitment to nationalism and his ability to raise support above caste and creed, besides making the issue of secularism irrelevant were the other reasons."

**B**y the third phase of the election, Modi had read the pulse of the people and told aides that he was confident his party would return with a clear majority. In the first week of May itself, he had got experts in the government to work out an agenda for the first 100 days of his second term, which included a major restructuring of ministries. It drew on the BJP manifesto that had outlined 75 promises that the party had committed to deliver on by 2022 when India celebrates 75 years of independence. (Modi is fond of using major anniversaries to set targets and galvanising people to meet them.)

The mandate should enable Modi to take decisive action on all key issues of development. Top of the list is

jump-starting the economy (there has been a perceptible slowdown in recent months), ensuring adequate generation of jobs and urgently addressing agrarian distress. The slump in growth is partly because of the collapse of investment credit flow to the private sector and the government needs to take rapid steps to revive it. The much-needed land acquisition and labour reforms need to be pushed to boost industrial growth while ensuring adequate safeguards to prevent misuse.

Experts say the economic situation calls for radical measures such as allowing private operators to maintain stations in the railways and run certain routes as is done in aviation, apart from increasing passenger fares to cut mounting losses. There is also a need to speed up the disinvestment and asset monetisation process to put more money in government coffers to meet the expenses of its welfare programmes. The prime minister will need to take a call on issues such as opening the mines and mineral sector as well as oil and gas to greater privatisation. To stimulate manufacturing and exports, India could borrow a leaf from China and set up special coastal economic zones that can become hubs of growth. In agriculture, there are major structural issues to be addressed to fulfil the BJP's manifesto promise of doubling farmers' incomes.



Urgent reforms are also needed in the health, education and tourism sectors. (For details, see the accompanying package on the 100-day agenda.)

There are other political and social issues that will require careful handling in the Republic of Modi. On Jammu and Kashmir, the party is committed to abolishing Article 370, which gives the state autonomous status under the Constitution. But instead of using an iron-fisted approach to ram through changes in the Constitution, the government may be better-off building a consensus in the Valley first as to why giving up the status would be beneficial—much as it did while introducing the law governing Muslim divorce. The party's Hindutva supporters are bound to raise the demand for building the Ram temple without waiting for the Supreme

## MODI SHOULD HEED HISTORY AND ENSURE HE NAVIGATES ISSUES LIKE KASHMIR WITH SAGACITY AND SENSITIVITY

Court verdict. With a mediation process on, the Modi government should try and persuade Muslim organisations opposing it to reach an amicable solution. In Modi's first term, the minorities ministry was adequately funded and ran well; that good work should continue. He should also ensure that the minorities in the country do not feel insecure and should come down hard on unlawful acts against them.

The resounding 2019 mandate has clearly been given for India's development and not for refashioning the idea of India into a majoritarian Hindu nation. To his credit, Modi acknowledged that in his

victory speech. He made it clear that development and elimination of poverty will be his top priorities. Having successfully weathered a first term, Modi has a far better grasp of how the government at the Centre works and the right buttons to push to get things done fast. That should help him pilot his second term successfully. The prime minister showed humility by admitting that he may have made mistakes in his first term but that his intent was always the greater good of the country, hoping that people would understand that.

Recent Indian history has not particularly favoured governments that win huge majorities. Two years after winning the 1971 elections by a landslide, Indira Gandhi faced major economic and social unrest that finally led to her imposing the Emergency in 1975. In 1984, Rajiv Gandhi came to power with the largest mandate for a government since Independence (the Congress won 414 seats). However, by 1987, his government was already floundering and was voted out by 1989. Running a two-term government is even tougher as Manmohan Singh realised. Congress president Rahul Gandhi now admits that by 2012, the UPA-II government had gone to seed, which led to its ignominious defeat in 2014. Modi should heed history and ensure that he navigates the challenges and priorities of government with not just speed, clarity and courage but also sagacity and sensitivity. In his victory speech, he alluded to the mandate he received as a filling up of a *fakir ki jholi* (an ascetic's bag). He should strive to fulfill the faith the people of India have vested in him. ■

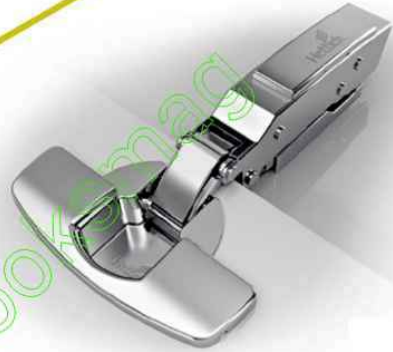


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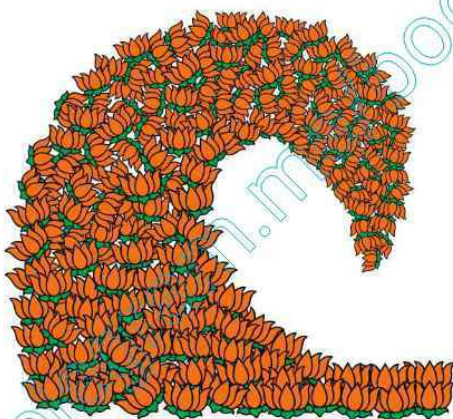


# BEHIND THE MEGA MANDATE

## The BJP pulled votes from all sections, except the minorities. What's new—more women prefer saffron

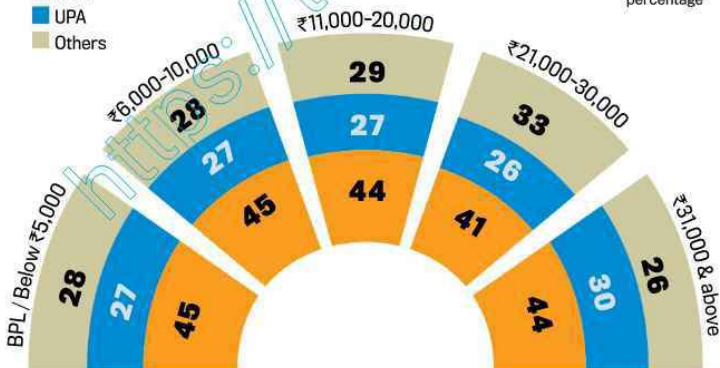
BY AJIT KUMAR JHA

**A** deep dive into the India Today-Axis My India exit poll result reveals that the BJP, while broadly preferred across all divides—class, gender, age, income levels, old and new voters—was rejected by and large by the Muslim voter.



All figures in percentage

■ NDA  
■ UPA  
■ Others

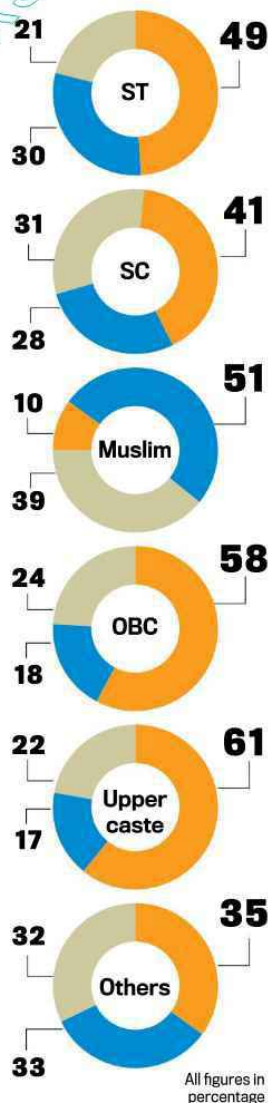


## POOR OR RICH, WHERE DID THEIR VOTE GO

While the BJP gained votes across classes, from below poverty line population to those earning above ₹31,000 per month, the Congress did not do so well among the poor, but did comparatively better among those earning above ₹31,000 per month. The Alliance secured more votes from those with monthly earnings between ₹21,000 and ₹30,000

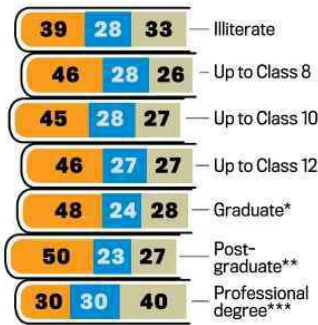
## WHO WON THE CASTE VOTE

The BJP got votes from all castes, and overwhelmingly from the upper castes, OBCs and Scheduled Tribes, including 41 per cent Dalit votes. The Congress secured substantial minority votes and 30 per cent Dalit votes while the Others gained support from the OBCs, Dalits and minorities



All figures in percentage





## HOW EDUCATION AFFECTS VOTES

Among illiterates, the vote percentage gap between the BJP and the Congress was the narrowest. Among those with professional degrees, the two parties ran neck and neck

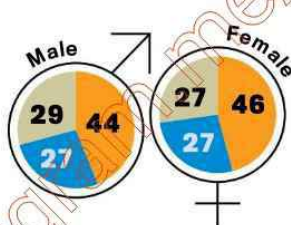
\* Graduate: BA, BSc, BCom; \*\* Post-graduate: MA, MSc, MCom, MPhil, PhD  
 \*\*\* Professional degree: BE, MBBS, BTech, ME, MTech, MBA  
 All figures in percentage

## THE RURAL-URBAN DIVIDE



Although popular among all sections, the BJP attracted more urban voters than rural, while the Others attracted more rural voters. The Congress attracted only 1 percentage point more rural votes than urban

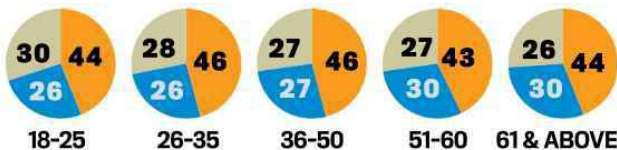
## MEN VERSUS WOMEN



The BJP, which attracted more male voters in the past, has begun attracting more female support, while the Others are drawing comparatively more support from men. The Congress enjoys equal support among men and women

All figures in percentage

## YOUNG 'N OLD, HOW THEY VOTED



While the BJP was almost equally popular across age groups, the Congress did somewhat better among the 50-plus. The Others received a greater share of votes in the 18-25 age group

All figures in percentage

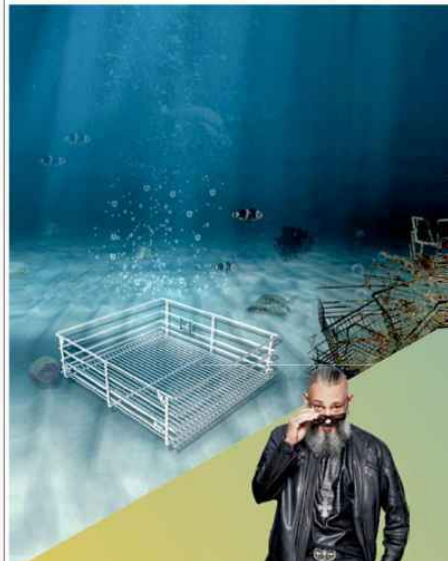
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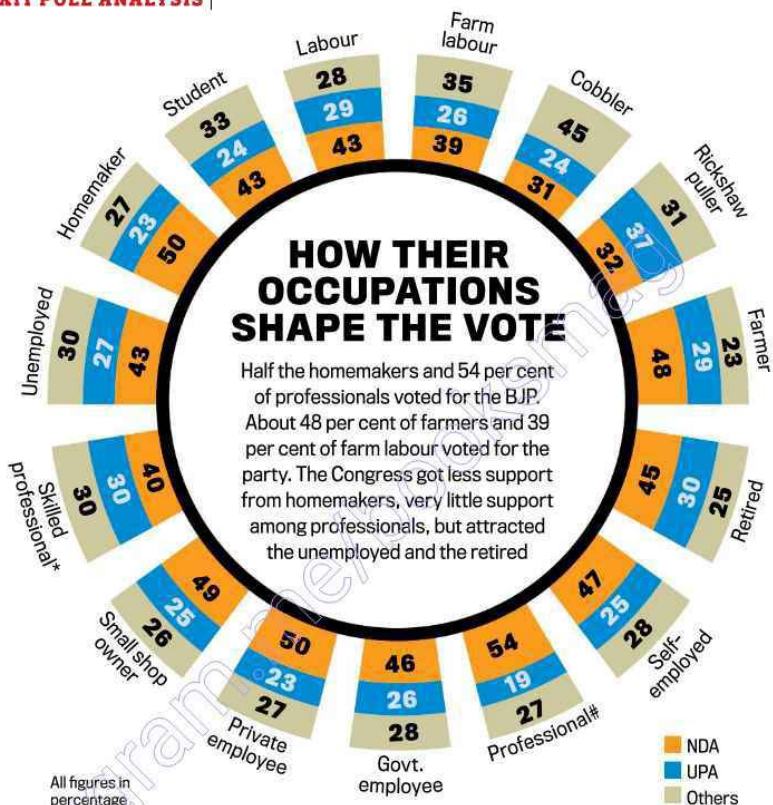


### Which electoral issue mattered the most to you?

Unemployment	<b>33</b>
Development	<b>19</b>
Farmer distress	<b>14</b>
National security	<b>8</b>
Corruption	<b>6</b>
Price rise	<b>4</b>
Air strike/ Terrorism	<b>3</b>
Economy	<b>3</b>
Reservation	<b>1</b>
Law & order	<b>1</b>
NYAY	<b>1</b>
SC/ST Act	<b>0</b>
Rafale	<b>0</b>
Don't know/ can't say	<b>4</b>
Others	<b>3</b>

### HOW THEIR OCCUPATIONS SHAPE THE VOTE

Half the homemakers and 54 per cent of professionals voted for the BJP. About 48 per cent of farmers and 39 per cent of farm labour voted for the party. The Congress got less support from homemakers, very little support among professionals, but attracted the unemployed and the retired



All figures in percentage

\* Skilled professional: Electrician/ Plumber/ Guide/ Pandit/ Technician/ Carpenter/ Auto driver/ Driver  
 \*\* Small shop: Tea stall/ Pan shop/ Saloon/ Dhaba/ Roadside shop/ Hawker/ Vegetable seller / Fruit seller  
 # Professional: Doctor/ Advocate/ Engineer/ CA

### Who do you want as India's next prime minister?

**28%**  
Rahul Gandhi

**53%**  
Narendra Modi



**4%**  
Mayawati



**3%**  
Mamata Banerjee



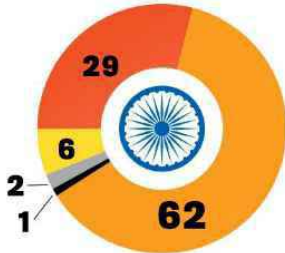
**1%**  
Arvind Kejriwal



**1%**  
Priyanka Gandhi



## Why do you prefer a BJP/ NDA government at the Centre?

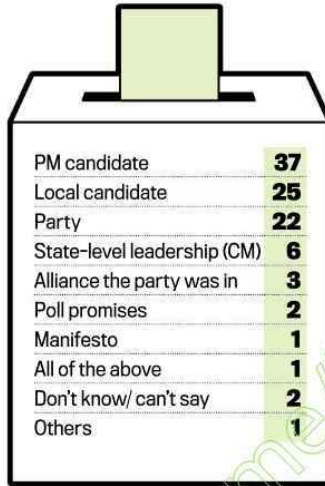


- Good work by the Centre
- The Modi factor
- Stable, strong government
- No alternative
- Don't know

Data represents those who voted only for BJP/ NDA

All figures in percentage

## While voting, what was the most important factor on your mind?



## FIRST-TIME VOTERS

The BJP always had greater appeal in this segment, via social media. Strongly evident in 2014, this time too the BJP attracted 41 per cent first-time voters compared to the Congress (25 per cent) and the Others (34 per cent)



All figures in percentage

## When did you finally decide to vote for the party/ candidate of your choice?

I have always voted for this party	31
A few days ago/ after a community meeting	29
On the day of voting	14
After the candidates' list was released	12
After declaration of party manifestos	6
After the campaign started	4
Can't say/ no response	4

All figures in percentage



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# MODI, SHAH REIGN AGAIN

The duo get their names inscribed in history books by crafting a spectacular win, decimating a determined opposition and proving traditional political theories wrong

BY UDAY MAHURKAR

**I**f Ravindra Yadav, 42, does not strike you as the average BJP voter, it is probably because he isn't. The college dropout from Ayodhya now drives a taxi in Delhi and says he voted for Narendra Modi. He reels out a list of reasons why: from poverty alleviation programmes to direct benefit transfers, Prime Minister Modi, he says, has "saved us from greasing the palms of clerks to release cheques, which we had to do earlier. The transparency and efficiency he has brought in can be felt". His brother built a new house back in their village with a Rs 2.6 lakh grant from the Modi government.

It is this silent voter that political observers lost sight of. Millions like Yadav are what contributed to the BJP's decisive 300-plus-seats victory. Their vote went to the party following the extraordinary effort by party president Amit Shah to convert the over 300 million beneficiaries of the Modi government's schemes into voters, with a combination of skilful strategy and a sharp party machinery. The knockout punch came in the form of the 142 public rallies that Modi addressed and another 341







**ROSY FUTURE**  
Narendra Modi and Amit Shah being showered with rose petals after the BJP win





that Shah did, besides the road shows across the country, with special focus on West Bengal and Uttar Pradesh. Speeches for each rally were customised and fine-tuned to appeal to the local crowds. Equal time was devoted to development and the Balakot strikes in both their speeches. The public response to Balakot was electric, embodied in this sentiment—"Now the rules of the game with Pakistan have changed. If they fire *goli* (bullet), we will fire *gole* (cannon balls)."

The last-mile delivery of the Modi government's schemes, be it Ujjwala, Saubhagya, Jan Dhan or Mudra, guaranteeing everything from electricity to gas cylinders, played an important role in laying the foundation of the BJP victory. More than that, however, it was Prime Minister Modi's image as a doer, of being an incorruptible leader and his ability to convince voters of his sincerity that appealed to the electorate. This was one reason why Rahul Gandhi's accusations of corruption in the Rafale deal failed to stick.

### LAST-MILE DELIVERY

As Amit Shah put it succinctly, "Once the foundation of a platform is strong, there is no risk loading heavy goods on it. Our foundation was extremely strong as the beneficiaries of Jan Dhan numbered over 300 million people. With their families, this meant almost the entire population of the country." According to news reports and voices from the ground, even some Muslim voters, especially women, expressed their appreciation of the Modi government's scholarship and housing schemes, as well as its triple talaq legislation, by choosing to stay at home rather than vote for the opposition.

Among the most significant things the Modi government did was to improve the last-mile delivery of schemes. Direct benefit transfer, though an initiative of the Manmohan Singh government, became effective only because the Modi government's game-changing Jan Dhan scheme brought 330 million people into the ambit of the banking system. Whereas DBT under the Manmohan

# MODI'S DOZEN

The 12 men who have delivered for Modi politically and administratively



**AMIT SHAH**  
The BJP president implemented Modi's vision and had a say in formulating the policies and schemes that helped the BJP win big

### ARUN JAITLEY

The finance minister rolled out Modi's GST plan. Has also defended the government against attacks by the Opposition—from Rafale to demonetisation



### DHARMENDRA PRADHAN

The petroleum and natural gas minister was instrumental in implementing the Ujjwala scheme, giving subsidised cooking gas kits to 70 million poor families



**PIYUSH GOYAL**  
The railways and former power minister realised Modi's power revolution, cleaned up the power and coal sectors and is now reforming the railways



### NARENDRA SINGH TOMAR

The rural development minister oversaw the implementation of the PM's rural housing scheme, giving BJP huge political capital



### NRIPENDRA MISHRA

The principal secretary to the PM was also the chief monitor for the delivery of his schemes. Known to be practical and efficient



**RAVISHANKAR PRASAD**  
The Union minister for electronics and information technology is behind the Modi government's digital push in governance, enhancing outcomes



### HIREN JOSHI

The Officer on Special Duty with the PM is also his media in-charge, feedback man on critical issues and his interface with the various ministries



### AMITABH KANT

The CEO of NITI Aayog has implemented Modi's vision and reforms at the bureaucratic, planning and administrative level



### P.K. MISHRA

As chief principal secretary to the prime minister, he has cleaned up the bureaucracy by formulating a system to induct honest, efficient officers in administration



**A.K. SHARMA**  
Trusted by Modi since his Gujarat days, played a pivotal role in pushing infra projects as additional secretary in charge of infrastructure



### P.K. SINHA

The cabinet secretary oversaw the implementation of the Modi government's schemes and played a role in streamlining the bureaucracy



Singh government could cover only 58 per cent of the population, Jan Dhan extended its reach. Moreover, DBT payments covered just 27 schemes and 250 million people when Modi took office. Today, as many as 550 million people get payments through DBT in one or more of the 437 schemes/verticals (such as pension).

**D**BT ensured money was transferred directly into people's bank accounts, cutting out the middlemen and ending the menace of government clerks seeking bribes from people who approached them for release of government funds due to them.

Another Modi master-stroke was the monitoring of its major welfare schemes through apps and geo-tagging. This was employed most effectively in the PM Gramin Awaas Yojana, where officials would use smartphones to take a geo-tagged picture of a completed house a beneficiary had built with government aid and post it on the Gram Awaas app.

As a result of DBT and careful monitoring, there was marked improvement in the delivery of government benefits, by up to 80 per cent in some cases, and even 90 per cent in certain others, from the earlier 50 per cent or so. It has certainly overturned Rajiv Gandhi's famous observation in the mid-1980s that "only 15 paise of every government rupee reaches the common man". "The good governance record of the government based on high delivery is one of the main reasons for its popularity," says economist Surjit Bhalla. So, when Modi in his speeches roared that "my government has done things in five years that had not been done in the past 55 years", it struck a chord.

As did the prime minister's Swachh Bharat campaign. "No leader had made cleanliness a public issue at the national level despite the fact that India has been among the dirtiest countries of the world. Plus, the linking of the campaign to build toilets with the dignity of women, saying they would no longer have to go out in the open to answer nature's call struck a chord with them," says Ramesh Varma, a clerk in a private

company in Indore.

"We had something to offer to every section of society and it was this good governance track record that made all the difference," says BJP leader Swadesh Singh, who ran a campaign called Academics for Namo. So, farmers' distress, which the Opposition tom-tommed, would appear, was addressed through the PM Kisan Samman Nidhi Yojana, under which Rs 2,000 in three instalments would directly be transferred to a farmer owning up to five hectares of land. The swift transfer of one and, in some cases, even two instalments of Rs 2,000 each had a great impact.

To assuage upper caste sentiment following the strengthening of the Dalit atrocity law last year—for which the BJP paid a price in the Madhya Pradesh assembly election—the Modi government announced 10 per cent reservation for the economically weaker sections in the non-reserved categories.

#### PRIDE OF THE NATION

Modi's Balakot strike and development work, just an undercurrent till March, became a wave after Modi launched the 'Main Chowkidar Hoon' campaign. As a part of it, a series of empathetic films sold the prime minister as an icon of transparency, a messiah of the poor, a workaholic in the nation's cause and implored citizens to join Modi in his crusade for a new and great India. Catchy songs with captivating lyrics and music helped drive the message deeper. The films skilfully depicted the

battle as one between an honest Modi and "a band of dishonest others", and catered to every section of society—women, youth and first-time voters. The parting shot came with the last film, woven around a philosophy of '*Karm hi mera dharm, dharm hi mera jivan*' (Work is my religion and religion is my life). The film showed Modi washing the feet of Dalit sweepers at the Kumbh, bathing in the Ganga, performing Ganga *arti* and distributing state largesse to the poor.

Says Manish Baradia of Movingpixel, a low-profile film-maker associated with Modi's campaigning and publicity since 2003: "All the ideas about the films we made came from the prime minister and his team. We only did a neat job of making films based on those ideas."

The films were part of Modi's strategy to invoke a sense of pride among citizens about themselves and the country and successfully link it to his various schemes and campaign for re-election. Support for his schemes thus became support for good governance, a vote for him, a vote for national pride, for India. Says Ajay Umat, a senior Gujarat journalist who has observed Modi for years, "Creating pride within people and winning their hearts is a hallmark of Modi."

The 'Main Chowkidar Hoon' campaign was accompanied by other slogans such as '*Ab ayege to Modi hi*' (Only Modi will come now), '*Modi hai to mumkin hai*' (It is possible only because we have Modi), '*Mazboot sarkar versus majboor sarkar*' (Strong government versus a compromised government). There were also new twists to the old slogan of '*Ab ki baar, Modi sarkar*' (This time, a Modi government)—'*Ab ki baar, 300 paar, ab ki baar; phir Modi sarkar*' (This time, more than 300, this time, Modi rule again).

In contrast to Narendra Modi-Amit Shah's weighty and self-righteous campaign, the Congress's '*Ab hoga NYAY*' (There will be justice now) and '*Chowkidar chor hai*' (The watchman is a thief) pitches proved unimaginative and ineffective. Incidentally, it was Rahul Gandhi's '*Chowkidar chor hai*'

**"The good governance record of the Modi government based on high delivery is one of the main reasons for its popularity**

**SURJIT BHALLA**  
Member, Economic Advisory Council of the Prime Minister





jibe alleging corruption in the Rafale fighter jet deal that Modi turned on its head to craft his 'Main chowkidar hoon' campaign.

Modi and Shah coined '*mahamila-vat* (highly adulterated)' to project the *mahagathbandhan* (grand alliance) in Bihar and the *gathbandhan* (alliance) in Uttar Pradesh as unprincipled; *Mazboot sarkar* versus *majboor sarkar* to show how an opposition government made up of unprincipled leaders would collapse under the weight of its own contradictions and how the politics of caste was destroying the country in the long run. Finally, the duo came up with '*Naamdar* versus *Kaamdar*' to play up Modi as a servant of the people compared to the dynast that Rahul Gandhi is.

**S**imultaneously, Modi and Shah ensured that their actions justified the slogans. Therefore, to prove that the BJP was against dynastic rule, many dynast candidates within the party were denied tickets, setting a firm example. Among these candidates were Pratima, wife of the late minister Anant Kumar; Uttpal Parrikar, son of Manohar Parrikar; and even the daughters of senior BJP leader Lal Krishna Advani and Murli Manohar Joshi.

### GOOD GOVERNANCE VOTER

Modi and Shah's biggest success perhaps lies in overcoming caste and regional identities and roping in new sections of voters on the basis of good governance. These included youth, women and first-time voters, but also a new category: the 'good governance voter'. Ujjwala was a scheme aimed directly at women, Swachh Bharat was pitched as saving women the indignity of open defecation, a large number of loans under Mudra went to women, maternity leave to women government servants was extended to 26 weeks. '*Beti bachao, beti padhao* (Save your daughter, educate her)' was a two-pronged approach to prevent female foeticide and educate the girl child. Laws were brought in to give rapists of



CHANDRADEEP KUMAR

## WHAT NEXT FOR AMIT SHAH

- Shah has done a great job of building a new party but now he has to take the party to the next level.
- Craft a powerful expansion policy for the south
- Create a talent pool of 200-odd workers to implement his
- Build a second line of talent in party hierarchy. So far, Shah has
- Build a new team of office-bearers as he has mostly continued with the team he had inherited from his predecessor Rajnath Singh

girls below 12 the death penalty. Even the Ayushman Bharat health insurance scheme, whose benefits some 2.5 million people have reportedly availed, has a big women-centric focus.

And even though the opposition made a big deal over unemployment among the youth, the Modi government's Digital India and Start-up India initiatives seem to have touched a chord with the youth.

### MODI, SHAH & TEAM EFFORT

Shah's contribution in the BJP's historic win this Lok Sabha election is next only to Modi's, or almost as much. If Modi is the hero of this victory, then Shah is the hard-working architect who painstakingly drafted its blueprint. He has travelled out of Delhi for

more than 1,000 of the 1,740 days he has been in office as BJP president to strengthen the organisation and concentrate on the 125 seats the BJP lost in the Coromandel states, West Bengal, Odisha and the Northeast.

In 2016, when INDIA TODAY did a cover on Shah's future plans for the party, he had said that he started working on areas where the party was weak right from August 2014, when he became BJP president. It shows in the 2019 results. In 2015, he started working on his strategy to strengthen booths in all states, particularly in these 125 seats.

He first prepared a 23-point agenda to strengthen booths and then circulated it to party leaders at all levels, right down to the booth. According to the agenda, each booth committee





(consisting of 11-20 members) was to have caste as well as social representation of the 1,500-odd voters in that particular booth. This was to pre-empt any attempt by the opposition to draw on caste lines. The next task was to reach out to all influential voters in the booth along with past panchayat members and leaders of the cooperative sector and NGOs and try and enlist them as party members. Shah also outlined how to reach out and connect with these people: through phone and social media platforms like Whatsapp and Facebook. The work put in by the social media and special information gathering teams under OSD Hiren Joshi with Akhilesh Mishra, Yash Gandhi and Nirav Shah in the PMO, and under Amit Malviya in the BJP, contributed greatly to the BJP's win. "The social media campaign of Team Modi and Shah functioned with remarkable efficiency," says Malviya. The contribution of researcher Pratik Doshi in the PMO has been as valuable. His ideas and research have played a crucial role in the formulation and implementation of the government's policies.

Party functionaries were entrusted with the task of collecting data about voters and potential party members through booth-level workers. Later, a list of beneficiaries of the Modi government's schemes was sent to each booth and the booth workers were told to reach out to them. Shah set up an elaborate system by which the names and addresses of the new beneficiaries reached the party's communication centre at 11, Ashoka Road, the party's old headquarters, twice a week. On some occasions, the names were sent daily and from here to the state and booth units.

Having set the 23-point agenda, Shah followed it up with another deft stroke. He identified 25 senior, active and committed party leaders—among them, Union ministers Prakash Javadekar, J.P. Nadda and Arjun Ram Meghwal and the super-agile Assam minister Himanta Biswa Sarma—and

gave each the responsibility of four to six of the 125 seats the BJP lost in 2014. Their brief was to ensure the implementation of the 23-point agenda at the booth level in these seats. These leaders visited their assigned constituencies at least thrice. Sarma was assigned the lost seats in the Northeast, Meghwal and Javadekar got Odisha and Uttar Pradesh minister Mahendra Singh, known for his efficiency, the seats in Maharashtra.

Says Javadekar: "It was a strategy that only a visionary strategist could have visualised and implemented." Adds Meghwal: "The best thing about

**"The best thing about Amitji's strategy was its accent on strengthening grassroots support. Most electoral strategists play at the top. Amitbhai played both at the bottom and at the top"**

**ARJUN RAM MEGHWAL**  
*Union minister for water resources, river development, Ganga rejuvenation and parliamentary affairs*

Amitji's strategy was its accent on strengthening grassroots support. Most electoral strategists play at the top. Amitbhai played both at the bottom and at the top." Hands like UP BJP organisation secretary Sunil Bansal, BJP general secretary in-charge of West Bengal Kailash Vijayvargiya, party general secretary Ram Madhav and Himanta Biswa Sarma played a stellar role in electoral mobilisation with their strategies in assigned regions.

Further, Shah did a neat job of

enlisting the support of the RSS and its concerns in the grand campaign. First, he gave tickets to candidates who were dedicated RSS cadre. Then he stuck to the party's core Hindutva agenda, even fielding Sadhvi Pragya as a candidate from Bhopal. Though this earned flak from the opposition, it was much appreciated by the core RSS cadre, energising them. Then, in the two months preceding the announcement of poll dates, party general secretaries Bhupendra Yadav and Anil Jain did a stupendous job of implementing a series of public programmes.

It also helped that the BJP leadership in states like Maharashtra, Uttar Pradesh and Haryana was perceived as honest compared to the nepotism, corruption and caste-based politics of yore. The apparent transparency of the Yogi Adityanath, Devendra Fadnavis and Manohar Lal Khattar governments played a big role in their states. Haryana is a great example. Here, even the Jats who are a deciding factor in the elections, rose above caste and voted for an honest leadership. The BJP now has the opportunity to develop more such honest local leadership.

#### PLANS FOR THE FUTURE

Humility and gratitude are two qualities that have been found wanting in the BJP since 2014, whether in their leaders' speeches or even in the attitude of lower level leaders vis-a-vis the party workers. The latter were used as machines, without so much as a word of recognition for their contribution. Modi and Shah have been so engrossed in fortifying the party and looking after governance that they have been unable to focus on these worrying aspects.

Also, the duo has often relied on filtered information instead of independent sources, which are drying up around them. Having carved out a grand victory, Modi and Shah now have to ensure the party is identified with humility rather than arrogance, and gratitude towards the people, whether party workers or NDA allies. ■



# A LOSING HAND

**A series of campaign strategy mis-steps, lack of funds and second-rung leaders—theories explaining the Congress's debacle abound. And the party's alternative vision found few takers**

BY KAUSHIK DEKA

**A**t the entrance of Delhi's upscale Khan Market, which, according to Prime Minister Narendra Modi, is the epicentre of all the political and intellectual forces out to demolish his image,

a large hoarding of Congress president Rahul Gandhi stares out at you. It displays the NYAY message, the Congress's minimum income guarantee scheme launched on April 2, nine days before the first phase of the 2019 general election. Through NYAY, the party promised to deposit Rs 72,000 annually in the bank accounts of the poorest 20 per cent of Indian households. In that context, the positioning of the NYAY hoarding at Khan Market—frequented by Delhi's uber rich—seemed a perplexing decision. In fact, several Congress leaders opposed putting up the hoarding in posh localities of Delhi, as NYAY was perceived to be a populist measure by the country's upwardly mobile middle class and the rich. There was a fear that higher taxes would be imposed to fund NYAY.

Yet, the Congress brass overruled such apprehension and the cash-starved party paid a hefty amount to put it up in the hope that it would create a buzz. "A senior Rajya Sabha member felt that as 'thought leaders' and journalists often visit the market, the hoarding will become a talking point among them and eventually influence the larger narrative," says a Congress leader who did not want to be identified. The incident was a shining example of the party's disorienting campaign, based mostly on far-fetched inferences. So it's not surprising that 24 hours before the election results were declared, the party's data cell convinced Rahul that the NDA would not cross 230 seats and the Congress think-tank assumed that the regional parties of Andhra Pradesh and Telangana—the Telugu Desam Party (TDP), the Yuva Jana Shramika Raithu Congress (YSRC) and the Telangana Rashtra Samithi (TRS)—would join the United Progressive Alliance (UPA).

The above two instances are a reflection of the Congress campaign strategy this election. There was no vision or cohesion and the voters had little clue as to what the Congress



MANEESH AGNIHOTRI





**NO WAVE** Rahul, Priyanka with party leaders Jyotiraditya Scindia and Raj Babbar at a roadshow in Lucknow

## 10 REASONS FOR THE GRAND DEBACLE

**1.** Rahul Gandhi has come a long way since his 'Pappu' days, yet in the public perception, he was no match for PM Narendra Modi in terms of charisma, credibility and communication skills

**2.** He did not have a consistent core political team; he kept changing his counsellors. If one day he was listening to Ahmed Patel and Randeep Surjewala, another day he would go by the suggestions of K.C. Venugopal and Rajeev Satav. If one day the party stood by the central government on the Balakot air strike, the next day it was questioning the strike's authenticity

**3.** Rahul targeted Modi over "corruption" in the Rafael deal. It was too complicated a theme to get traction among rural voters. Hitting at Modi's biggest strength—his incorruptible image—boomeranged

**4.** In the past five years, there has been no visible effort to build the party organisation in big states such as UP, West Bengal, Bihar, Tamil Nadu, Andhra Pradesh and Telangana where the Congress is almost extinct. It was a marginal player in 243 seats in these states

**5.** Even in states where the party is strong—MP, Gujarat, Assam and Uttarakhand—there was no effort to nurture a strong local leadership. Only Sachin Pilot in Rajasthan, Ashok Chavan in Maharashtra and Siddaramaiah in Karnataka were given a free hand, but

they could not deliver thanks to internal feuds

**6.** There were several baffling appointments by Rahul, which became counter-productive. Harish Rawat was made in-charge of Assam, a complicated state, while Rawat's focus remained Uttarakhand. Shakti Singh Gohil, a warhorse in Gujarat, was given charge of Bihar where the party is a minor ally. Mallikarjun Kharge, who had a tough battle in Karnataka, was made in-charge of Maharashtra. An inexperienced Gaurav Gogoi was given the big state of West Bengal

**7.** Congress gave the BJP a spirited fight on social media, yet there was no coordination among various departments. Ego clashes among the heads of different teams complicated matters

**8.** Though NYAY was launched as a possible game-changer, it came too late in the day. Apart from Rahul, other leaders rarely promoted it

**9.** Rahul's emergence as a Shiv *bhakt janeudhari* Hindu projected the party as a BJP lookalike, while also affecting the party's Muslim vote bank in states like UP, West Bengal and Assam. The party's failure to stitch alliances with SP and BSP in UP and AAP in Delhi gave the BJP a window to polarise Hindu votes

**10.** The party genuinely suffered from a funds crunch; even the limited funds did not reach many candidates



# RAHUL'S FAILED LIEUTENANTS

## The Star Campaigner

**PRIYANKA GANDHI**

She arrived on the scene very late, further delayed by the Balakot air strike; harmed the SP-BSP alliance more than she did the BJP



ATUL LOKE/BETTY IMAGES



## The Think-Tank

1. **K.C. VENUGOPAL**
2. **AHMED PATEL**
3. **RANDEEP SINGH SURJEWALA**
4. **K. RAJU**
5. **GHULAM NABI AZAD**

They tried their best, but were never sure if Rahul would follow their strategies

## The Data Man

**PRAVEEN CHAKRAVARTY**

He listed out nearly 250 focus constituencies where the party had winning chances. Eventually, his plan wasn't put into action



## The regional commanders



**Kamal Nath**

**Sachin Pilot**

**Ashok Gehlot**

**Jyotiraditya Scindia**

**Bhupinder Singh Hooda**

**Ashok Chavan**

**Siddaramaiah**

**Sheila Dikshit**

Nath, Gehlot, Pilot and Scindia won state elections just three months ago, but could not maintain the tempo; two stalwarts, Hooda and Chavan, could not deliver while a sulking Siddaramaiah faced internal revolt; Dikshit entered the fray too late and Rahul did not give her much room for manoeuvre

## External Advisor

**SITARAM YECHURY**

The CPI(M) general secretary shares a special rapport with Rahul and influenced his socialist narrative



**SAM PITRODA**

## The Motormouths

Earlier it was Aiyar with his "chaiwala" and "neech" comments; Pitroda added one more suicidal message—"hua toh hua" on the 1984 Sikh riots—impacting Sikh votes in Delhi and Punjab



**MANI SHANKAR AIYAR**





stood for except that it opposed Modi. It talked about farmers' distress and unemployment, but its manifesto—which was unanimously hailed as a well-prepared document—came too late in the day. It talked of government jobs for the unemployed and NYAY for the poor and distressed, but the party neither had the time to take the message to the last voter nor did its leaders, except for Rahul Gandhi, show enough enthusiasm for the idea. And, often, misplaced priorities—such as the Khan Market hoarding—diluted the communication strategy too. In a losing cause, many reasons will be put forth for the Congress's disastrous performance—from its mis-steps in not stitching up alliances in Uttar Pradesh and Delhi to lacklustre leadership—but the party's defining failure was winning just 3 seats out of a 100 (a repeat of 2014) across six heartland states—UP, Madhya Pradesh, Rajasthan, Gujarat, Uttarakhand and Himachal Pradesh—where they were in a direct contest with the BJP. What made matters worse was that the humiliation comes within six months of the Congress storming to power in three of these states—MP, Rajasthan and Chhattisgarh.

A year ago, it gave a spirited fight to the BJP in Modi's home state Gujarat and brought down the saffron party to double digits for the first time in 15 years. In the process, a new, combative Rahul Gandhi had emerged. He travelled across the country, visited temples, appeared at press conferences, indulged in theatrics such as hugging Prime Minister Narendra Modi in Parliament and laced his social media messaging with sarcasm (aimed at the PM). It looked a perfect strategy, just as Rahul's *suit boot ki sarkar* jibe in 2016 had forced the Modi government to turn populist and shed the image of being anti-poor. The triple victories in December 2018 led to distress reactions from the Modi government as it announced reservations for the economically backward and cash transfers of Rs 6,000 a year for farmers. And, in January, the Congress

## WHAT NEXT FOR THE GRAND OL' PARTY

### Scenario 1

There is a clamour for a new leadership in the party; chorus will begin to replace Rahul with Priyanka Gandhi

### Scenario 2

There could be revolt from the state wings; some veterans could plot splits while several young turks may seek political careers with other parties

### Scenario 3

Rahul may introduce drastic changes, which he has held back till now, as there is nothing left to lose; Uttar Pradesh 2022 may be the first laboratory

### Scenario 4

There is no change, party continues to function as it has, waiting for the BJP to weaken on its own

added a "potent" weapon to the campaign in the form of Priyanka Gandhi, who was charged with reviving the party in eastern UP.

But as Priyanka prepared to address her first press conference on February 14, Pakistan-based terrorists killed 40 CRPF soldiers in Pulwama. From that moment on, the Congress campaign was on the back foot. The party kept switching from supporting the Modi government on the Balakot air strike inside Pakistan to doubting the government's claim of such a strike. In the narrative of macho nationalism, the Congress lost the plot. In an aspirational India, the comparison was stark—the Manmohan Singh-led UPA government's silent diplomatic manoeuvring after the 2008 terror attack in Mumbai against Modi's count of surgical strikes.

But Rahul's biggest mistake was perhaps his incessant focus on the Rafale deal, which found little traction among voters, especially in rural areas. As he said in an interview with INDIA TODAY, he believed the allegations of corruption in the deal would bust Modi's incorruptible image, the prime minister's biggest strength. Taking a cue from Modi's statement that he was the *chowkidar* (guard) of the country, Rahul coined his election slogan—"Chowkidar chor hai"—without realising that he was taking on the 'master of messaging' at his own game. Modi turned the slogan on its head, made everyone a *chowkidar*, and dug up past controversies of the Gandhi family to boot. The message was simple—the scion of a family that had faced corruption charges in the past was questioning a prime minister who had left his family to work for the nation.

In 2014, when the Congress was reduced to a historic low, millions of words were written about how the party could be revived. Five years later, there is hardly any change. The party has hit rock bottom in several significant states—UP, Maharashtra, West Bengal, Bihar, Tamil Nadu, Andhra Pradesh, Telangana and Assam—which have 305 seats between them. There has been no visible effort to revive the organisational structure or nurture a strong leader in these states in the past five years. The abysmal situation is highlighted by the poor show in the states the Congress is in power—with the exception of Punjab.

The only tangible changes in the past five years were Rahul succeeding mother Sonia Gandhi as the Congress president and Priyanka Gandhi joining the party as a general secretary. While Rahul's leadership will now be a topic of national debate, Priyanka's much-publicised entry has resulted in further reduction of its vote share in UP. She could not even protect brother Rahul's home bastion. Perhaps the defeat in Amethi has sent out a larger, more categorical message—it's time the Congress rid itself of dynastic politics. ■



# ALLIANCE MATH RUNS INTO MODI

Modi's charisma seals the *gathbandhan's* fate as the BJP wrests the state with some losses

BY AJIT KUMAR JHA



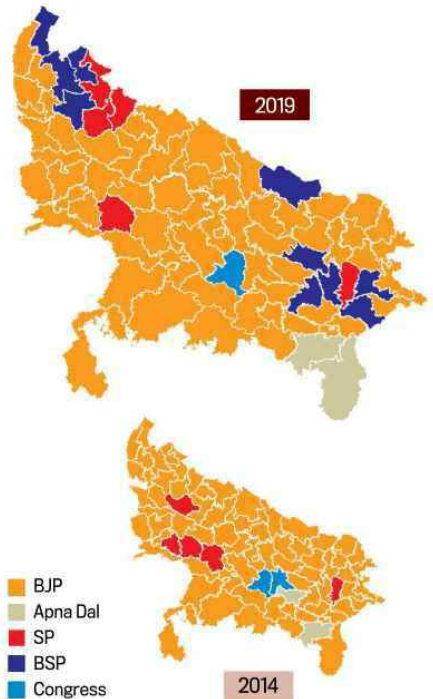
### V FOR VINDICATION

UP CM Yogi Adityanath and his deputies K.P. Maurya and Dinesh Sharma celebrate in Lucknow

In the 2014 Lok Sabha election, the BJP's Smriti Irani lost Amethi to Congress president Rahul Gandhi by 107,000 votes. A determined Irani dug in her heels, camping in the constituency for months together, interacting with locals and carefully planning a social engineering strategy even as Rahul toured the country and the world. To make inroads into the Dalit-Muslim social alliance in Amethi, Irani selected Suresh Pasi, BJP MLA from Jagdishpur (assembly constituency in Amethi) and a local Dalit leader. The indomitable Pasi was even appointed a minister in the Yogi Adityanath cabinet. To sway the Muslim vote, Irani chose Dr Mohammed Muslim, a former Congress leader who had twice been MLA from Tiloi (another assembly seat in Amethi). Mohsin Raza, the lone Muslim minister in the Adityanath cabinet, was made in-charge of Amethi district.

"Mohsin Raja, together with Mohammed Muslim and Suresh Pasi, regularly visited the poor Muslim and Dalit households in Amethi, ensuring that all government facilities were made available to them," says Ram Prakash Verma, a senior advocate from Amethi. "Such tireless efforts got Smriti Irani Muslim and Dalit votes in substantial numbers, denting the Congress vote banks." Irani's victory in Amethi, a constituency held by Rahul since 2004, has come despite his sister Priyanka Gandhi Vadra's two-week-long campaign there. Amethi is an example of how the BJP's focused campaign has breached the Congress's bastion and turned the *gathbandhan* (alliance) arithmetic upside down, handing it a humiliating defeat. On January 12, when Samajwadi Party (SP) leader Akhilesh Yadav and Bahujan Samaj Party (BSP) supremo Mayawati announced a pre-poll alliance along with the Rashtriya Lok Dal (RLD), there was much euphoria and optimism in the opposition camp. Calculations based on the 2014 results and pre-poll surveys suggested 58 of UP's 80 seats for the grand alliance, 18 for the BJP and four for the Congress.

The results, however, left all projections astray. While the alliance







MANEESHA AGNIHOTRI

BJP+	64 [73]
BSP	10 [0]
SP	5 [5]
CONGRESS	1 [2]

\* Total Lok Sabha seats: 80; figures in [ ] are for 2014

enjoyed the tacit support of the Congress in several constituencies, the Congress had the open backing of the alliance in Rae Bareilly, represented by Sonia Gandhi, and Amethi. Ultimately, none of this could withstand the Narendra Modi blitzkrieg. In his five-week-long gruelling campaign, Prime Minister Narendra Modi held 29 public rallies in the state, 18 of them in eastern UP where Priyanka Gandhi was holding the Congress fort. In addition, Modi did three road shows, including the colourful procession in Varanasi on April 25 when he filed his nomination.

Such a barnstorming campaign turned the tables on the alliance and the Congress, securing the BJP massive wins. Modi himself showed the way, retaining Varanasi with a record 669,602 votes. In 2014, he won the constituency by a margin of 337,000 votes. Improving his own record, Modi clocked a record margin of 475,754 votes over the SP's Shalini Yadav, who polled 193,848 votes. The Congress's Ajay Rai, who stood third, polled 151,800 votes. In Lucknow, Union home minister Rajnath Singh notched a handsome win, bagging

56.8 per cent votes. He trounced SP candidate and former BJP MP Shartrughan Sinha's wife Poonam Sinha, who polled 25.9 per cent votes.

To the grand alliance's only consolation, it managed to contain the BJP and its ally Apna Dal to 64 seats, down nine since the last time. The alliance won 15 seats and the Congress the lone seat of Rae Bareilly. Of the 15, the BSP won 10 seats and the SP five. The BSP, which drew a blank in 2014, benefitted from the transfer of the SP's Yadav vote, particularly in seats with significant minority votes (over 30 per cent), such as Amroha, Ghazipur, Saharanpur and Bijnor. The SP could hold on to only two of the Yadav family bases—Azamgarh (Akhilesh Yadav) and Mainpuri (Mulayam Singh Yadav).

On May 21, Akhilesh and Mayawati had met and discussed various post-poll scenarios in light of the exit polls projecting a BJP victory. Both appeared alarmed but displayed cocky confidence that the BJP would bite the dust, like in the Gorakhpur and Phulpur bypolls in 2018. That was not meant to be. ■

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Jaganmohan campaigning in Nellore

LOK SABHA SEATS	ASSEMBLY SEATS
YSRC	YSRC
<b>22</b> [8]	<b>151</b> [67]
TDP	TDP
<b>3</b> [15]	<b>23</b> [102]
BJP	BJP
<b>0</b> [2]	<b>0</b> [4]
Others	Others
<b>0</b> [0]	<b>1</b> [2]

Total LS seats: 25, total assembly seats: 175; figures in [ ] are of 2014; 2014 seat counts extrapolated from united Andhra Pradesh

**MANDATE IMPACT | ANDHRA PRADESH**

# UPHILL TASK

**YSRC boss Jaganmohan Reddy will have to set state finances in order before working on his other priorities**

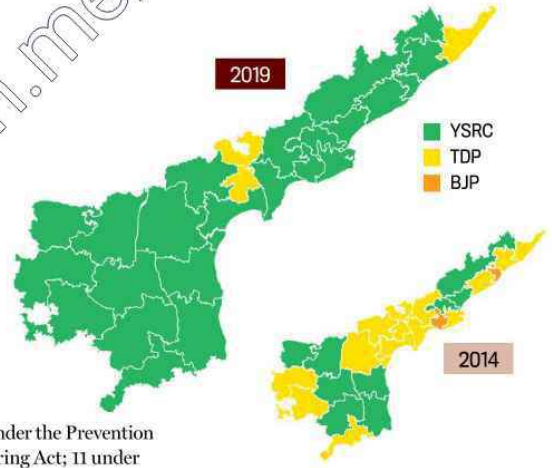
BY AMARNATH K. MENON

**F**or Yuvajana Sramika Rythu Congress (YSRC) president Y.S. Jaganmohan Reddy, 46, it has been a long and arduous road to power. After launching the party in March 2011—when the Congress did not allow him to succeed his father Y.S. Rajasekhara Reddy as chief minister—Jagan, as he is popularly known, has worked hard to emerge as the principal challenger to the Telugu Desam Party (TDP) in Andhra Pradesh.

Peevd by the Congress's blunt refusal and hounded by financial misdemeanour cases (31 criminal cases,

including seven under the Prevention of Money Laundering Act; 11 under the Prevention of Corruption Act are pending), Jagan quit the Grand Old Party. What worked for him was the Congress's ill-timed decision to reorganise Andhra Pradesh and announce Telangana as the 29th state of the country. It propelled the YSRC into becoming the alternative in Andhra, eclipsing the Congress in the state.

The new government faces several challenges. For one, the treasury is empty. Mobilising resources to continue some of the populist schemes launched between 2014 and 2019 by the TDP government, in the same form or by tweaking them, besides



**“A massive mandate raises great expectations. I will ensure that history repeats itself five years from now, as during my late father who became chief minister in 2004 and was re-elected in 2009”**

**JAGANMOHAN REDDY**  
Chief Minister Designate, YSRC



fulfilling the 'Navaratnalu' promises that Jagan himself has made during the poll campaign, is the primary challenge. Among the promises are 'YSR Rythu Bharosa'—a Rs 50,000 grant to small farmers, interest-free loans to women's self-help groups, Rs 2,000 as pension for senior citizens and widows, 2.5 million houses for the poor in five years, revamp of the Arogyasri health scheme and reintroducing the ban on liquor in a phased manner. These grandiose promises will be hard to keep for a cash-strapped state in the absence of guaranteed allocation of resources from the Centre.

The political camaraderie between the Narendra Modi government in Delhi and the YSRC will determine the flow of funds to the state as well as Jagan's big promise of securing Special Category Status (SCS) for Andhra Pradesh. The TDP, led by N. Chandrababu Naidu, failed to get it from the Modi government though it was an assurance made by PM Manmohan Singh when the Andhra Pradesh Reorganisation Bill was passed by Parliament in 2014. Jagan will have to muster all the tact and guile at his command to persuade Modi to review his government's stand on SCS.

The future of both parties in the state, the BJP and the YSRC, rests on finding a solution to this vexatious issue. It has even prompted Jagan to declare that the YSRC will support whichever party at the Centre was ready to grant SCS to the state.

Other big-ticket issues are the investments to build the greenfield capital Amaravati and the massive Polavaram project on the Godavari to generate electricity and irrigate farms. Having levelled a slew of accusations against Naidu on land acquisition, the YSRC is toying with the idea of scaling down, if not abandoning, Amaravati in favour of another site near Domakonda in Prakasam district.

The cost of the Polavaram project, originally approved for

## **Naidu failed to get Special Category Status for Andhra Pradesh. Now the future of both parties, the BJP and the YSRC, in the state rests on finding a solution to this vexatious issue**

Rs 12,294 crore (at 2010-11 prices), has now ballooned to Rs 55,549 crore. Naidu had declared unilaterally that the state would meet the expenses after the Modi government rejected requests for funds. Congress MP K.V.P. Ramachandra Rao points out that the state may have to fork out Rs 28,467 crore towards cost escalation as the Centre had stated repeatedly that it will bear the costs at 2013-14 prices only. Rao has called for a white paper on the Polavaram project costs and expenses, while the YSRC chief is getting an official team to put out a white paper on the state's finances before getting into the details after his ministry assumes office on May 30.

Jagan's other challenge will be to identify those whom he can trust to help him run the state as a first-time chief minister. Ajeya Kallam, a retired IAS officer to whom he has turned for counsel on governance matters, is to be an official advisor. Others in the core team include S. Ramakrishna Reddy, his political secretary; and V. Vijaya Sai Reddy, the YSR family's chartered accountant-turned-party general secretary and Rajya Sabha member. Officials who enjoyed the late YSR's trust are also being roped in for the new Chief Minister's Office. As for Naidu, he may be haunted by the nagging question whether it was right for the TDP to contest an election without any allies—the first time it has done so in its 37-year history. ■

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LS SEATS

BJD

13 [20]

BJP

8 [1]

ASSEMBLY SEATS

BJD

115 [117]

BJP

20 [10]

CONGRESS

8 [16]

OTHERS

2 [3]

\*Total LS seats: 21; Total assembly seats: 146; figures in [ ] are for 2014



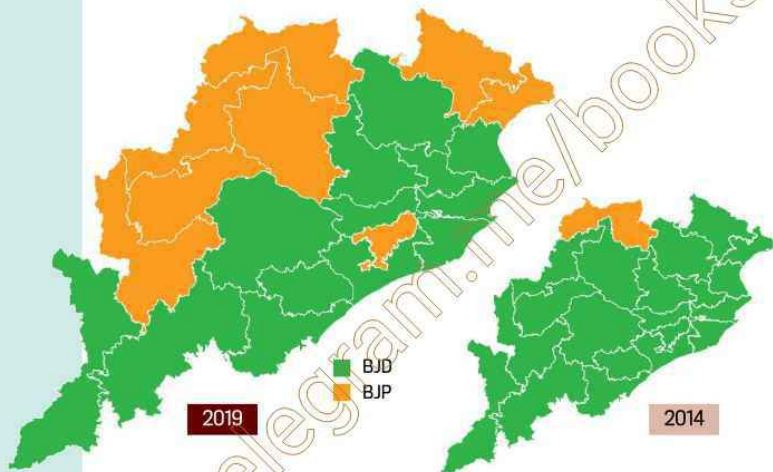
MANDATE IMPACT

ODISHA

# THE INVINCIBLE NAVEEN BABU

The BJD chief's aura remains undiminished in the state, but his party has ceded massive ground to the saffron party in the Lok Sabha

BY AMITABH SRIVASTAVA



It did not matter that Naveen Patnaik, 72, has been the chief minister of Odisha for 19 years and four consecutive terms. The Biju Janata Dal (BJD) chief yet again defied anti-incumbency and the naysayers' predictions to win the state by a handsome majority, grabbing 115 of the 146 seats in the assembly. The BJP was way behind with 20 seats while the Congress bagged just 8. And even though the BJD tally in the Lok Sabha has dipped in 2019, it still bagged 13 of the state's 21 Lok Sabha seats whereas the BJP increased its tally to 8. Odisha had simultaneous elections for the assembly and the Lok Sabha.

The BJD had won 117 assembly and 20 (of the 21) Lok Sabha seats in

Odisha in 2014. The BJP had then won just one Lok Sabha and 10 assembly seats; the Congress 16 assembly and nil Lok Sabha seats. This time, too, the Congress failed to win any LS seat.

For someone criticised for making his political debut at age 51 in 1997 thanks to his dynastic origins, Naveen has come a long way. And though many still accused him of being far removed from ground reality, the Odisha voter has only lavished affection on "Nabeen babu". Set to begin a fifth term, Naveen has carved a firm place for himself in the list of top six longest-serving CMs.

It was a tough fight, though. There was no way Naveen could escape anti-incumbency after nearly two decades of BJD rule. Under-performing MPs and MLAs undermined his position further. His support among Odisha's tribal population, at around 23 per cent, and

its farmers, said to be more than half the state's population, had also begun to show cracks. A section of farmers was said to be unhappy with the state administration because of distress sales of paddy well below the minimum support price of Rs 1,750 per quintal, spurious pesticides, lack of cold storage and debt.

To address their woes, Naveen announced the Rs 10,180 crore Krushak Assistance for Livelihood and Income Augmentation (KALIA) direct benefit transfer scheme for farmers and landless farm labourers in December. The Biju Pucca Ghar Yojana, state Food Security Act, Ama Gaon Ama Bikas were other efforts to buck anti-incumbency.

Naveen was most successful in nurturing a caste-neutral constituency of women with a slew of schemes. The BJD manifesto promise of offering women treatment of up to Rs 10 lakh,





ARABINDA MAHAPATRA

**“My gratitude to the people of Odisha who have showered their blessings time and again on the BJD. I particularly thank the women of Odisha who came out in large numbers to vote for us”**

**NAVEEN PATNAIK, Chief Minister, Odisha**

twice the amount for men, under the Biju Swasthya Kalyan Yojana helped build goodwill. Other measures included distributing sanitary napkins, providing women specialist services in urban clinics, offering financial support to pregnant women and lactating mothers. All this paid rich electoral dividends, with women backing Naveen in the assembly poll.

The CM also employed other deft strategies to counter anti-incumbency. From denying tickets to 35 sitting MLAs and six MPs to releasing a video of him exercising days before the April 11 polling, dispelling rumours about his ill health, Naveen did everything to keep his party ahead of the BJP. He also took a significant risk in deciding to contest from a second assembly seat—Bijepur in western Odisha—where the BJP was gaining ground.

In its bid to make fresh inroads into the state, the BJP focused on western Odisha. The area not only borders Chhattisgarh (where the BJP

held power for 15 years till recently), it is also seem to have been largely neglected by the Bhubaneswar-based government. Besides, a few of the dominant royal families of western Odisha are also said to have been with the BJP.

The BJP also focused its attention on urban areas and youth. It invested considerable energy at the ground level, from constituting committees in every booth, mandal, village, block and district, to holding public programmes. The party also succeeded in enrolling 3.5 million new members. Its slogan ‘*Ethara sarkaar badaliba darkar* (time for the government to change)’ helped it gain traction. With BJP chief Amit Shah making frequent visits to the state, the state unit remained on its toes.

Some of the BJP’s gains in Odisha can be attributed to the Modi factor. He provided an impetus to the BJP campaign, which extolled his “decisive and able” leadership and his Balakot strike on Pakistan. ■

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# MODI CLOSERS IN ON TMC

Narendra Modi's image as an antithesis to Mamata Banerjee's draconian ways has only been strengthened in the past year

BY ROMITA DATTA

**U** *nishei saaf* (washout in 2019)," hollered Prime Minister Narendra Modi in Bengali at a rally in Basirhat, West Bengal, on May 15. A counter to West Bengal Chief Minister Mamata Banerjee's slogan, "*Du-haajar unish/BJP finish* (BJP will be finished in 2019), Modi's slogan invited deafening cheers from the crowd. Exasperated with the Trinamool Congress (TMC) leaders, Bengal's 100 million population was looking for a leader who could match Mamata's might. They believe Modi can deliver West Bengal from Didi's Trinamool Tolabaji Tax, under which people have to pay the TMC to get admission in college, or to get recruited as a teacher in government schools, among other things.

Modi's image as Mamata's antithesis had been gaining ground. "The more you chant 'Modi, Modi', the more she loses her sleep, gets angry and abuses me. I have inculcated a power to face the wrath of Didi for the love of the people of Bengal," he told the crowd.

Sensing this mood of anti-incumbency, BJP's national president Amit Shah planned his Bengal expedition a year and a half ago—strengthening the organisation from within, poaching leaders like Mukul Roy, TMC's second-in-command, and stoking the fire of a Hindutva resurgence amid a climate of alleged minority appeasement. Shah made all the right moves to gain big in West Bengal.

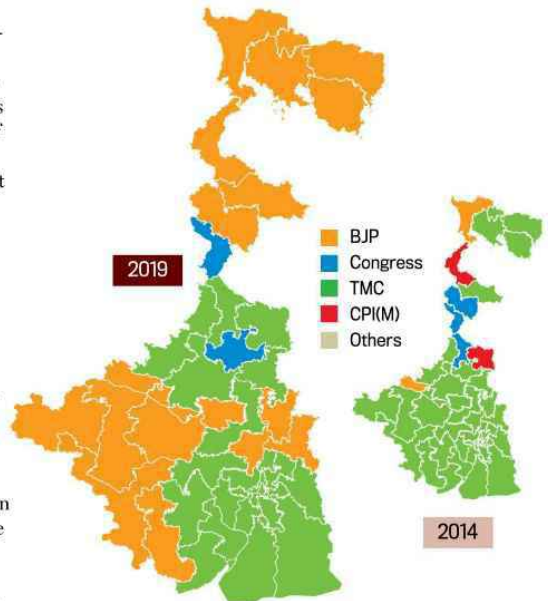
He set a target of 23 out of the state's 42 Lok Sabha seats and promised a whitewash in the 2021 assembly poll. Even before the state went to polls, this tall target was trashed by sceptics. Bengal, they believed, is removed from the caste and community politics of the Hindi heartland and has a secular Left ideology.

But the BJP sensed that Bengal was crying for change. "The mood of anti-incumbency was so high that even a four-cornered fight, where all political parties were on their own, narrowed down the contest to a political binary—the TMC and the BJP. Where the Left and the Congress were not sure of being a challenger to the TMC, they transferred their vote share to the BJP, as is obvious from a dip of 22 per cent in the Left's vote share and a consequent proportional increase in the BJP's," says social scientist Prasanta



REASON TO WORRY  
Mamata Banerjee

SUBIR HALDER





SEATS

TMC

22 [34]

BJP

18 [2]

Congress

2 [4]

CPI(M)

0 [2]

\* Total Lok Sabha seats: 42; figures in [ ] are for 2014

**“What really caught on with the Bengali Hindu voters was the BJP’s hard Hindutva with a soft touch...no destructive agenda, like the demolition of a mosque, but an emotional appeal to Hindus to be conscious of their *astitva*”**

ANEK CHATTERJEE, Former Head of the Department of Political Science, Presidency University

with Bangladesh, remained largely consolidated. “We gained at least five to six per cent of Muslim votes this time,” says Jay Prakash Majumdar, BJP’s state vice-president.

“Modi’s pledge to introduce a National Register of Citizens and citizenship rights for Hindu refugees gave the BJP a clear edge in 10-12 seats,” says Mohit Ray, a former professor at Jadavpur University.

State BJP president Dilip Ghosh feels that the need to be conscious of our rights has become essential. “The CM did not allow the *rath yatra* or the *sankalpa yatra* and played dirty politics to stop the choppers of our leaders from landing and holding rallies,” he says. However, psephologist Yogendra Yadav warns: “If the TMC represents a return to the anarchy of the late 1960s, the BJP’s rise signals a return to the communal carnage of the 1940s.”

Already, word is that TMC MPs, unsure of winning, and disgruntled MLAs, are in touch with the BJP. “Soon things will come to such a pass that [Mamata] will not be able to run the government,” claims Mukul Roy.

Meanwhile, Mamata had locked herself in a room at her Kalighat house, playing the synthesiser and writing poetry to calm her nerves. She has accepted the writing on the wall for the moment, but she will bounce back. “Congratulations to the winners. But all losers are not losers. We have to do a complete review,” she tweeted. ■

Ray, who teaches at the Presidency College in Kolkata.

“The Left was suffering erosion since 2011 without a new leadership and the confusion over who was the Left’s enemy—the TMC or the BJP—and who was a friend—the Congress or the BJP—reigned,” says Aneek Chatterjee, former head of the department of political science, Presidency University.

This time, Mamata has largely been responsible for political polarisation by constantly bashing the BJP and no other party. The consequence? A rise in the saffron party’s vote share—from 17 per cent in 2014 to 40 per cent in 2019.

This also led to the TMC being seen as a party that was soft on the minority community and the BJP as the party of the Hindu majority. Mamata’s efforts to seem secular by chanting Hindu *shlokas* and Islamic tenets on the same platform fell flat. While the Muslims did not vote for the TMC en bloc, the Hindus in Bengal, sharing a border

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# A CLEAN SWEEP

An overwhelming win gives the BJP-Shiv Sena a clear edge over the Congress-NCP in the assembly election later this year

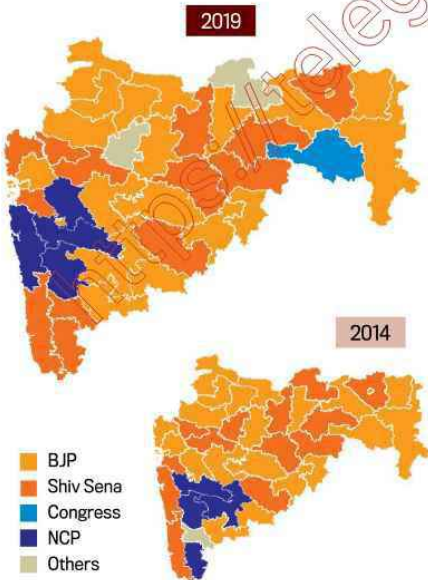
BY KIRAN D. TARE



MANDAR DEODHAR

	BJP	SHIV SENNA	CONGRESS	NCP	OTHERS
SEATS	23 [23]	18 [18]	1 [2]	4 [4]	2 [1]

\* Total Lok Sabha seats: 48; figures in [ ] are for 2014



## D

uring the intense Lok Sabha campaign in Maharashtra, veteran Congress leader and Solapur candidate Sushilkumar Shinde was busy telling voters that sitting MP Sharad Bansode of the BJP had not raised a single starred question about any local issue in the Lok Sabha. But

ironically, the former Union home minister's workers would not stop lauding the refurbishment of the Solapur-Pune highway by the Union transport ministry, after which travel time between the two cities has reduced by at least an hour. Shinde's criticism of Bansode did not help him win the seat against the BJP's Jai Siddheshwar Swami. It seems the voters gave more weight to the Modi government's developmental work than local issues.

Winning 41 out of the states' 48 seats, the BJP-Shiv Sena alliance has the upper hand in Maharashtra. The tally is the same as that in 2014. Clearly, the electorate has largely stood by the alliance despite the view in several quarters that the Devendra Fadnavis government failed to fulfil its promises. Sensing trouble, Fadnavis had convinced the BJP top brass early on to ally with the Shiv Sena, swallowing the humiliation Sena chief Uddhav Thackeray and his party leaders had been heaping on him. The move paid off.

The BJP-Sena have retained their traditional base in the urban pockets with impressive performances in Mumbai, Thane, Pune, Nashik, Kolhapur, Solapur and Nagpur. This is being attributed to the Fadnavis government's emphasis on infrastructure development, particularly transport facilities. "The whole of Mumbai has been dug up for laying metro lines. People



## ◀ THE WINNING LOOK

Devendra Fadnavis with Uddhav Thackeray

are facing a lot of inconvenience, but there's not a voice of protest," says Fadnavis. "This is because they have trust in us that we will complete the work on time." The chief minister is delighted that the BJP-Sena could fully capitalise on their potential. "I had predicted that we would win 43 seats. I am happy our political acumen has borne fruit," he says.

The reported distress in the state's rural areas did not cost the BJP-Sena any seat. Their defeat in seven seats can be attributed to the individual strengths of the rival candidates. Three candidates of the Nationalist Congress Party (NCP)—Supriya Sule, Udayanraje Bhosale and Dr Amol Kolhe—won their respective constituencies because of their strong candidature and connect with the voters. Imtiaz Jalil of the All India Majlis-e-Ittehad-ul-Muslimeen (AIMIM) won from Aurangabad because Sena rebel Harshwardhan Jadhav took away a chunk of his former party's votes.

The Congress-NCP's failure to accommodate the Vanchit Bahujan Aghadi (VBA), a front led by Dalit leader Prakash Ambedkar, in the alliance cost them dear in at least six constituencies. The VBA, which primarily focused on Dalit and Muslim voters, contested all 48 seats and were instrumental in the defeat of the Congress-NCP alliance in at least eight seats, including Solapur (Shinde), Nanded (Ashok Chavan) and Sangli (Vishal Patil). The Congress is down from two seats in 2014 to one, while the NCP has won four seats, the same as last time. The loss of former deputy chief minister Ajit Pawar's son Parth Pawar in Maval is a big loss of face for the Pawar clan.

In the tribal areas of Gadchiroli and Nandurbar, gram sabhas had resolved to vote against the BJP as a protest against the government's hard stance against Maoists and their sympathisers and the delay in transferring forest rights to the tribals. However, the BJP won

**"People like change, but they should be affordable. People were not entirely happy with the Modi government, but given the alternative (Congress-NCP), they chose him again"**

**BHAU TORSEKAR**  
*Political analyst*

Gadchiroli and Nandurbar as well as Dindori, another tribal seat from where the farmers' march to Mumbai was launched last year.

Maharashtra Navnirman Sena chief Raj Thackeray failed to generate support for the Congress-NCP in the nine seats he campaigned in.

Mumbai-based political analyst Bhau Torsekar says the BJP-Sena won in the absence of a strong alternative. "People like change, but they should be affordable. People were not entirely happy with the Modi government, but given the alternative, they chose him again," he says.

The Lok Sabha results are bound to impact the assembly election scheduled in October. The BJP-Sena have secured a lead in around 220 of the 288 assembly seats whereas the Congress-NCP has managed to remain ahead in 60. There is speculation that at least a dozen Congress-NCP leaders may join the BJP soon. Jaydutt Kshirsagar, a senior NCP leader from Beed, joined the Shiv Sena on May 22. Radhakrishna Vikhe-Patil of the Congress is expected to move over to the BJP.

For the BJP, though, seat-sharing with the Sena will pose a challenge. The Sena has already staked claim to half the assembly seats. "We have good relations with Uddhav Thackeray. We will find an amicable solution," says Fadnavis. ■

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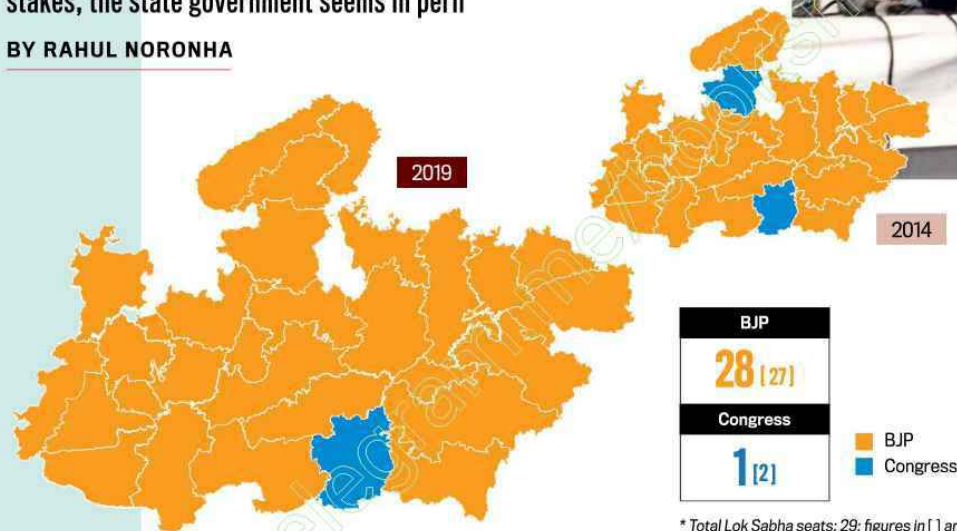
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# BJP HOLDS THE CENTRE

Congress euphoria in the state proved short-lived. With the saffron party swamping the Lok Sabha stakes, the state government seems in peril

BY RAHUL NORONHA



BJP
<b>28</b> [27]
Congress
<b>1</b> [2]

■ BJP  
■ Congress

\* Total Lok Sabha seats: 29; figures in [ ] are for 2014

**M**ost Congress leaders in Madhya Pradesh took the BJP's 27 out of 29 score in 2014 as an aberration; 2019 shows it wasn't. It also shows that even well-entrenched political dynasts can be felled—as Jyotiraditya Scindia has been in Guna losing to K.P. Yadav, once his Saansad Pratinidhi—when people vote in the name of one supreme leader at the Centre.

Since the 1990s, the MP electorate has swung wildly in its choice of party for the Lok Sabha and assembly elections, even when they have been held a few months apart. In that sense, the current verdict for the Congress is hardly a surprise, even though the party had broken the BJP's 15-year rule in the

state just five months back.

In 1998, the BJP had won 30 and the Congress 10 of the 40 Lok Sabha seats in united MP. Some months later, the Congress managed to win the assembly election. In 2008, Shivraj Singh Chouhan became CM for a second term, with the BJP winning 143 of the state's 230 seats, and the Congress 71. In the 2009 general election a few months later, the Congress won 12 of the 29 Lok Sabha seats. With elections becoming more and more personality-driven, the voter makes the distinction between his choices for the Lok Sabha and assembly polls very clear.

The Congress's dismal show in the Lok Sabha poll points to its failure to capitalise on the mood for change in the state just some months ago. Nor does the BJP-led NDA government's massive

win at the Centre augur well for the Congress government in the state given that it rests on a wafer-thin majority. But, first, why couldn't the Congress convert its assembly poll performance to the Lok Sabha election?

For one, the Kamal Nath government got all of two and a half months to deliver on its election promises before the model code of conduct for the Lok Sabha poll kicked in. Even in this time, the government primarily focused on farm loan waivers, which not only drained the state of financial resources but also compelled the government to curtail welfare programmes and, worse, has not yielded any electoral dividend. The focus on waivers also did not give CM Kamal Nath time to act on his strengths, like bringing in investment and jobs, as he did in Chhindwara.





BACK IN NOV. 2018

Jyotiraditya Scindia, Kamal Nath and Digvijaya Singh releasing the manifesto for MP polls in Bhopal

## "We seem to have been unsuccessful in taking our programmes to the people. I congratulate Modi and the BJP on this victory"

**KAMAL NATH, Chief Minister, Madhya Pradesh**

The enhancement of OBC quota from 14 to 27 per cent also seems to have left the target group unenthused. Besides, the coordination between Congress bigwigs apparent in the assembly poll wasn't to be seen in the general election.

Where does this leave the Congress government?

Relations between the top BJP leadership and the Congress government touched a nadir after the income tax raids this April on the chief minister's family members and associates. In case the Union government proceeds with the charges, tensions will only mount.

The Congress has 114 MLAs in the 230-member house, and is supported by four independents, one SP and two BSP MLAs. BJP leaders, including general secretary Kailash Vijayvargiya, have been openly predicting the government's demise post the general election. "CM Kamal Nath claimed he would win 22 seats. Now there's a question mark over whether he will remain in office for the next 22 days," Vijayvargiya said in

Indore on May 19. On May 20, leader of the opposition Gopal Bhargava dashed off a letter to Governor Anandiben Patel demanding a special session of the Vidhan Sabha. "The Congress has not come out clear on the farm loan waiver. Various claims are floating around. A session will clarify everything," Bhargava told INDIA TODAY. The real reason for the session, political observers suggest, was to hold a floor test. Bhargava's demand for the special session was rejected but a session will be called to pass the budget. Given the history of such attempts by the BJP in the past, one can't rule out the possibility of destabilising the government. The BJP's strength in the assembly also came down by one as G.S. Damor, the BJP MLA from Jhabua, won the Ratlam Lok Sabha seat. A bypoll would now be held in Jhabua and is likely to be fiercely fought, given the importance of numbers in the assembly.

In Kamal Nath, the Congress has a shrewd politician to counter these moves. The coming months will test his political acumen. ■



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SEATS

BJP

9 [10]

Congress

2 [1]

VINAY SHARMA



**MANDATE IMPACT**

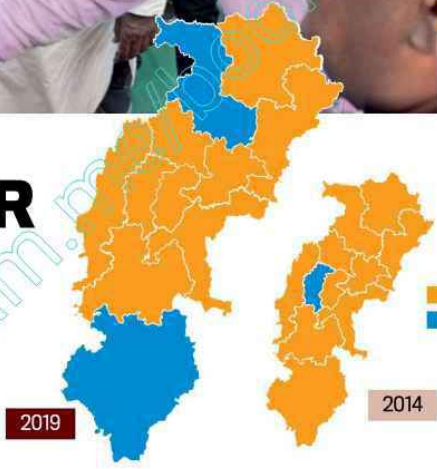
**CHHATTISGARH**

\* Total Lok Sabha seats: 11; figures in [ ] are for 2014

# ROOTING FOR THE BJP

Modi's popularity trumps local issues as Congress fails to convert assembly gains

BY RAHUL NORONHA



**F**or the first time since it came into being in 2009, Chhattisgarh saw a Lok Sabha verdict at variance with the assembly poll result. In the three

Lok Sabha elections that followed the assembly polls, the Chhattisgarh electorate extended its faith in the BJP to the Lok Sabha, giving the party 10 of the 11 Lok Sabha seats, in 2004, 2009 and 2014, leaving the Congress with just one seat each time. With the Congress winning the most comprehensive mandate (68 of the state's 90 seats) in December 2018 in the state's 18-year history, it was expecting to sweep the Lok Sabha poll. So, why did it fail?

The single biggest factor contributing to the BJP win is Prime Minister Narendra Modi's popularity. It trumped

all local issues—farm loan waiver, paddy procurement at enhanced prices, announcement of jobs by the state's Congress government. The Congress did better in South Chhattisgarh's tribal regions, winning Bastar and losing Kanker by small margins. It won Korba, but was swept aside by the Modi wave in the northern and central regions.

The BJP did something radical this general election in Chhattisgarh. It dropped all its 10 sitting MPs, including former CM Raman Singh's son Abhishek from Rajnandgaon, Union minister Vishnu Deo Sai from Raigarh and former Union minister Ramesh Bais from Raipur. This was done, say insiders in the state unit, to build an entirely new leadership in the state.

"It is a reaffirmation of PM Modi's politics and welfare schemes. The mandate the Congress secured in December

has slipped out of its hands," said BJP state vice-president and newly elected BJP MP from Raipur Sunil Soni.

Chhattisgarh has numerous issues that it needs to work on with the Centre. Maoism, for one, has been rearing its head in the state after a lull and deployment of central paramilitary forces is a key aspect in this war. Secondly, central ministries, such as environment and mining, have to give a large number of permissions for development projects. Chhattisgarh also has a number of pending issues with neighbouring states which need to be mediated via the Centre. The state will also have a byelection in Dantewada where sitting BJP MLA Bhima Mandavi was killed by Maoists during the election. The outcome of the bypoll will indicate the extent to which the Congress has yielded ground to the BJP since the assembly election. ■





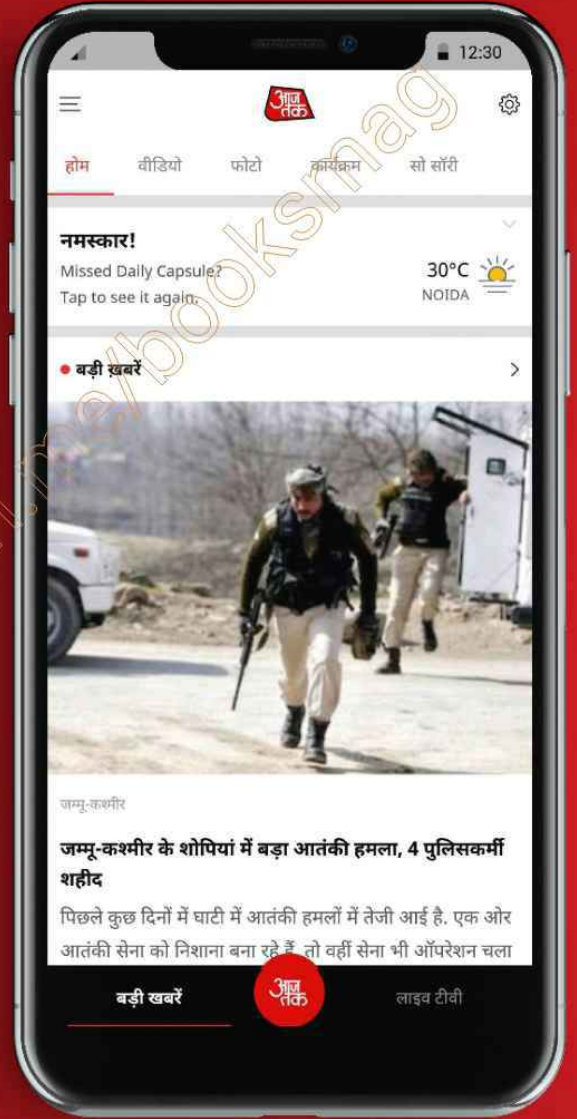
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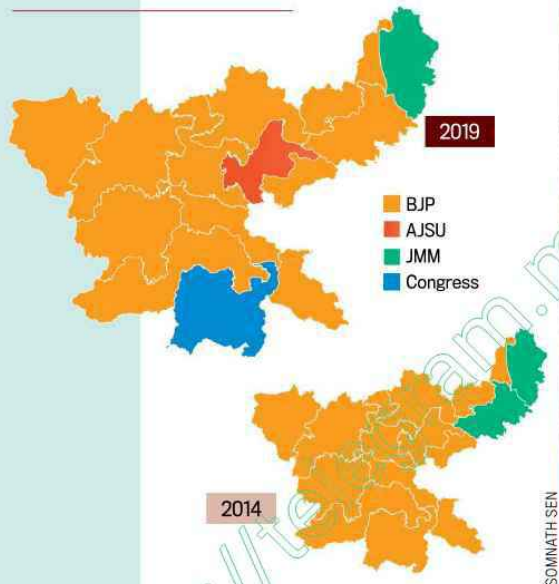




# SCRIPTING A SAFFRON SWEEP

Chief Minister Raghubar Das emerges a winner in the face of anti-incumbency and an anti-tribal image

BY AMITABH SRIVASTAVA



	BJP	AJSU	JMM	CONGRESS
SEATS	11 [12]	1 [0]	1 [2]	1 [0]

\* Total Lok Sabha seats: 14; figures in [ ] are for 2014

**F**or the BJP, it was an advantage to have Chief Minister Raghubar Das, a known master of exploiting political fault lines, as its poll manager for the Lok Sabha election. As someone who reportedly convinced six Jharkhand Vikas Morcha (JVM) MLAs to join the BJP in 2015, which gave the saffron party a simple majority in the state, Das started his campaign for the Lok Sabha poll on a similar note—by making Rashtriya Janata Dal state president Annapurna Devi join the BJP in March and fielding her as a candidate from Koderma,

where she defeated JVM president and Jharkhand's first chief minister, Babulal Marandi. The BJP, along with All Jharkhand Students Union (AJSU), for which it vacated its Giridih seat, replicated the success of 2014 when the NDA won 12 of the state's 14 Lok Sabha seats. The BJP bagged 50.6 per cent votes. It was no mean feat for a CM battling anti-incumbency, having lost six of the seven assembly bypolls held between December 2015 and December 2018.

This time, the Congress and the Jharkhand Mukti Morcha (JMM) won one seat each while the JVM and RJD failed to open their accounts in the state.

The BJP had contested 13 seats and denied tickets to four of its sitting MPs.

The party's campaign narrative focused on the decisive leadership of Narendra Modi and nationalism.

The Congress-led opposition had stitched an alliance with the grand old party contesting seven seats, Shibu Soren's JMM four, Babulal Marandi's JVM two and the RJD one with an agreement that during the assembly poll in December this year, the JMM will lead the grand alliance. In 2014, the JMM-Congress and JVM had a combined vote share of 35.25 per cent.

"The people of Jharkhand have rejected the politics of caste and dynasty. The state has voted for development, which only Modiji can deliver," said a jubilant Das. ■





# A WALKOVER FOR THE NDA

## With Nitish by its side, the BJP-led alliance records a landslide victory in the state

BY AMITABH SRIVASTAVA



SONU KISHAN



2014

◀ **UNITED FORCE** Nitish Kumar and Ravi Shankar Prasad at a poll rally

	BJP	JD(U)	LJP	RJD	CONGRESS
<b>SEATS</b>	<b>17</b> [22]	<b>16</b> [2]	<b>6</b> [6]	<b>0</b> [4]	<b>1</b> [2]

\* Total Lok Sabha seats: 40; figures in [ ] are for 2014

seats, it still managed 16 per cent of the vote share. Despite contesting fewer seats (17 in 2019 against 37 in 2014), the party's vote share has shot up to 21.58 per cent this time. The results make it clear that the chief minister has been able to transfer his votes to his allies. "We had appealed for public support and asked them to vote considering how Modi ji has performed at the Centre and how we have worked for Bihar in the past 13 years. The people have given us their mandate. Now, our responsibility towards people is bigger, and so is our commitment," Nitish said, while thanking the voters.

The grand alliance, on the other hand, has been left to lick its wounds. The Congress contested nine seats and could win only one for the alliance. The RJD failed to open its account. The grand alliance suffered due to many reasons, most prominent being the absence of Lalu Prasad, who could not campaign because of his conviction. The grand alliance also had Jitan Ram Manjhi's Hindustan Awam Morcha, Upendra Kushwaha's Rashtriya Lok Samata Party and Mukesh Sahni's Vikasshil Insaan Party party. Adding these leaders to the grand alliance was part of the social expansion strategy, but it was no match for the NDA in a bipolar contest. ■

# W

ith Nitish Kumar back as an ally since 2017, the National Democratic Alliance (NDA) seemed comfortably placed in Bihar

when the Lok Sabha election dates were announced. Barring a few seats, Bihar, a state with 40 Lok Sabha seats, had a bipolar contest in 2019 unlike 2014 when Nitish Kumar-CPI, Congress-Rashtriya Janata Dal-NCP and the BJP-led NDA had contested separately and against each other. A bipolar contest was a clear disadvantage for the RJD-Congress, going by its 29 per cent vote share in 2014.

With its final tally of 39 seats, the

NDA has given a resounding repudiation to the RJD-led grand alliance. What worked for the formation was the distinct advantage it had owing to the positive public perception of its main leaders—Narendra Modi and Nitish Kumar—and Ram Vilas Paswan's ability to hold on to his 7-8 per cent vote bank. "We have all along maintained a massive lead. In the 2009 Lok Sabha poll, the NDA had a lead of 11 per cent over the RJD-Congress alliance. In 2019, with Nitish ji with the NDA, our lead was bound to rise," said Deputy Chief Minister Sushil Modi. Barring the 2014 Lok Sabha poll that Nitish contested against the NDA, the winner always had him as an ally. Even in 2014, when the JD(U) could win only two



# GEHLOT UNDER SIEGE

With the Congress drawing a blank again, the chief minister's tussle with Sachin Pilot is widely expected to intensify



ON SLIPPERY TURF  
Ashok Gehlot



	BJP+	CONGRESS
SEATS	25 [25]	0 [0]

ANI

\* Total Lok Sabha seats: 25; figures in [ ] are for 2014

**S**igns that Congress-ruled Rajasthan would be swept by the Modi wave for a second consecutive Lok Sabha election were evident early on. The December assembly election brought the Congress to power with 100 seats, one short of a simple majority in the 200-member assembly. At that time, even committed BJP and RSS workers had worked to ensure the defeat of Vasundhara Raje, even coining the slogan *Vasundhara teri khair nahin, Modi se bair nahin* (We will not spare Vasundhara, but no enmity with Modi). The euphoria, though, was short-lived. Chief Minister Ashok Gehlot had sensed a tough Lok Sabha battle ahead and had been pointing to a pro-Modi sentiment. A 25-nil defeat—a repeat of

the verdict in 2014— means Gehlot will have much to explain to the Congress high command, who had picked him for the top job over Sachin Pilot, hoping the decision would reflect in the Congress's performance in the general election. To the chief minister's embarrassment, son Vaibhav Gehlot lost to the BJP's Gajendra Singh Shekhawat in his home turf of Jodhpur. The BJP increased the victory margin to over 200,000 votes in 20 seats, including Jodhpur. Gehlot had begun his innings with a series of populist measures, but the Congress's promise of waiving farm loans up to Rs 2 lakh within 10 days of assuming power backfired. The Gehlot government failed to get public sector banks to waive the loans before the Lok Sabha election process set in. Farmers took it as a promise not fulfilled, and some even drew comparisons with

the Rs 50,000 loan waiver by the Raje government last year and the benefits extended by the Modi government, such as LPG connections and toilets. With Pilot expected to turn up the heat, a defensive Gehlot camp is citing how the Modi wave has crushed the Congress across the country and how a change of chief minister would further damage the party in the state. Gehlot, for his part, has also alleged that EVMs were manipulated, a charge he levelled even after the 2003 assembly poll defeat. Gehlot has also accused the BJP of trying to destabilise his government. His aides say he alone can carry the party MLAs and dozen independents along. The BJP's hope would be that Pilot, who enjoys the support of 35 Congress MLAs, raises the banner of revolt. The turf war in the state Congress is set to intensify. ■





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# HOW THE NORTHEAST WAS WON

Development projects and the absence of a strong leadership in the Congress have helped the BJP in the region

BY KAUSHIK DEKA

**D**uring the campaign for the 2019 Lok Sabha election, Assam's most celebrated singer Zubeen Garg said in jest that Assam finance minister Himanta Biswa Sarma had copied his dance moves. Garg was referring to Sarma's most-talked-about campaign stunt—jumping to the beat of BJP's publicity song—at election rallies and roadshows. It became an integral part of his campaign and at every place a large number of people, especially women, danced with him.

Of course, the timing of the election—in the middle of Rongali Bihu, Assam's prime festival—helped the BJP in creating a celebratory environment, but this was an unimaginable scenario two months ago when the entire northeastern region erupted in protest against the Citizenship Amendment Bill, 2016, which the BJP wanted to bulldoze into making a law in Parliament. The bill was seen as an existential threat by the indigenous people of the region; they feared it would legitimise illegal Hindu migrants from Bangladesh, posing a threat to demography and resources. The epicentre of the protest was Assam. Sensing trouble, the saffron party did not table the bill in the Rajya Sabha, letting it lapse and wooed back angry alliance partners. There was a minor hiccup—Sarma wanted to contest the Lok Sabha poll from Tezpur, but Modi and Shah did not allow it. That, however, did not impact an aggressive campaign replete with references to the threat posed to local culture by illegal Muslim immigrants.

In Assam, the saffron party, along with ally Asom Gana Parishad and Bodoland People's Front, ensured a consolidation of Hindu and tribal votes while in three Muslim-dominated seats, Muslim votes got divided between the All India United Democratic Front and Congress. What also worked for the BJP in the constituencies with extensive tea gardens—Dibrugarh, Jorhat and Tezpur—were the direct benefit transfer schemes, which ensured the BJP's deep penetration among tea garden workers. These tea gardens were earlier strongholds of the Congress. Across the northeast, there is a growing perception that the Narendra Modi-led NDA government at the Centre has given a fillip to development work in the region and brought national attention to the eight states.

Also aiding the BJP was the absence of strong leadership







**MODI WAVE:** Party workers celebrate at the BJP state office in Guwahati

UPA ALLIES

OTHERS

1 [3]

2 [4]

\* Total Lok Sabha seats: 25; figures in [ ] are for 2014

in the Congress and other regional parties in Assam, Arunachal Pradesh, Manipur and Tripura—the states where the saffron party is in power. In Assam, the Congress is riddled with internal feuds; Nabam Tuki remains the last standing Congressman in Arunachal Pradesh; and the Manipur Congress is yet to find a successor to Okram Ibobi Singh. In Tripura, while the Left is fading into oblivion, the Congress turned to its most charismatic leader Pradyot Manikya Debbarma, only a month before the election. In states where there are strong leaders, the BJP has not been able to make inroads. For instance, though the Conrad Sangma-led National People's Party (NPP) in Meghalaya, Zoramthanga-led Mizo National Front (MNF) in Mizoram and Neiphiu Rio-led Nationalist Democratic Progressive Party in Nagaland are part of the NDA, the BJP's performance in these states has remained insignificant. In fact, the NPP, MNF and the Sikkim Democratic Front contested the election against the BJP in their states. ■

## "BALAKOT CREATED EUPHORIA ACROSS THE COUNTRY"

*Assam finance minister HIMANTA BISWA SARMA talks to Kaushik Deka on how the BJP emerged a winner*

### Q. What's the secret behind the BJP's success in the northeast?

**A:** Under the leadership of Prime Minister Narendra Modi, unprecedented development has happened in the region. Road, rail and air connectivity has massively improved. State-specific schemes have been launched. The prime minister visited the area 30 times in the past five years.

### Q. There was a massive protest in the Northeast against the BJP-backed Citizenship Amendment Bill. It did not reflect in election results.

**A:** The media highlighted the 20 per cent people who protested against the bill. There were 80 per cent people who supported it.

### Q. We saw a different kind of campaign this time. You were dancing in all your road shows.

**A:** The strike in Balakot created euphoria across the country. We were certain about public support for Narendra Modi and BJP's victory. So we were just celebrating the festival of democracy.

### Q. What next for the BJP and Himanta Biswa Sarma?

**A:** We have to continue the development work. We have to expand the party in Meghalaya, Mizoram, Nagaland and Sikkim. We hope to create a unified group of northeastern MPs, so that the region can emphatically contribute to the political discourse of the country. ■



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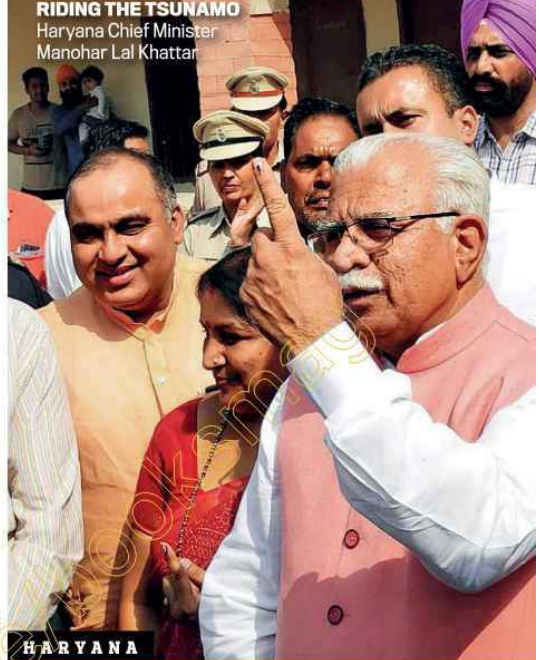
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RIDING THE TSUNAMI  
Haryana Chief Minister  
Manohar Lal Khattar



# TWO STATES, ONE DIVIDE

While Punjab went against the saffron wave and voted Congress into power in the state, Haryana was swept by the 'Modi Magic' again

BY ASIT JOLLY

## HARYANA

2019

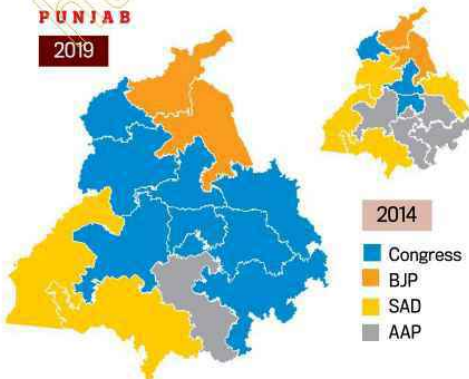
2014



## PUNJAB

2019

2014



## HARYANA

BJP

CONGRESS

OTHERS

SEATS

10 [7]

0 [1]

0 [2]

\* Total Lok Sabha seats: 10; figures in [ ] are for 2014

**F**irmly living up to their reputation of bucking the national (or in this instance, the north Indian) trend, Punjabis have once again voted for the Congress, while most of India overwhelmingly voted Prime Minister Narendra Modi and the Bharatiya Janata Party (BJP)-led NDA back to a second consecutive term in office.

The Punjab Congress, headed by Chief Minister Amarinder Singh was helped by two factors: Firstly, both, the opposition Shiromani Akali Dal (SAD) and the Aam Aadmi Party (AAP) were afflicted with factionalism. Where several veterans quit SAD to float a splinter faction, AAP too was reduced to a shadow of its former self with incumbent legislator Sukhpal Singh Khaira and the party's Patiala MP Dharamvira Gandhi launching separate outfits. The consequent split in both put several Congress nominees, including Preneet Kaur in Patiala, in the lead.

The other big factor that helped the Congress in Punjab is the public resentment against the decade of SAD-BJP rule (2007-2017). The inquiry commission constituted by the Amarinder government to probe instances of sacrilege against the Guru Granth Sahib and two incidents of police





**PUNJAB**

CONGRESS

BJP

SAD

AAP

**8** [3]

**2** [2]

**2** [4]

**1** [4]

\* Total Lok Sabha seats: 13; figures in [ ] are for 2014

**IN HIGH COMMAND**

Punjab Chief Minister  
Amrinder Singh

firing on Sikh protesters in 2015 may have contributed to keeping the anger alive. Plus, the fact that the “Modi Wave” never took root in Punjab (in 2014 or now), also worked in the Congress’s favour.

Winning Punjab, while his party didn’t fare well in the rest of the country, will put the CM in a commanding position, at least vis-à-vis his own government. It will help him rein in the former cricketer and Punjab cabinet minister Navjot Singh Sidhu, who has charted a contrary course right from the moment he was sworn in, in March 2017.

The recent Lok Sabha polls also saw Sidhu rake up multiple controversies including indirectly accusing the CM of blocking his wife Navjot Kaur Sidhu’s nomination as the Congress candidate from Chandigarh. The overall verdict from these elections could, meanwhile, pose a continuing challenge for the Congress state government.

In Haryana, however, the blistering

success of the Manohar Lal Khattar-led BJP only marks the beginning of another long-haul political battle. State assembly elections are due just five short months from now, and the CM and his team will have to scramble to complete pending promises. The ‘Modi Magic’ that swept Haryana in May 2014 and repeated itself in the assembly poll, giving the BJP its first-ever independent government in the Jat-dominated state, clearly survives across Haryana. The fact that the state shares a border with the national capital and is within shouting distance of the PMO, also helped.

Chief Minister Khattar likes to believe that the mandate also reflects “pro-incumbency” and popular approval of the “transparency” brought in by his government. He hopes this will help maintain the momentum till the assembly poll, possibly this October. The BJP’s state unit chief, Subhash Barala, is already commencing preparations for the state election.

But Khattar and the BJP rank and file in Haryana know that they owe their electoral successes to the deep caste divide that pitches the once politically dominant Jat community (22 per cent) against the remaining 35 castes. Under Khattar, the BJP managed to woo the non-Jats, while drawing a measure of Jat supporters with the 10 per cent reservation for economically weaker sections announced by the PM.

That the state Congress continued to be faction-ridden between former chief minister Bhupinder Singh Hooda, state president Ashok Tanwar and national spokesperson Randip Surjewala also helped the BJP. As did the fact that the Jat-centric Indian National Lok Dal (INLD) split following a feud within the Chautala clan.

The chief minister and his colleagues are banking on the fact that the situation vis-à-vis the Congress, INLD and the newly-formed Jannayak Janata Party, will not be any different by the time of the state assembly election. ■



# STALIN SHINES

## The DMK combine's triumph in the elections puts the Palaniswami-led AIADMK government under tremendous pressure

BY AMARNATH K. MENON

**T**he tactical approach of M.K. Stalin—who took over as president of the Dravida Munnetra Kazhagam (DMK) after the death of its legendary leader M. Karunanidhi—in aligning with the Congress and the Communist parties for the Lok Sabha election has paid off. The DMK-led Secular Progressive Alliance, consisting of the Congress, CPI, CPI(M) and smaller parties, has won 37 of the 39 Lok Sabha seats as well as 13 of the 22 assembly byelections in Tamil Nadu. The result means the DMK and the state have contributed more than any other party to the UPAs kitty.

Yet, it will not wholly be to Stalin's advantage, though he was among the first to back Rahul Gandhi for prime ministership, hoping it would enable the DMK to gain advantage against the state's E.K. Palaniswami-led AIADMK government (which is surviving on a wafer-thin majority). With its electoral ally, the BJP, firmly back in the saddle at the Centre, the AIADMK will be banking on Delhi's continued support to keep its MLAs together and continue to govern the state. But that may not happen for long.

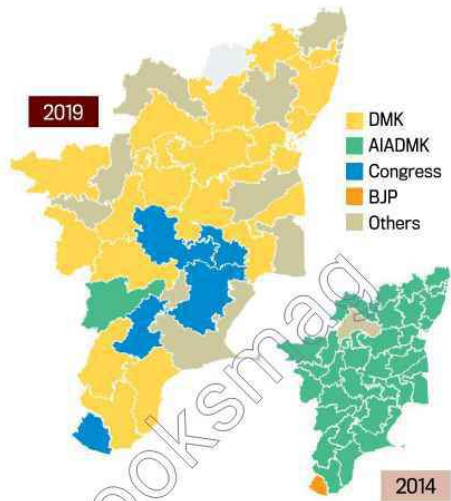
At the moment, on paper, the AIADMK has 122 MLAs in the 234-member legislative assembly. It faces the tough task of keeping its MLAs under control as they appear to be straining at the leash to ditch the

party or switch over to T.T.V. Dhinakaran's Amma Makkal Munnetra Kazhagam (AMMK). In its zeal to dislodge the Palaniswami government and lay claim to the AIADMK legacy, the AMMK is not averse to even sailing with the DMK—the AIADMK's traditional rival. Though Dhinakaran has publicly ruled out support to the DMK, analysts argue that an understanding is emerging between the DMK and the AMMK to team up for a no-confidence motion against the Palaniswami government. If it happens, it has the potential to force an early assembly election, which is otherwise due only in 2021.

Unable to make much headway in the state, the BJP is in search of dependable allies and is likely to veer towards the proposed party of Rajinikanth, who has already announced his preparedness for the next assembly poll. This is the emerging challenge for Stalin. However, to his credit, the DMK chief runs a united party. Even in Karunanidhi's time, especially in the 2011 and 2016 assembly elections, Stalin was seen as the main electoral

force for the party and its alliance. The party has had a strong second line of leadership since the 1980s, and Stalin has been dropping enough hints that a third generation is waiting in the wings to prove itself. But for reasons best known to him, he has rather deliberately dropped his pro-youth image-building exercise since the 2016 election in which the losing DMK-led combine still scored the highest 98 seats, with only a 1 percentage point difference in vote share with the victorious AIADMK.

“Though the DMK has moved away from its pan-Tamil, rationalist ideological past, between it and the AIADMK, the party has retained its image among the state's voters and even among the present generation,” says political analyst N. Sathiyamoorthy. To Stalin goes the credit for this as he believes it is essential for the DMK to regain power under his leadership and occupy the corridors of power at Fort St George. What he has to decide on is the opportune time to make the bid even as he works on strategies to keep away potential challengers. ■



	DMK	AIADMK	CONGRESS	BJP	OTHERS
SEATS	23 [0]	1 [37]	8 [0]	0 [1]	6 [1]

\*Total seats: 39; figures in [ ] are for 2014; Vellore seat elections cancelled





**SHOCKED** CM Kumaraswamy (right) with Congress leader D.K. Shivakumar

# SNAPPING POINT

## The ruling Congress-JD(S) are down to just 3 LS seats. The BJP's massive gains mean more trouble for the alliance partners

BY ARAVIND GOWDA

**E**ven before the parliamentary poll results were out, the ruling partners in Karnataka, the Janata Dal (Secular) and the Congress, were trading charges of sabotage against each other.

The BJP swept the Lok Sabha polls in Karnataka, improving its tally from 17 in 2014 to 24. The Congress, on the other hand, suffered big losses, winning just 2 seats this time as against 9 in 2014. The JD(S), which was hoping to win from at least three segments (Hasan, Mandya and Tumakuru), had to be content with just one.

The biggest shock for the coalition is the defeat of ex-prime minister H.D. Deve Gowda and senior Congress leader Mallikarjuna Kharge at the hands of the BJP. Though former CM B.S. Yeddyurappa, who led the party in Karnataka, is getting the kudos, he himself attributed it to PM Narendra Modi. "The BJP delivered its best poll performance in Karnataka as voters preferred our visionary leader. The verdict is also an indictment of this coalition government."

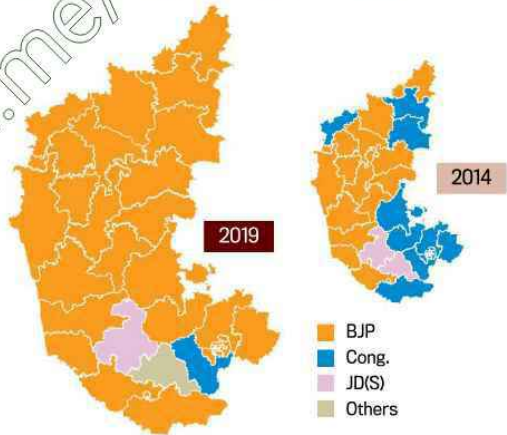
Poll analysts also share the 'Modi factor' view. "Stalwarts like Gowda, Kharge and Veerappa Moily were decimated by the Modi wave, not Yeddyurappa. It is clear this generation wants a change and wants younger leaders," says political research scholar T.S. Manjunatha from Tumakuru, who so unceremoniously dumped Gowda.



\*Total seats: 28; figures in [ ] are for 2014



MANJUNATH KIRAN/AP/GETTY IMAGES



Leaders of both parties are now pondering how to keep its MLA flock together. The BJP has declared May 23 as the beginning of the end of the coalition government. The jitters were evident as senior Congress leader Roshan Baig's outburst showed on May 21 itself. "This debacle (based on the exit polls) is a result of the arrogance of Siddaramaiah (ex-CM). PCC president Dinesh Gundu Rao is equally responsible," he said. Even hardliners like Baig are now taking a soft stand against the BJP, "If the NDA is coming back to power, I humbly appeal to Muslim brothers to learn to compromise with the situation."

The results have further alienated the Congress from the JD(S) with leaders of both parties huddled in separate meetings. "The prime agenda is now to save this government, as the BJP will unleash a bigger operation to topple this government," admitted JD(S) spokesperson Lakkappa Gowda.

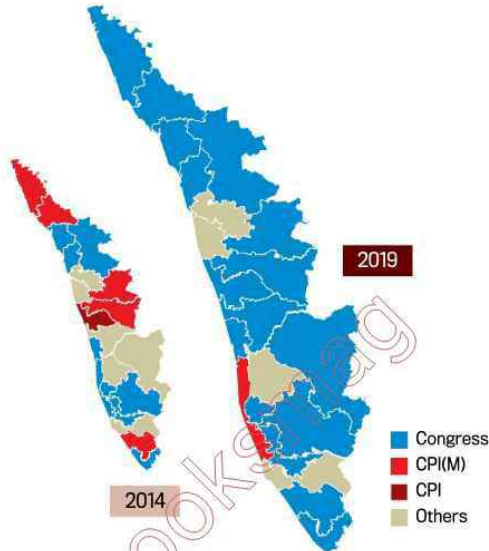
Experts say it will be very difficult for the two parties to retain their MLAs. "Two months ago, eight MLAs from the Congress and two from the JD(S) were ready to join the BJP. CM H.D. Kumaraswamy worked hard to retain them. Now they will not think twice if the BJP approaches them again," says political analyst A. Veerappa. ■



# LEFT IN RUINS

## Chief Minister Pinarayi Vijayan faces the heat as the Left Front comes unstuck while the Congress's fortunes rise

BY JEEMON JACOB



It's a near total rout for the Left Democratic Front (LDF) as the Congress-led United Democratic Front (UDF) took 19 of the 20 parliamentary constituencies in the state. The only consolation for the Pinarayi Vijayan government is that it stopped the BJP from opening its account in Kerala. The CPI(M) lost all its strongholds in north and central

Kerala, with humiliating defeats in some seats. Its lone seat came from Alappuzha in central Kerala. As feared, it wasn't the Sabarimala temple issue that sealed the party's fate but a swing in the minority votes in favour of the Congress after Rahul Gandhi's poll entry in Wayanad. Indeed, it could be said that it was a RaGa wave that wiped out the Left in Kerala.

Kerala chief minister Pinarayi could be one of the main casualties of the LDF's capitulation. The Left's

inability to retain its hold will hurt him politically. Being at the helm of government and the CPI(M) in the state, the buck stops with him. Having fielded four popular Marxist legislators, Pinarayi had eyed a big victory with a consolidation of minorities in favour of the Left. Politically, the dismal performance in the Lok Sabha will have mega implications for the Marxists. With just one seat in the state, the party will lose national recognition for the first time.

Pinarayi's critics within and outside the party will raise the decibel level in the coming days and the Congress-led opposition will intensify its attacks against the Left Front government. An anti-Pinarayi media will also not help. The belief is that the CM will be forced to reconsider key decisions in the party forum. Key aides who misguided him could be part of the purge. But will Pinarayi agree to be 'accommodative'? Few believe this will happen. "Pinarayi is a leader who doesn't bend with the wind. He will fight till the end," a senior state CPI(M) leader told INDIA TODAY.

For the Congress, the poll results offer an opportunity for a rebirth. State-level leaders will be most pleased with the outcome. As for the BJP, even polarising voters over the Sabarimala issue could not deliver them a seat in Kerala. They now have a long wait ahead before they can take another crack at one of the last bastions holding out against the saffron surge. ■

	CONG.-LED UDF	CPI(M)-LED LDF	BJP	
SEATS	19 [12]	1 [8]	0 [0]	* Total Lok Sabha seats: 20; figures in [ ] are for 2014







Photograph by BANDEEP SINGH

# AGENDA FOR MODI 2.0

From economic slowdown and unemployment to inflation and rural distress, critical challenges await the NDA government in its second innings. It's time for all hands on the deck

## SPOTLIGHT

**ECONOMY**  
**BANKING**  
**MSME**  
**MANUFACTURING**  
**EXPORTS**  
**REAL ESTATE**  
**ROADS**  
**AVIATION**

**RAILWAYS**  
**ENERGY**  
**START-UPS**  
**LABOUR**  
**DEFENCE**  
**HOME**  
**BUREAUCRACY**

**AGRICULTURE**  
**RURAL DEVELOPMENT**  
**EDUCATION**  
**SCIENCE & TECHNOLOGY**  
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UDIT KULSHRESTHA/GETTY IMAGES

**NUTS 'N BOLTS**  
Passenger vehicle sales  
fell 17 per cent in April



**AGENDA 2019**

**| ECONOMY |**

# REBOOT MODE

**A slowdown is staring the new government in the eye. The need of the hour is to act fast, and with precision**

**BY SHWWETA PUNJ**

**E**xpectations are running high because this is only the second time in nearly three decades that a majority government has been voted back to power. Ironically, this election played out with an economic slowdown brewing in the background. In fact, nearly all engines of the economy have slowed down. The 2018-19 fiscal saw new investment proposals down to Rs 9.5 lakh crore, the lowest in 14 years. And now even consumption, which has been a key driving force in the Indian economy, is declining. Industrial production has been slowing, the Index of Industrial Production (IIP) growth slowed to 3.69 per cent in the quarter ended December 2018 (in January, IIP fell to 1.79 per cent and, in February, it was even lower at 0.1 per cent). Some growth estimates suggest that India could even go below 7 per cent this year.

With slowing consumption, a challenged manufacturing sector, tight fiscal conditions and external trade under pressure, the task before the new government is daunting. The immediate economic priority should be to boost consumption and address weak farm demand. Giving rural growth a push by expanding the PM-Kisan scheme could be one measure. The government's goal of reducing the fiscal deficit to 3 per cent of GDP could be delayed further. The new government, though, is not expected to deviate too much from the path of fiscal consolidation. Market analysts say the RBI has kept liquidity short since September 2018 by nearly Rs 70,000 crore a day to control inflation. Lack of consistency in RBI's interest rate cycles and transmission issue of interest rates and credit availability have kept small and medium businesses on tenterhooks—small businesses are paying an interest rate of 10 per cent or more to raise funds. The large trade deficit with China is also weighing down India's manufacturing sector that is struggling under the onslaught of Chinese dumping. ■



EXPERTSPEAK



**“The government’s immediate priority will be to address the weak farm demand quotient, improve job creation and boost consumption. Policies may shift from a consumer bias (pro-inflation) to producer bias (protecting incomes). Growth momentum may improve by mid-to-late FY20”**

**RADHIKA RAO**  
Economist, DBS



**“In the first 100 days, the government has to act tough on Chinese dumping, transfer capital to PSU banks and pump in more money into the banking sector for better liquidity”**

**NILESH SHAH**  
Managing Director,  
Kotak Mahindra Asset  
Management Co Ltd

## THE 100-DAY PLAN

### WHY

- Credit offtake is in decline with several banks under ‘prompt corrective action framework’ for bad loans
- Consumption has taken a hit with a decline in demand for products across categories
- Industrial activity has slowed and several estimates suggest that India could grow below 7 per cent
- Private investment has been declining. The 2018-19 fiscal saw new investment proposals at Rs 9.5 trillion, the lowest in 14 years
- Chinese dumping has hit Indian industry
- There is evident rural distress and forecasts suggest a difficult monsoon and a water crisis

■ The GST quagmire has hit exporters, SMEs

### HOW

- The RBI commits to systematic liquidity surplus by cutting the CRR (cash reserve ratio) rate. A cut in CRR means banks are left with more money to lend or invest. More money gets released into the economy which may spur economic growth
- Recapitalisation of public sector banks and a 1 per cent rate cut by the RBI with an assurance that rate cuts will be announced as necessary will stabilise interest rate policy
- Credit support or backup funds for the Non-Banking Finance Companies to ensure

- they do not go under. Share of NBFCs in non-banking financing has dramatically declined from 22 per cent in FY18 to 1.5 per cent in FY19
- Some muscle-flexing is needed with China. A warning that if it doesn’t stop dumping, India will hike tariffs like the US
- A sectoral approach and removal of barriers holding investments down to spur private investment
- A NITI Aayog report points to a massive water crisis. If it’s a rain-deficient monsoon, the Centre will have to find ways to stem the crisis
- Delayed GST refunds and bill payments by the government for services used cannot be condoned

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SHEKHAR GHOSH



**REACHING OUT**  
A Zila Sahkari Bank mobile ATM in Bulandshahr, UP

# A CRISIS OF CREDIBILITY

Corporate governance slip-ups, bad loans, NBFC mess—the banking sector is in a churn

BY SHWWETA PUNJ

**T**he new government inherits a banking system that is broken in more ways than one. The sector is facing a credibility crisis with both public and private sector banks under the shadow of poor corporate governance. Diamond merchant Nirav Modi and his uncle Mehul Choksi allegedly defrauded Punjab National Bank to the tune of about Rs 12,000 crore. In the private banking sector, ICICI Bank former CEO Chanda Kocchar faces an investigation over alleged corporate governance malpractices. A recent RBI report says fraudsters looted around Rs 41,167 crore from the banking system in FY17-18, a rise of 72 per cent over the previous fiscal. A massive balance sheet clean-up exercise has forced banks to come clean on their finances and declare loans worth Rs 10.3 lakh crore, or 11.2 per cent of advances as of March 2018, as non-performing. Public sector banks account for nearly 86 per cent of the total Non-Performing Assets (NPAs). State-run banks are under stress because of the longer time taken in debt resolution and high levels of haircuts being taken by the lenders. This has dried up the availability of credit. ■

## THE 100-DAY PLAN

### Corporate misgovernance

#### WHY

■ Corporate governance issues have put banks' credibility at stake

#### HOW

■ The need is for deep reforms. A committee was set up by the government, but progress has been slow. Public sector banks need to create value for shareholders and become competitive

### Bad loans

#### WHY

■ High NPAs and the



**“Apart from regulatory actions, the main thing is to pull up the GDP growth rate”**

D.K. SRIVASTAVA  
Policy Advisor, EY India

crisis in the non-banking financial sector has dried up flow of credit

### HOW

■ Recapitalisation of banks must come with the onus of creating value. The government should refrain from debilitating regulation that can hurt banks' ability to take commercial decisions to disburse loans. More transparency is needed regarding the bankruptcy code and the haircuts banks are taking

### Survival issues

#### WHY

■ Among the 21 public sector banks of varying sizes, the smaller ones are struggling to survive

#### HOW

■ Several small banks are unable to spend on compliance and regulatory matters. These spends are crucial and public sector banks do not have a level-playing field. Consolidation will boost the capabilities of public sector banks



## THE 100-DAY PLAN



**ON SLIPPERY TURF**  
A footwear plant in Bahadarpur, Haryana

SHEKHAR GHOSH

### WHY

- The pain caused by demonetisation and GST persists and has come in addition to the hurdles MSMEs have been coping with in terms of ease-of-doing business
- Several big businesses have filed for bankruptcy and that has debilitated the entire supply chain by hitting smaller companies that feed the big businesses
- The financial sector is under heavy strain, which has dried up finance for MSMEs

### HOW

- Take immediate measures to simplify GST. Issues like a small error in the refund form has

- led to nearly the entire working capital getting stuck for several small companies, which don't have the expertise and wherewithal for GST compliance. A task-force should be formed to smoothen out the hurdles in implementation of GST
- Access to finance needs to be ensured by tackling the stress in the banking and the NBFC sectors
- The government should evolve a mechanism to treat the supplier companies of firms that have gone in for bankruptcy as financial creditors. It is difficult for small companies to take haircuts

## THE CASH QUOTIENT

Liquidity crunch, unfriendly policies have taken a heavy toll on the MSME sector

BY SHWWETA PUNJ

The Micro, Small & Medium Enterprises (MSMEs) sector literally forms the backbone of the Indian economy. Some 65 million MSMEs account for 120 million jobs. Two big policy moves by the Narendra Modi government have left the sector struggling. Demonetisation, which took out nearly 86 per cent of India's currency, dealt a liquidity blow to the MSMEs and hit their business. It was followed within months by the Goods & Services Tax (GST) that

required MSMEs to rejig their structure and put them under immense compliance burden. Shake-ups in the banking and non-banking financial companies space starved MSMEs of capital even as they battled infrastructure issues. All of this has taken a heavy toll on a sector that is the second largest job creator in the country. What's added to their woes are tighter Non-Performing Asset (NPA) norms by the Reserve Bank of India (RBI), which classify an account with the slightest delay in repayment of interest as a 'special mention account', making it tougher for MSMEs to get access to credit. MSMEs have been demanding that the RBI give them the same loan restructuring options that big business has enjoyed. Prime Minister Modi has announced measures to help ease up flow of credit, including approval of loans up to Rs 1 crore online, but the liquidity crunch is much deeper. There has also been a massive spillover effect of companies that have gone for bankruptcy, disrupting the entire chain of supply companies. ■



**ANIL BHARDWAJ**  
Secretary  
General,  
Federation of  
Indian Micro and  
Small & Medium  
Enterprises

EXPERTSPEAK

**“Competition and dumping from China is making it very difficult for small Indian businesses to compete. India needs to tackle China urgently. Credit from banks needs to ease as soon as possible”**



# REVVING UP THE GROWTH ENGINE

The sector needs a kickstart to raise its share in GDP and to generate much-needed jobs for the country's aspiring youth

BY M.G. ARUN



**MAKING A SUCCESS OF IT** The Honda Motorcycle & Scooter India plant in Manesar

**M**anufacturing has been the Achilles' heel of all central governments in India, including the present NDA regime. In its 2014 election manifesto, the BJP said it would focus on 'labour-intensive' manufacturing to create more employment opportunities in India. According to World Bank data published in 2017, even as early as 1960, the share of manufacturing in India's GDP stood at 15 per cent, and was a shade above 15 per cent in 2017. China, by comparison, saw manufacturing at over 29 per cent of its GDP in 2017. Crisil notes that Indian manufacturing's share in GDP has inched up to 18.2 per cent in fiscal 2018-19, from 17.2 per cent at the end of the UPA government's second term. The meagre increase of one percentage point in five years shows how much faster the manufacturing sector needs to grow if its share in GDP has to reach 25 per cent by 2022, a threshold India needs to achieve to compete with nations like China, the US, Japan and South Korea, as well as to generate enough jobs for India's aspiring youth.

With heightened US-China trade tensions, many see an opportunity for India to offer itself as a base to MNCs likely to leave China. We also have a chance to supply value-added manufacturing goods to developed markets, a segment China had been catering to so far. It won't be easy, given that India too is under the US radar for its allegedly high tariffs on American goods. ■

## THE 100-DAY PLAN

### WHY

- To get manufacturing to contribute over 20 per cent to GDP
- To provide much-needed jobs to India's aspiring youth
- To revive exports, especially of value-added products at a time when China is under pressure from the US on the trade tariffs front
- To revive the fortunes of the micro, small and medium scale enterprises (MSMEs), currently in distress and impacting lakhs of jobs
- To review the much-hyped 'Make in India' programme which failed to attract investment beyond a few mobile handset companies





SHEKHAR GHOSH

**EXPERTSPEAK**



**“Reviving manufacturing has to be done both by government and the industry. The government has to reduce transaction costs of all kinds, and create an atmosphere where industry is pushed towards a more egalitarian style of functioning”**

**R.C. BHARGAVA**  
Chairman, Maruti Suzuki

**HOW**

- Expedite progress of ease of doing business on the ground, especially in the areas of land acquisition, ensuring faster and simpler clearances. Ensure a lead role for states in reforms. For instance, only eight states have implemented the Land Acquisition, Rehabilitation and Resettlement Act (LARR), 2013. This is despite the Union government allowing states to amend LARR as per their specific requirements
- Focus on reviving MSMEs and improving supply chains to circumvent logistics costs in procuring raw material; improve rail,

- road and telecom connectivity.
- Identify key areas of growth in the global markets, and set up units that can compete in the global markets on product quality and cost-effectiveness. This would require a thorough evaluation of the opportunities and manufacture of products tailor-made for specific markets
- Establish industrial clusters that can lower the overall cost of production and provide better logistics; the proposed National Investment & Manufacturing Zones or integrated industrial townships can be a

- game-changer
- Thrust on private-public partnership aimed at skill development in the manufacturing sector, since lack of skilled workforce is one of its biggest drawbacks. Knowledge of new technology is imperative for modern manufacturing
- Subject public sector enterprises in manufacturing to a hard look. While they need more functional autonomy, they also need to be made accountable to their stakeholders. Many public sector firms are struggling with losses, bloated workforce and a casual attitude to productivity



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# WANTED: NEW PORTS OF CALL

A global slowdown, new US restrictions and an SME segment in crisis are immediate challenges

BY M.G. ARUN

FRÉDÉRIC SOLTAN/GETTY IMAGES



ALL AT SEA A container ship at the Cochin port, Kerala

# T

The continued global slowdown and the increasing share of services in GDP means that growth in merchandise exports from India has been steadily slowing. It fell to an anaemic rate of 1.7 per cent per year in the past five years, impacting performance of export-oriented firms and even job creation. Since 2011-12, India's exports have stayed at around \$300 billion. Global export volumes, too, saw a slowdown in this period.

With slowing global demand, exports have been largely sluggish, except in fiscal 2018-19 when they picked up on a low base, easing of constraints posed by GST implementation and the lingering

tailwind of a global trade revival in 2017, says Crisil. The NDA regime has coincided with the falling intensity of trade in global growth and rise in protectionism, it adds. Recently, the United States withdrew special duty benefits for \$5.6 billion of Indian exports, escalating differences over trade between the two countries. India says this would make little difference to it, citing the low level of exports under the concessional regime.

US commerce secretary Wilbur Ross, on a recent visit to New Delhi, said India had "overly restrictive market access barriers" and that the average applied tariff rate was "the highest of any major world economy", which many read as a sign of impending pressure from the US to reduce Indian tariffs. ■

## EXPERTSPEAK



**"India has to find alternatives to replace the export promotions schemes challenged by the US. Else, it'll put the country on a weak wicket in global exports"**

**AJAY SAHAI**  
Director-general,  
Federation of  
Indian Export  
Organisations  
(FIEO)

## THE 100-DAY PLAN

### WHY

■ There is a serious liquidity crisis among exporters, especially the SMEs. Since banks are reluctant, they end up borrowing from lending institutions, raising costs. GST, with its taxes paid upfront, has not helped. With returns delayed, payments are blocked for 3-4 months

■ A number of India's export promotion schemes have been challenged by the US

■ India spends little on R&D, making us lag in innovative products in export markets

### HOW

■ Bring exports under priority lending segment, so that banks lend more to SMEs, especially the gems and jewellery segment

■ The GST Council has to implement the e-wallet (electronic wallet) scheme, in which exporters would be credited with virtual currency by the Directorate General of Foreign Trade (DGFT). This can be used by exporters to make GST payments on goods imported or procured by them so that funds are not blocked

■ Alternative schemes needed for export promotion to counter the US challenge on existing ones

■ Increase funds for market access initiatives from Rs 300 cr to, ideally, Rs 4,000 cr. SMEs will benefit

■ Exporting firms should be encouraged to invest more in R&D activities through tax concessions



# THE TIME TO REBUILD IS NOW

Sops in the Union budget, a fall in home loan rates and recent GST rate cuts could revive the sector

BY M.G. ARUN

**T**he Rs 8 lakh crore real estate sector has been going through a lot of pain. First battling falling demand and later going through the twin disruptions of demonetisation and Goods and Services Tax (GST). A sector that has traditionally been a safe haven for parking illegal money, real estate has seen some purging with the implementation of the Real Estate (Regulation and Development) Act. However, even lower prices have not been able to bring the buyers back into the market as expected, resulting in high level of unsold units across the country. But this could change. The sops in the union budget, coupled with the slight fall in home loan rates and the recent GST rate cut for both affordable and premium homes, are slated to accelerate the momentum of the sector. ■

## THE 100-DAY PLAN

### WHY

■ Slowing consumer demand has led to inventory backlog. As many as 440,000 housing units were unsold in seven major cities at the end of 2017, with Delhi NCR's contribution being the highest at

over 150,000 flats. The revival thereafter has been quite slow

■ Demonetisation, implemented in November 2016, slowed investments in the sector as cash payments were hit. The sector faces a

liquidity crunch, with banks reluctant to lend to some projects and developers reined in by the Real Estate (Regulation and Development) Act (RERA) from diverting funds to other projects

■ Overall stress in the economy and other sectors has made buyers more cautious, resulting in a dip in sales over the past few years.

### EXPERTSPEAK



**“The reforms in real estate will be complete with the Benami Properties Act. Once that is in place, the government should declare the real estate sector as an industry so that the cost of capital comes down by 2 per cent to 2.5 per cent”**

GULAM ZIA

Executive Director, Knight Frank India

### HOW

■ In a bid to boost home sales, the government has exempted gains made on home sales from long term capital gains tax. It has also increased the period of exemption for notional tax on unoccupied units from the existing one year to two years. The fruits of these will reflect gradually in the segment

■ Banks should step up lending to real estate projects on a case-by-case basis, so that real estate firms will have to rely less on non-banking financial companies (NBFCs) and housing finance companies to raise debt financing

■ Boost confidence of buyers in the real estate market. Already, measures like RERA have brought in more transparency in the sector, reflected in a gradual revival of sales





# TIME FOR TOUGH SOLUTIONS

Despite the major peak in highway construction, the NHAI, low on funds, faces many challenges

BY M.G. ARUN

**T**he Indian road network, with 130,000 km of national highways, carries around 65 per cent of the total freight traffic. An increase in the pace of award and execution during fiscal 2018, acceptability of the toll operate and transfer (TOT) model among investors and the favourable features of the hybrid annuity model (HAM) gave a boost to investor confidence in the sector. HAM replaced the build-operate and transfer, or BOT, model. This reduced the traffic risks and the National Highways Authority of India (NHAI) ensured 40 per cent annuity returns. Since then, more than 100 projects were allocated—highway construction speed peaked from 10 kilometres daily in 2013-14 to 26-29 kilometres in 2017-18 and a large part of 2018-19. However, the sector still faces challenges. ■



**“The new government should focus on large scale monetising of existing assets. Also, there should be a focus on safety and service. There should also be greenfield road projects to improve intercity movement”**

VINAYAK CHATTERJEE  
Chairman,  
Feedback Infra



**“If we say we want to bring in private money, we cannot be selective about it. We cannot just have it in power and not roads”**

VIJAY CHHIBER,  
Former roads  
secretary

## THE 100-DAY PLAN

### WHY

- Difficulties in achieving financial closure of HAM projects of 2017-18 and reduced bidding by developers due to a large number of unfinished projects and a limited contractor capacity
- Increase in cost of land acquisition (up from Rs 1.3 crore per hectare in 2015 to Rs 2.8 crore in 2018), has increased NHAI's funding requirements

■ The government will have to limit its off-balance sheet borrowings to finance road projects and seriously consider an alternative infrastructure financing model

### HOW

- Enhancing lenders' confidence by roping in firms with demonstrated execution capability
- NHAI has to help state gov-

ernments increase the pace of land acquisition by providing manpower and tracking their progress regularly

■ By approaching projects on a case-by-case basis and going for tougher solutions, like injecting fresh equity (from NHAI) and securitisation of completed projects

■ Bringing competitive bidding, which is 30-40 per cent cheaper, as is done for power projects, to roads as well

CHANDRADEEP KUMAR







**AIR BORNE** Indians have acquired the reputation of being 'jet-setters'

**AVIATION**

## JET, SET, DO

The new government will have its hands full with Jet Airways and Air India in need of urgent action

BY SHWWETA PUNJ

**E**ven as some of India's major airlines, Jet Airways and Kingfisher have shut down, Indians have acquired the reputation of having become jet-setters. India crossed the 100 million flier mark in 2016-17 and is set to become the third largest aviation market by 2025. Schemes like UDAN have resulted in airports being built in far-flung areas. However, the new government will have to deal with several issues urgently. The first being the Jet Airways crisis. Once India's

largest private airline, it threatens to go under if it doesn't find a new owner.

The government will also have to start afresh on the disinvestment of Air India, a promise made by Prime Minister Narendra Modi's government. Earlier efforts to disinvest failed for multiple reasons, the most recent being that the terms offered by the government were not lucrative enough for investors. The government also faces the task of meeting its Rs 90,000 crore disinvestment target in the current fiscal, for which it will have to move fast to bring its strategic sale plans for Air India to fruition. ■

**EXPERTSPEAK**

**"You have a high taxation rate and poor infrastructure on account of which airlines are going under. Aviation turbine fuel should be brought under GST"**

**DHIRAJ MATHUR, Former Partner and Leader, National Aerospace and Defence, PwC India**

### THE 100-DAY PLAN

**WHY**

- The Jet Airways crisis looms large. Even as the government has said that they will not bail out the airline, they still have to take crucial decisions on flying rights given to other airlines in the slots earlier held by Jet Airways
- Air India disinvestment, a crucial promise made by the Modi government, is also symbolic of its commitment to deliver on its promise of minimum government and maximum governance

**HOW**

- Take decision on slots and traffic rights allocated to other airlines in the light of the Jet Airways crisis. If Jet Airways is resurrected, who will retain those rights? And what will be the future of Jet Airways for the various shareholders?
- The allocation of six projects for airport privatisation won by the Adani Group has been marred by controversy. Will they be re-allotted?
- Move forward with the disinvestment of Air India
- Implement the drone policy formulated in 2018
- Move UDAN forward in terms of flight connectivity and completion of new airports





# GETTING ON A PRIVATE TRACK

Most economists believe that modernisation and commercialisation of the railways are essential

BY ANILESH S. MAHAJAN

SANJEEV VERMA/GETTY IMAGES



**TRAINSPOTTING** The Vande Bharat Express, India's first semi-high speed train

India spent the past five years contemplating ways to set up a holding company for the Indian

Railways and make all its public sector undertakings (PSUs) its subsidiaries. This requires several reforms proposed by the NDA regime to take shape, but since the initial step of merging the railways budget with the country's general budget, the NDA has developed cold feet. At present, the ministry of railways is a separate entity, but most experts believe that India, like most countries, must have a single transport ministry at the Union level. This would bring flexibility and efficiency, commercially and operationally. This step could, however, upset the unions, who see this as a backdoor entry for private players and a threat to their jobs.

Now, a big infrastructure push for dedicated freight corridors (DFCs) is being made, which would allow segregation of slow-moving freight from mail and express trains. The rolling stock and locomotives are being replaced with more efficient and modern versions and administra-

tive reforms—restructuring of the railway board, decentralisation of decision-making—has started taking shape. The new government is in a much better position to push this reform of turning the railways into a PSU, allowing an increase in private investments in this sector.

In the past two decades, reports by panels led by eminent economists and technocrats, like Bibek Debroy, Rakesh Mohan and Sam Pitroda, have pointed to the modernisation and commercialisation of the railways.

In 2013, the challenges faced by China in this sector were identical to India's, but changes have been slow compared to our neighbour's progress. In India, the railways is also bound by the social obligations of providing a cheap transportation for the poor.

In 2017, the cabinet approved the formation of a Railway Development Authority to level the playing field for private investors to step in. If the new government wants to encourage private players to own locomotives and run commercially viable passenger and freight travel, the railways is required to make its PSUs its subsidiaries. This is a big task for the new government, but doable. ■

## EXPERTSPEAK



**BHARAT SALHOTRA**, Former MD, Alstom Transport, and Former Railway Services Officer

**"Railways must run like a corporation, with a deeper understanding of the market, competition and its own capabilities"**

## THE 100-DAY PLAN

### WHY

- Movement of freight (24 km/hr) and passenger (50 km/hr) trains among the slowest compared to peer countries
- Indian freight fares are among the costliest globally, while the passenger fare is the cheapest
- The railways is unable to increase revenues to match expenditure. The operating ratio has remained above 90 per cent for many years.

### HOW

- Appointment of a Railway Development Authority will allow price regulation of both freight and passenger trains
- Opening up to private investment, to allow ownership and operations of freight terminals
- More 'Vande Mataram' coaches to replace premium trains
- More DFCs by 2019 end and more bullet trains are expected





# WANTED: A BOOST FOR ENERGY

Poor realisation of bills, mounting debts of discoms and providing power supply in a sustainable manner are key challenges for the government

BY ANILESH S. MAHAJAN



**POWER GRID**  
Poor payment realisation makes electricity supply unviable

CHANDRADEEP KUMAR

**U**nder the PM Sahaj Bijli Har Ghar Yojana, discoms were pushed to connect all households across the country, except the 19,281 homes in the Naxal hotbed of Chhattisgarh. In October 2018, Bitah in Bihar was one of the last villages in the state to be declared completely electrified. But officials at the South Bihar Electricity Distribution Company (SBEDCL) were worried. Rural electrification had increased power consumption in Bihar by more than 10 per cent. In contrast, the national average growth was 3.5 per cent. In fact, Bihar saw a rise in power consumption from 1,522 MW in 2012-13 to the peak load of 5,193 MW in 2018. Simultaneously, it also witnessed poor payment realisation, which not only makes the electricity supply unviable but also causes delays in the other

reforms in the sector. Only 78 per cent of the consumers in the state pay for their electricity consumption. The two discoms in Bihar have recorded AT&C losses at 36.34 per cent, with financial loss of Rs 0.46 per unit. SBEDCL has two tasks at hand: look for more connections with commercial activities and realise electricity bills. The situation is equally bad in Uttar Pradesh. Topping the 'to do' list for the new government is the enactment of the amendments in the electricity Act. The bill faced opposition from the unions at the discoms that saw it as a backdoor entry to private players in the sector. There is, however, a consensus that competition will accelerate the operational efficiencies and commercial operations of the discoms. The discoms also need to induct private players to assist them in not only ensuring last-mile connectivity but also delivery and realisation of bills. ■

## THE 100-DAY PLAN

### WHY

- Need to ensure 24x7 electricity supply to all units (commercial and households) in a sustainable manner
- In the past five years, the electricity sector has seen only piecemeal reforms. India requires an overhauled and sustainable energy policy

### HOW

- Second-generation distribution sector reforms are required to bring in operational efficiencies
- The amendments in the electricity Act require final clearances of Parliament; provisions such as segregating the content and carrier are critical
- AT&C losses are high, making the cost of electricity supply high; this needs to be brought down
- We need changes in policy to push solar-based energy; market-linked pricing via reverse bids is the need of the hour

### EXPERTSPEAK



**"Distribution companies can become efficient by segregating content and carrier and allowing franchises to assist in commercial operations"**

**SANJAY BANGA,**  
CEO,  
Tata Power-DDL



**ROADBLOCKS**  
Cumbrous regulations discourage start-ups

NILOTPAL BARUAH

**START-UPS**

# STEP UP FOR START-UPS

A dearth of an encouraging eco-system makes India a difficult country for start-ups

BY M.G. ARUN

**T**he IT industry body Nasscom estimates that over 1,200 technology start-ups are born in India every year. The reason behind this is twofold—one being stunted career

growth in large companies and the other being technology enabling speed and efficiency in new ventures like never before.

The goal behind Startup India, rolled out by the Centre in January 2016, was to encourage start-ups by providing them tax exemptions and to nurture an ecosystem for making India a lucrative destination for start-ups. Startup India established a fund of Rs 10,000 crore to be managed by

the Small Industries Development Bank of India (SIDBI), to establish incubators, introduce self-certification and offer tax exemptions, all aimed at promoting new enterprises. However, three years on, the story is not as upbeat as one would expect. Although 14,036 firms have been recognised as start-ups by the Department of Industrial Policy

and Promotion (DIPP), as of November 2018, only 91 start-ups have been approved to avail tax benefits.

Although India's rank in the World Bank's Ease of Doing Business 2019 survey climbed 23 places to 77 among 190 countries surveyed over the past year, much more needs to be done to instill confidence in start-up firms. ■

## THE 100-DAY PLAN

### WHY

- Regulatory processes in India are extremely cumbersome, leading to most funded tech start-ups redomesticating outside India
- Dearth of an eco-system that provides succour in early stages
- A start-up needs to liaise with many agencies before it can take wings. Plus, the economic environment is unkind to a start-up's "failures"

### HOW

- We need to move away from the mentality of "registering" firms. Government needs to provide access to capital and enable ease of doing business
- A favourable tax regime for safeguarding intellectual property rights and reduced tax burden is required
- Start-ups need to be provided access to government projects

## EXPERTSPEAK



**"The new government should make big changes on the tax front for start-ups... They need tax exemptions at least for five years"**

**SHANTANU DESHPANDE,**  
Founder, Bombay Shaving Co.





# LABOURING ON REFORMS

Consolidating labour codes and better implementation of labour laws is essential

BY SHWWETA PUNJ

**L**abour reforms have been a political hot button that only governments with absolute majorities can take up. Labour reforms are integral to generating jobs and economic activity in the form of manufacturing. Currently, there are 40 state and central laws regulating different aspects of labour—wages, bonus, working conditions and industrial disputes, among others. There have been many recommendations to consolidate these laws. A Code on Wages Bill was introduced in the Lok Sabha in August 2017, which consolidated four labour codes on wages—industrial relations, social security and welfare, occupational safety and health and working conditions. The bill is with the Standing Committee on Labour now.

In 2019, the government is expected to pick up speed on pushing through these crucial reforms. The code mandates mini-

mum wages for all types of employment, whether in the organised or in the unorganised sector. The unorganised sector is nearly 92 per cent of the workforce, a majority of whom are not under the minimum wage act. The code also fixes the overtime rate at twice the current wage rate, even as international organisations recommend that overtime should be 1.25 times the regular wage. The code also contains a specific provision to prohibit gender discrimination in wages. India also has a problem of surplus labour that is unemployable and labour laws have been a deterrent for companies to expand their labour force. Add to that the impact of demonetisation severely felt in the cash-intensive unorganised sectors. The All India Manufacturers' Organisation in a survey of job losses in December 2016 reported 40 per cent and 32 per cent job losses in the age groups of 40-55 and 22-30 years respectively in the first 50 days of demonetisation. ■

VIKRAM SHARMA



**STILL WAITING**  
India has a problem of surplus unskilled labour

## THE 100-DAY PLAN

### WHY

- India has a problem of surplus and unskilled labour
- Lack of a structured approach towards implementation of labour laws has led to several blatant violations
- Growth of trade unions has stymied some productive sectors. Increase in hiring costs has hurt labour-intensive sectors
- India's female labour participation rate is one of the lowest in the world—23.7 per cent in 2011-12, compared to 61 per cent in China and 56 per cent in the US

### HOW

- Move swiftly on the passage of Code on Wages Bill, 2017
- Ensure adequate processes for better implementation of labour laws
- Increase female labour force participation
- Encourage formalisation of labour force by training, skill development and easing industrial relations

### EXPERTSPEAK



**“Replace 44 laws with four labour codes while ensuring that laws become citizen-centric and not obstacles in creating new jobs”**

**SHANKAR AGGARWAL**  
Secretary, Ministry of Labour and Employment



**INTO THE SUNSET**  
The IAF's MiG 21FL jets during a phaseout ceremony in Kalkkunda, West Bengal

DIBYANGSHU SARKAR/GETTY IMAGES

## THE 100-DAY PLAN

### National security doctrine

#### WHY

India lacks a national security doctrine to guide planning and acquisitions for the forces

#### HOW

This doctrine is being worked upon by a committee headed by National Security Advisor Ajit Doval

### Infrastructure on China border

#### WHY

To enable the army to rapidly move troops and equipment to the border

#### HOW

Seventy-three Indo-China border roads along the northern borders were approved for construction in 2006. Only 27 roads have been completed; the rest are due by December 2022

### Appoint a chief of defence staff

#### WHY

To act as the single-point advisor to the government and begin the process of integration of armed forces

#### HOW

Start movement on the proposal that was sent to the Prime Minister's Office a year ago



AGENDA 2019

| DEFENCE |

# BITE THE REFORMS BULLET

Optimising budget spending and reviewing equipment acquisition are the need of the hour

BY SANDEEP UNNITHAN



**"A critical damage control would be the early selection of a defence minister who is technology-savvy and committed to national security reform"**

ADMIRAL ARUN PRAKASH (RETD)  
Former Chief of Naval Staff

EXPERTSPEAK

**O**ne of the unfinished agendas of the Narendra Modi government's first term is the reform and restructure of the defence ministry and the armed forces. The ministry is in the grip of a revenue-capital trap. It is spending more money on the revenue side—pensions and salaries—than on capital, i.e., acquiring defence hardware. This has a direct bearing on the combat efficiency of the armed forces.

All three services have a long list of pending acquisitions. The air force, for instance, needs at least 100 new fighter aircraft to replace its ageing MiG-21s. Each fully loaded fighter jet would cost at least Rs 350 crore. The navy needs new submarines and the army new tanks.

An easy way out would be to increase the defence budget, but this seems unlikely as defence already makes up over 16 per cent of central spending. The only option is to economise budgets and do a hard-nosed review of defence requirements. Do the services need 17 commands with overlapping responsibilities? Does the navy need a third aircraft carrier? If it's clear that India's future wars will be along the disputed boundaries, all of which are in altitudes over 11,000 feet above sea level, why aren't the army and air force equipping themselves for it? Most importantly, the ministry urgently needs a full-time defence minister with a full term in office to push critical reforms. ■





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# A TOUGH NEIGHBOURHOOD



BY SHYAM SARAN

**D**ESPITE SEVERAL CHANGES IN GOVERNMENT over its 72-year history as an independent nation, India's foreign policy has displayed more continuities than departures. Successive leaders may have brought changes in style or emphasis, but each has had to function within parameters set by India's own relative power vis-à-vis other states and the changing geopolitical landscape within its own neighbourhood and beyond. The challenges Prime Minister Narendra Modi faced were not much different from what previous prime ministers did. He did not change the basic direction of India's external relations, but pursued some relationships and policies with greater vigour and personal engagement.

There is the perennial issue of Pakistan and its use of cross-border terrorism as an instrument of state policy. China remains the biggest foreign policy challenge for India and the asymmetry in economic and military capabilities between the two Asian giants is expanding rather than shrinking. Confronting China wherever India's interests are threatened is one part of managing China. Working together on issues of convergent interest with it is another and the two aspects need to be kept in balance. India's subcontinental neighbourhood is the most critical for India's national security and here the inroads that China is making by deploying resources far greater than India can is eroding the country's dominant position. The Gulf and West Asia continue to be important for India's energy security, for the welfare of the six million Indians who live and work there and because sectarian conflict in the region can have spillover effects on the fragile multi-religious fabric of the Indian state. This set of challenges will remain for the successor government. But they may manifest themselves in different ways

and demand appropriate responses.

The new government will have to grapple with the depressing reality of China significantly outpacing India in virtually all categories of national power—economic, military and now, technological. India's diminishing room for manoeuvre vis-à-vis China is a reality. The steady penetration of Chinese presence in our immediate neighbourhood through the use of economic levers, which we are unable to match in scale and speed of delivery, will test Indian diplomacy. The impact of the long-standing China-Pakistan alliance will become more lethal and further constrain India. There is a very real threat of China succeeding in its continuing effort to tether India to the subcontinent and prevent its projection of influence in

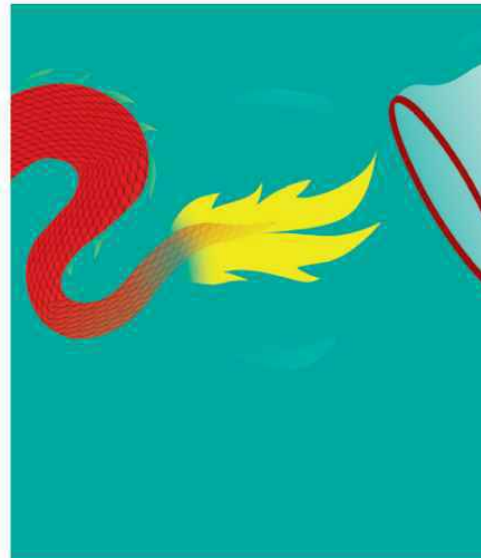


Illustration by SIDDHANT JUMDE



the region and beyond.

What this points to is a far greater and sustained focus on our professed “neighbourhood first” policy. There has to be much more regular political-level engagement and a deliberate policy of expanding the density of economic and trade relations with neighbours. We have the advantage of proximity in promoting economic relations, but this also requires investment in both physical connectivity and efficient passage of goods and peoples across borders. India must become the transit country of choice for all our neighbours leveraging its considerably advanced transport infrastructure which is also improving steadily. In addition, we should leverage the strong cultural affinity we enjoy with our neighbours, which China lacks. While our economic cooperation programmes in our neighbouring countries do not match China’s, they are significant. But our delivery on commitments is poor and China scores on this point too. There is an urgent need to set up an autonomous economic cooperation agency under the overall direction of the ministry of external affairs to ensure that India’s credibility as an economic partner does not suffer in comparison to China.

Confrontation with Pakistan is a major constraining factor on India’s external relations. As long as Pakistan enjoys a strong Chinese shield and the US seeks Pakistani support for its withdrawal from Afghanistan, India’s efforts to isolate Pakistan internationally will have only limited success. On the other hand, rising tensions between India and Pakistan bring back the hyphenation

between the two countries and invites meddling by outside powers. The new government must see a way to bring about relative normalcy in state-to-state relations with Pakistan without giving up the focus on terrorism. There may be some opening available because Pakistan is uncomfortable with its heavy and almost singular dependence on China driven by its hostility towards India. The opportunity of a summit with Imran Khan at the forthcoming Shanghai Cooperation Organisation (SCO) summit should not be lost.

The new government must continue to strengthen relations with the US, Japan, Australia and Southeast Asia as part of countervailing and constraining Chinese power. There should be less inhibition in further crystallising the Quad as a consultative forum on security cooperation. This should remain short of a full-fledged military alliance, but its value to India must be acknowledged. Australia should be invited to the next round of the Malabar naval exercises. Balancing relations with China and the US will become more difficult as the two major powers descend from competition to confrontation, but India must resist pressures to join an emerging containment ring around China. It is also important to remain engaged with Russia which continues to be a major and friendly power. It should not be seen as irrevocably committed to its current alignment with China.

**D**eepening relations with Europe, particularly with Germany, which is now the most powerful country in the continent, must continue to be on our foreign policy agenda even as Europe disappoints due to its inability to prevent the ongoing fragmentation of the European Union. Africa and Latin America will remain regions of interest, both for their economic potential and for imparting a global reach to India’s foreign policy. However, to sustain an expansive foreign policy, India will need to expand its paltry foreign service corps and deploy more resources to the pursuit of its external relations.

Despite the unpredictability of Trump, India-US relations have been consolidated and defence and counter-terrorism cooperation has expanded. The weak point lies in a contested economic and trade relationship and this will need urgent attention of the new government. India has been a major beneficiary of globalisation and of a more open trade and investment regime. The temptation to walk back from this must be resisted because this will push India further towards the margins of the global economy, reduce its political leverage and put paid to any prospect of catching up with China. ■



**The new government must continue to strengthen relations with the United States, Japan, Australia and Southeast Asia as part of countervailing and constraining Chinese power**

*Shyam Saran is a former foreign secretary and is currently Senior Fellow, Centre for Policy Research*

MANDAR DEODHAR



**WATCHFUL** Police commandos on a combing operation in Gadchiroli, Maharashtra

**J&K poll**

**WHY**

■ Election in the state could mitigate the internal unrest

**HOW**

■ Election will have to be called soon after the Amarnath yatra ends

**Countering ISIS**

**WHY**

■ The bombings in Sri Lanka by members of an ISIS-affiliated network are an ominous portent

**HOW**

■ Unearthing links with the Lankan ISIS cell and keeping a vigil on potential Indian radicals who might want to carry out similar attacks

**Utilisation of funds and curtailing costs**

**WHY**

■ Underutilisation of funds has been a constant worry for the MHA. Last year, nearly 25 per cent of the Rs 2,066 crore modernisation funds were unutilised

**HOW**

■ Study ways to bring down personnel costs by using technology and speeding up projects like the Rs 20,000 crore Comprehensive Integrated Border Management scheme projected to cover 1,800 km of the international border

**KASHMIR FIRST**

Conducting polls in J&K, reclaiming the red territory and anticipating terror attacks will be the priority of the new government

BY SANDEEP UNNITHAN

The election in Jammu and Kashmir is going to be the first priority for the new government. The insurgency-hit state has been under President's rule for the past five months and was under Governor's rule for six months prior to that. With the Amarnath yatra on and the heavy deployment of security forces personnel, it is unlikely that election will be held before July, when the yatra ends. Two other internal security threats needing immediate attention are the Maoist problem and radicalisation by ISIS. Maoists have once again gained the upper hand with violent attacks in Maharashtra and Chhattisgarh. India has so

far successfully managed to curtail the Islamic State's domestic influence but, as the Sri Lankan bombings so close to India's shores suggest, it is not immune to similar attacks.

The ministry has a welter of unfinished schemes like the Crime and Criminal Tracking Network and Systems (CCTNS) and NATGRID or National Intelligence Grid database. These are critical in tracking the movements of terrorists and sharing intelligence among police forces. The ministry will also have to resolve unrest arising from the National Register of Citizenship (NRC) and the Citizenship Amendment Bill in Assam. ■

EXPERTSPEAK



AVINASH MOHANANEY  
Former DGP  
Sikkim

**"Holding free, fair, peaceful, credible and participative assembly election at the earliest, and the peaceful culmination of the Amarnath yatra in Jammu and Kashmir should be the top priority for the new government. This would help bring down the tempers in the Valley to some extent"**



GOPAL PILLAI  
Former Home  
Secretary

**"Making the police force more professional, strengthening the intelligence network through implementation of CCTNS and NATGRID, and reforms in the criminal Justice system should be the top three priorities"**



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# BREAKING NEWS

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# REVAMPING THE BABUDOM

Lateral entry of professionals in administrative posts has to be institutionalised for more transparency and efficiency

BY UDAY MAHURKAR

**T**he Modi government has done a good job of dismantling the transfer-posting raj, streamlining the 32 All-India services, including the IAS, and culling the best available talent. The aim has been to recruit individuals who combine honesty, efficiency and expertise. It has ended the domination of the IAS; merit has become the driving factor. As a result, officers empanelled for postings in Delhi from non-IAS services have now doubled from 83 to 167. And the credit goes to the Prime Minister's Office (PMO) for creating a level playing field.

Lateral entry was another reform wherein professionals were inducted in central ministries/ departments as joint secretaries. The grievance redressal system at the PMO, too, has been overhauled. File disposal is faster despite the fact that the PMO now gets nearly two million requests annually from a hundred thousand a year earlier. However, driven by the missionary zeal of the PMO, these mechanisms need to be institutionalised now.

However, if there is one thing yet to be fulfilled, it is the promise of "minimum government, maximum governance" in disinvestment. Against less than a lakh crore of disinvestments during the UPA's decade-long rule, disinvestment in the Modi years has been Rs 2.8 lakh crore. Many white elephants, starting with Air India, are yet to be privatised. In other cases, privatisation has been only in name because the buyers are bigger PSUs. Disinvestment plays a key role in resource allocation, particularly for welfare schemes. Monetisation of lakhs of acres of government land lying with various ministries, like the railways or defence, is also pending.

The system of e-offices wherein the offices of central ministers handle their files only on computers, needs to be extended to states as well, to make decision-making faster and file disposal three times quicker. "We have a long road-map on all these issues with an ambitious 100-day plan," says P.K. Mishra, chief principal secretary to the PM. "There will be greater speed than before when it comes to bureaucratic and administrative reforms." Says disinvestment secretary Atanu Chakravarty, "We have the blueprint ready for strategic investment. Now it will be implemented in right earnest." ■



## LENDING AN EAR

A public hearing camp in Panna, MP



## EXPERTSPEAK



**“The bureaucratic reforms so far have been excellent. But the 360° inquiry process for empanelling bureaucrats in Delhi needs more objectivity”**

**SUMIT BOSE**  
Former Union Finance  
Secretary



**“The government now has to concentrate on strategic disinvestment where not much headway has been made because of the challenges that lie in the path”**

**RAVI MATHUR**  
Former Union  
Disinvestment  
Secretary

## THE 100-DAY PLAN

### WHY

Need to further streamline bureaucracy and induct more external talent via lateral entry

Need to institutionalise promotion avenues for non-IAS officers

Grievance redressal system needs to be institutionalised for quicker and efficient redressal. PMO-driven currently, a system has to be evolved and introduced

Strategic disinvestment process needs to be speeded up for better resource allocation and optimum use of resources in a situation where demand exceeds supply in terms of funds

Government land needs to be better monetised to fund welfare schemes. Current pace too tardy

### HOW

Currently, reforms in the bureaucracy, including lateral entry, are PMO-driven. They need to be institutionalised through a dedicated system

Induction in bureaucracy via lateral entry needs to be expanded exponentially to inject efficiency

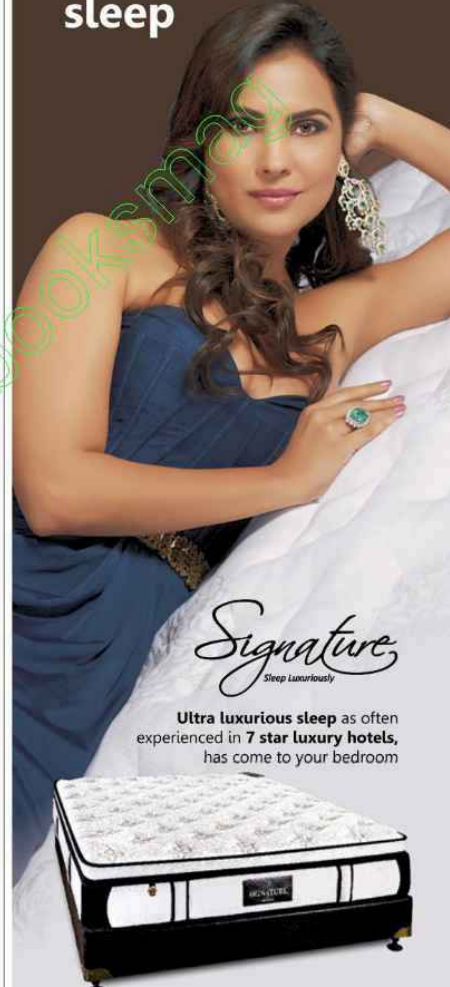
into the system. There is certainly enough room for such expansion as India's ratio of government servants to population is among the poorest in the world. This will ensure that the strength of the All-India Services remains unaffected

Disinvestment of Air India and other big PSUs needs to be speeded up to get the government out of loss-making enterprises and to trim expensive human resource. A ban also has to be put on sham disinvestment where one loss-making PSU is bought by a profit-making PSU. It should be disinvestment in the strictest sense

Trim the size of the bureaucracy to make it less unwieldy and more efficient

Grievance redressal is currently PMO driven and not as fast as one would want. Now a system has to be evolved to ensure that when the complainant drops his first complaint to the PMO it will automatically go to the concerned departments one it is fed into the system.

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# CLEARING THE CLOGGED ARTERIES



BY ARVIND P. DATAR

**T**HE NEW UNION MINISTER FOR LAW AND JUSTICE will have a daunting task, as the nation enters the third decade of the 21st century. Almost 40 per cent of the sanctioned strength of high court judges remains vacant. The National Judicial Data Grid indicates that 4,326,067 cases are pending in the high courts and 30,741,189 cases in the lower courts. And years of abject neglect left the tribunal system in tatters.

The events of the last few years should not eclipse the enormous good work done by the Supreme Court and the high courts over the past seven decades. The basic structure doctrine evolved in 1973 has ensured that India will continue to be a democracy. The courts have done us proud by preventing deforestation, stopping illegal mining, limiting reservations to 50 per cent, and checking other executive excesses and apathy by giving access to justice through public interest litigation (a unique contribution of India).

It is suggested that the administration of justice should be strengthened by a series of immediate and long-term measures that should be applied to the Supreme Court, the high courts, tribunals and to legal education.



Illustration by SIDDHANT JUMDE


## Supreme Court

The first step is to have a new Memorandum of Procedure (MoP) to ensure a smooth functioning of the Supreme Court collegium. In December 2015, the Supreme Court was told that a new MoP would be prepared in consultation with the Chief Justice of India. Nothing was done. The new MoP must provide for at least the following:

Fixed time limits at all levels to complete the appointments to the Supreme Court and high courts. Once the names are recommended by the Supreme Court collegium, the ministry of law and justice should submit its objections within four weeks. If the collegium reiterates the names of the proposed candidates after duly considering the objections, the warrant of appointment must be issued within two weeks thereafter. This will eliminate the unhealthy practice of completing the appointment process within weeks for some and delaying it for months for others.

The names recommended by a high court collegium must be confirmed by the Supreme Court unless there are serious objections, which must be put to the candidate. There have been several instances where outstanding candidates recommended by the high courts have simply been rejected by the Supreme Court collegium for no fathomable reason.





**The past decades have lamentably shown that ministers of law and justice may come and go, but the problems of arrears and judicial vacancies continue forever**

No appointment should be made if serious allegations have been made against any proposed name. These must be thoroughly inquired into, as a judge, once appointed, cannot be removed except by impeachment. Such an independent inquiry is particularly necessary where the objections have been made by a sitting or retired judge, by an affidavit or in media reports that remain uncontroverted.

In the long-term, it's necessary to abolish the collegium system at the Supreme Court and replace it with a new National Judicial Appointments Commission (NJAC) as recommended by the Venkatchaliah Committee in 2002, and not as by the horribly drafted Constitution (99th Amendment) Act, 2014. The NJAC alone should make appointments to the Supreme Court and confirm or reject the recommendations made by the collegia of various high courts, which can and must continue to function.

### **High Courts**

The first imperative short-term measure is filling up the 400 vacancies that exist in various high courts. The second step is to appoint retired judges as ad hoc judges under the rarely used Article 224 A. Both these steps should be first taken in high courts where the shortage is acute.

In the long term, there has to be a state-wise plan to tackle the system of arrears. It is significant that 50 per cent of the arrears are from four high courts: Allahabad, Madras, Punjab and Haryana, and Rajasthan. And 50 per cent of the arrears, about 16 million cases, in the lower courts are also in just four states: Uttar Pradesh,

Maharashtra, Bihar and West Bengal. It is for the Centre to partner with individual states and try to reduce the arrears by dealing with the peculiar needs of each state. The vacancies in the subordinate courts are equally alarming.

### **Tribunals**

Several subjects which were the domain of the high courts continue to be shifted to an ever-increasing number of tribunals. These are created in haste and then allowed to languish without adequate infrastructure and manpower. The vacancies in the consumer courts and the green tribunals, to quote just two examples, are alarming, leaving the common citizen with no forum to redress his grievance. Therefore, the three short-term measures are: first, fill vacancies, preferably with members having the domain expertise; second, provide adequate infrastructure; and third, shift all tribunals to the ministry of law and justice or to another independent ministry specially created for this purpose (this has been repeatedly directed by the Supreme Court). It is also necessary not to create any more tribunals till the existing ones function as planned.

The long-term need is to create a National Tribunals Commission that will independently recruit members to the central tribunals and bring uniformity in service conditions. It is also necessary to plan an Indian Tribunals Service to recruit persons who will be in service as judicial and technical members till retirement, like other central services. Eventually, it will ensure that the tribunals do not become the exclusive preserve of retired judges and bureaucrats. Judicial members should also be considered for promotion to the high courts like other district judges.

### **Legal Education**

The quality of the bar and, eventually, the bench, will largely depend on the quality of education and training imparted in our law schools. There has been an unchecked growth of law schools with a serious shortage of law faculty and almost no infrastructure. The short-term measure is to make the All-India Bar Examination very strict, so that a basic level of competence is maintained. This area has been grossly neglected over the last several decades.

### **Conclusion**

The past decades have lamentably shown that ministers of law and justice may come and go, but the problem of arrears and judicial vacancies continues forever. It is for the new minister to grab the proverbial bull by the horns and help clear the clogged arteries of the judicial system. All it requires is will and consistency to doggedly attack pending problems. ■

*The author is a senior advocate practising in the Supreme Court*

## NEW DEAL

A community farm near Mysore



AGENDA 2019

| AGRICULTURE |

# THE INCOME REVOLUTION

Making agriculture remunerative through a structural transformation has to be topmost priority

BY AJIT KUMAR JHA

India's leading weather forecaster and agriculture risk monitoring company, Skymet, recently predicted a sluggish start to the monsoon and below normal rains to the tune of 93 per cent. Given the signals of rural distress in the recent past, especially the back-to-back droughts from 2014 to 2016, monsoon delay and deficit will only deepen the farm crisis.

Instead of panicking, the new government should plan for such an eventuality. Agriculture being a state subject, the central government should work with state governments to prepare a long-term plan to transform agriculture and make it remunerative for the farmer. Prime Minister Narendra Modi had already

outlined a vision for doubling farm incomes rather than just enhancing agricultural production. The new government should implement this vision.

Water for irrigation should be another top priority for the new government. Almost 78 per cent of fresh water available in India is diverted towards agriculture, yet only 48 per cent of the gross cropped area has been brought under irrigation. Paddy and sugarcane, occupying a fourth of the gross cropped area, consume over 60 per cent of the irrigation water supplied. Given that Indian agriculture is prone to droughts, the frequency and intensity of which are likely to increase with climate change, utilising scarce water resources efficiently is a must. The NDA government made an effort with schemes





SHUTTERSTOCK

## THE 100-DAY PLAN

### EXPERTSPEAK



**“We cannot use up all available ground water. This will require changes in cropping patterns and using micro irrigation”**

SIRAJ HUSSAIN  
Former Agriculture Secretary  
and Senior Fellow, ICRIER



**“While cultivation is limited to the area of operation, marketing has no boundaries and should operate on a pan-India level”**

DR ASHOK DALWAI  
CEO, National Rainfed  
Area Authority

### WHY

■ Though 78 per cent of fresh water available in the country is diverted towards agriculture, only 48 per cent of gross cropped area is under irrigation

■ Small and marginal farmers, who form the bulk of the agricultural community, cannot avail of digital marketing because they do not have withholding capacity

■ While Minimum Support Prices (MSP+50 per cent) have been promised to farmers for 22 grains, including pulses, oilseeds, cotton, jute and seven cereals, and fair and remunerative price (FRA) for sugarcane, procurement is limited to paddy and wheat in most states. Procurement levels are pathetically low in eastern states

### HOW

■ In the short term, the focus will be on drought-proofing and strengthening watershed management in the rain-fed districts of Karnataka, Andhra, Tamil Nadu, Maharashtra, Gujarat and Rajasthan

■ Micro-irrigation is another alternative, especially drip and sprinkler irrigation, both of which raise water use efficiency by 30-40 per cent

■ Place agricultural marketing in the Concurrent List (under the Seventh Schedule of the Constitution) to avail the “one agricultural market” benefit

■ Encourage greater participation of the private sector in agricultural marketing and logistics; set up digital agricultural markets for farmers which will eliminate APMCs

such as ‘*Har khet ko pani*’ (water for every field) and ‘per drop more crop’. The objective of agricultural development should not be to raise productivity simply per unit of land but per unit of irrigation water.

Also needed is a climate risk mitigation strategy for effective water management, adapting to rising temperatures and facing drought situations. Early warning systems can also play a vital role in estimating and minimising risk due to erratic climate change events.

Considering the water scarcity, end-users need to work towards conserving water. Farmers should be incentivised, for example, by rewarding those who use water judiciously. Government agencies, too, have to be empowered to monitor water usage in agriculture.

The state-owned fertiliser plants, which end up eating up all the state subsidies on fertilisers meant for the farmers, mostly work under capacity and need to be either eliminated or simply privatised.

Creating agricultural markets should

be another top priority, as should connecting farmer to the consumer directly via the market instead of storing in the Food Corporation of India godowns, where grains end up rotting. The Modi government has given an impetus to unified agricultural markets through eNAM and eGRAMS. But small and marginal farmers, who constitute 80 per cent of the agricultural community, can benefit from an efficient marketing system only if they have withholding capacity. “This can be achieved through offering them a post-harvest loan against produce as collateral and orienting financial institutions to participate in the pledge loan system. Storage godowns, including cold storages, should be upgraded as per the standards laid down by the Warehousing Development and Regulatory Authority so that they can issue Negotiable Warehouse Receipts,” says Dr Ashok Dalwai, CEO of the National Rainfed Area Authority. ■



SHEKHAR GHOSH

# TRANSFORMING BHARAT

Rural incomes have to be raised to alleviate pain in the Indian countryside and stimulate demand in the economy

BY AJIT KUMAR JHA

# A

Although the Narendra Modi-led NDA government strengthened rural infrastructure by building roads, providing electricity connections and constructing over 15 million *pucca* houses with toilets for the rural poor under the flagship Pradhan Mantri Awas Yojana-Gramin (PMAY-G), it could not alleviate rural distress among the

country's agricultural labourers and small and medium farmers.

Rural distress continues primarily because of stagnation in rural wages. Rural NREGA labourers in six states and Union territories have seen no annual increase in their daily wages for FY2019-20. In 15 other states, agricultural labourers have seen a paltry wage hike, between Re 1 to 5 daily. Raising wages will have two effects—tackle the worst cases of rural distress bringing down

farmer suicides and expanding the demand for food, clothes and other essentials.

Creation of rural self-help groups (SHGs), especially for women, is key to creating social capital, a powerful tool of development. Kerala's Kudumbashree, Tamil Nadu's Mahalir Thittam and Jeevika in Bihar are excellent examples of how SHGs have become tools of economic and social empowerment. This is the direction any new government must follow. ■

**WAY TO GO** A solar water purification plant at the Rashtriya Gramin Aajivika Mission office in Bastar

## THE 100-DAY PLAN

### WHY

■ Share of agriculture in rural households is only 40 per cent, 60 per cent comes from the non-farm sector. Rural non-farm sector, therefore, needs a strong push

### HOW

- Higher investment in the rural sector, so that rural incomes rise through various non-farm sector avenues such as crafts, rural handloom and village tourism
- Central government must raise rural wages across states to tackle distress and create additional domestic demand for all kinds of goods and services
- Place NREGA workers on skilling ladder and help them become barefoot technicians and semi-skilled workers
- Revive rural pensions for the old and disabled who are neither literate nor skilled
- Create self-help groups for women. Replicate models like Kerala's Kudumbashree, Tamil Nadu's Mahalir Thittam and Bihar's Jeevika

## EXPERTSPEAK



**“Water availability isn't a problem; management of water is. Better access to water for drinking and toilets will improve public health”**

JUGAL KISHORE MOHAPATRA *Former Rural Development Secretary*



**“The difference in input and sale prices is not in the farmer's favour. So farm incomes keep falling. We need to raise farm incomes urgently through non-farm sector activities”**

DR YOGINDER ALAGH, *Former Union Minister and Vice-chancellor, JNU*





FoodTak.in





# BACK TO SCHOOL

The country's education system needs an overhaul and the new government needs to take some bold steps

BY KAUSHIK DEKA



**T**he Narendra Modi-led NDA government took several baby steps towards improving quality of education in schools and higher education institutions, but multiple grey areas still remain. The Annual Status of Education Report (ASER), released by Pratham in January, reveals that the percentage of class V children in rural government schools who can read class II textbooks has declined from 53.1 per cent in 2008 to 44.2 per cent in 2018. The higher education institutions have lagged behind in terms of global standards in producing quality manpower and developing cutting-edge research. According to Aspiring Minds, a New Delhi-based personnel testing and recruitment firm, 70 per cent graduates of

India's engineering colleges and 85 per cent of arts, science and commerce colleges, are unemployable. This is not surprising as 6,141 teaching posts are vacant in 40 central universities while 92,275 schools are running with one teacher. India's gross expenditure on research and development as a proportion of GDP has declined since 2001 and is now lower—0.62 per cent—than it was in 1996 at 0.65 per cent. In contrast, China's gross expenditure on research and development, which was lower than India's two decades ago, has quadrupled. The new government, while continuing the focus on learning outcome, autonomy and research, should allocate more funds and a new direction, in tune with the changed academic and professional environment across the world. ■

## EXPERTSPEAK



**“The immediate step that the government can take is to allow vacant faculty positions to be filled with experts from industry and research laboratories”**

**SHAILAJA CHANDRA**  
Member, Committee for the Evolution of the National Education Policy set up in 2015



**“Introduce courses with primary focus on practical learning and problem-solving customised to local needs; open university campuses beyond geographical boundaries and educational qualifications”**

**DINESH SINGH**  
Former Vice-Chancellor, University of Delhi





SANDEEP SAHDEV

◀ **LEARNING CURVE** Students at the Government Senior Secondary School, Jabli in Himachal Pradesh

## THE 100-DAY PLAN

### Overall

■ Increase the budget for education to at least 6 per cent of GDP as suggested by various commissions and encourage the states to do so too; spending on education in India has reduced from 3.1 per cent of GDP in 2012-13 to 2.7 per cent in 2017-18

■ Release the National Education Policy

■ Set up an autonomous education commission headed by eminent educationists

regulatory mechanism. The University Grants Commission must be overhauled. Grant disbursement to colleges and universities should be linked to performance parameters

■ Provide fund, infrastructure and environment to promote research; support to research in higher education institutions must be made mandatory under corporate social responsibility

### School education

■ Ensure that the class-wise and subject-wise learning outcomes in schools fixed after the National Achievement Surveys, carried out by the National Council for Educational Research and Training in 2017, are adhered to

■ Improve the quality and accountability of teachers

### Vocational education

■ Ensure that India's 40,000 colleges and 33,996 higher secondary schools have at least one VET (vocational education training) centre

### Higher education

■ Replace the 'one course fits all' curriculum with skill-imparting, problem-solving and job-oriented interdisciplinary courses

■ Courses and training must be overhauled to create globally relevant and competitive institutions that can produce employable graduates. The government must support interdisciplinary courses that are key to solving problems at national, state and local levels

■ Simplify the

## THREE KEY STEPS TO IMPROVE LEARNING OUTCOMES IN SCHOOLS

By Ashish Dhawan

**D**ata shows that once gaps start to appear in basic literacy and numeracy in classes I or II, it is difficult to overcome them. The government should consider forming a foundational learning task force to study and develop a nuanced understanding of why previous efforts in improving foundational learning failed and what are the essential elements that must be present in any solution formulated by government agencies.

Solving foundational learning is a complex issue and a 'one size fits all' approach should be discarded. Instead, the government should get states to contextualise and launch their reform agenda for foundational learning with clear success indicators. This should be accompanied by flexible funding and technical support to states. There are examples from other developing countries such as Brazil, Vietnam and Peru to get ideas on how to achieve this within shorter time frames. There should be timely assessment of reading and arithmetic skills in early classes, so that reliable, comparable and comprehensive data on learning outcomes is made available. There should be clear and measurable targets and set expectations for everyone in the system—from the decision-makers and teachers to school administrators, bureaucrats and organisations working in education on achieving foundational learning. ■

*The author is the chairman & founder of Central Square Foundation*

# ACCELERATING HEALTH REFORMS



BY SHAMIKA RAVI

**I**N AN ELECTORAL DEMOCRACY LIKE INDIA, EVERY new government brings a window of opportunity to push further reforms. In the history of global economic growth and development, no nation has progressed without investing in human capital. Human capital is typically measured in terms of health and education outcomes. Health has been a low policy priority in India for decades. Prime Minister Narendra Modi succeeded in making health a political subject in India by announcing and implementing the world's largest health protection scheme, Ayushman Bharat Yojana or the Pradhan Mantri Jan Arogya Yojana. This is a significant step towards attaining universal health coverage in India.

Most media discussions around Ayushman Bharat have been limited to only one aspect of it—the health insurance coverage for the bottom 40 per cent of the Indian population. While this is a remarkable reform, we must also highlight the second critical aspect of Ayushman Bharat—the creation of 150,000 wellness centres across the country, which would be the first point of contact for a citizen to access the public health infrastructure in the country. These centres are instrumental in strengthening the primary healthcare capacity in India, a necessary condition for any healthy nation. These wellness centres would also serve as important gatekeepers of our health system, so that citizens do not have to access hospitals and specialists for common diseases and ailments.

However, unlike the health insurance reform, improving the capacity of the primary healthcare system through the creation of wellness centres is a more difficult task. The difficulty is not of budgetary constraints, but more of limited human resource capacity and poor governance in certain states. Besides

the scarcity of doctors, India is faced with an acute shortage of qualified health workers and nurses. In fact, in the recent past, limited state capacity has meant that several major states are sitting with significant unspent health budgets.

Policymaking in modern India has to be more precise and we have to move towards precision policy. This means that instead of designing policies at the national level, we need to incorporate the significant variations across states in the country. This is particularly true of healthcare reforms. According to a National Family Health Survey, more than 85 per cent households in Odisha, Kerala, Tamil Nadu, Jammu and Kashmir and Assam depend on government healthcare institutions for their needs; less than 30 per cent households depend on them in states like Jharkhand, Bihar and Uttar Pradesh. In other states, people basically go to private healthcare providers for most of their health needs. It is important to recognise this complex reality of India's healthcare system. The differences in usage basically represent variations in the quality of public healthcare in these states. It is because of its poor quality in Bihar, UP and Jharkhand that people depend on private health providers.

It is also a common fallacy that public healthcare is essentially accessed by the poor while private care is for the affluent in our society. The disaggregated household data across wealth groups shows that in states where the public healthcare system is of high quality, everyone accesses government healthcare, rich or poor. In states like Tamil Nadu and Kerala, households across quintile groups depend on government health infrastructure. Compare these to UP and Bihar, where few people, irrespective of wealth levels, access the government healthcare system, choosing the



private players instead.

This finding has an important lesson for Ayushman Bharat. **Health insurance schemes that are fundamentally dependent on the public healthcare system are sustainable and more equitable in the long term.** This is because the underlying incentive structure in government healthcare does not promote overutilisation or overspending. The government doctors are not working against financial bottomlines unlike their counterparts in the private sector. However, if health insurance depends on private healthcare markets, then the incentive structures will invariably lead to cost escalation over time. This means that while Ayushman Bharat will

the engine of India's future growth. It has the potential to be a significant job creator across the value chain of caregiving. Currently, India exports a large number of its qualified doctors and nurses to the Organisation for Economic Co-operation and Development (OECD) markets. Emerging job opportunities within the domestic market could stem the brain drain significantly, as has happened in the IT sector. Within the government healthcare system, we must allow for states to experiment with varying incentives to attract and retain qualified caregivers, particularly for remote and rural segments.

Given the basic right of every citizen to affordable

**Given the tremendous potential of job creation and wealth creation, the healthcare sector can become the engine of India's future growth**

Illustration by SIDDHANT JUMDE



be sustainable in financing healthcare in states with good quality public care, it is likely to face serious cost escalations and problems in other states. We have to be prepared for such divergent futures in India's healthcare sector. The optimal policy response to this would be to allow states to experiment with health financing instruments beyond insurance and actively drive improvements in government healthcare institutions on a mission mode. This means proactively focusing on states with poor quality public care and targeting their gaps, whether financing, human resources or governance.

From a growth perspective, I strongly believe that in the next 25 years, the healthcare sector can do for India what the IT sector has done over the past 25 years. Given the tremendous potential of job creation and wealth creation, the healthcare sector can become

healthcare and the inelastic demand of health needs, the government should follow a twin approach to accelerating healthcare reforms. It should vigorously improve public care while also bringing in regulations to facilitate the rapid growth of private healthcare markets in India. Medical tourism is one of India's fastest growing sectors and the country has become a preferred destination for healthcare needs globally, given the rising demands for quality healthcare. We need to frame regulations that will encourage robust growth of private healthcare markets in India. ■

*Dr Shamika Ravi is Research Director and Senior Fellow at Brookings Institution and a member of the Economic Advisory Council to the Prime Minister, Government of India*



**BLAST OFF** The PSLV C-45 takes off from the Sriharikota base, Apr. 1. It put 29 satellites in orbit

## THE 100-DAY PLAN

### WHY

■ More funds, support for R&D are needed for domestic research solutions

■ Science education is in a precarious state

■ For India to become a world leader, focus must shift to cutting-edge research, tech

■ Tap Artificial Intelligence (AI) and Machine Learning (ML) and manage its potentially transformative impact

■ Focus on frontline tech such as Internet of Things (IoT), quantum cryptography to tighten cybersecurity

### HOW

■ Increase R&D support from 0.8 per cent to 2 per cent of GDP through individual/team grants. Such support has led to the development of high-yielding Samba Masoori rice and the 'Intelligent Agricultural Systems Advisory Tool', a collaboration between Microsoft, the Indian Meteorological Department (IMD), Acharya N.G. Ranga Agricultural University (ANGRAU) and International Crops Research Institute for the Semi-Arid Tropics (ICRISAT) to give concise farm advisories to farmers on their phones

■ State and private funding agencies

must set apart more resources to improve classroom instruction and experiments-based training. Even the new IITs, NITs and IISERs are struggling for resources

■ The proposed National Programme for Rapid Research in Socially Contextual Technologies, which will create research paths in desirable technologies and manage financing in coordination with the private sector, has to be widened to include more domains. Retaining scientific talent in the country is a must

■ Healthcare, banking and financial services, agriculture, weather forecasting, urbanisation, retail, mobility and education will be the key domains to benefit from AI. For this, we'll need a steady stream of AI engineers along with a strong and vibrant start-up ecosystem to utilise the abundance of data

■ Be it smart cities, defence modernisation, transportation or infrastructure, cutting-edge tech will show how India can relate to the complex technological systems around the world. Cybersecurity is essential if these technological strengths are to be harnessed

# THE FINAL FRONTIER

Improving science education, retaining talent in the country and combating climate change must be top priorities for the new regime

BY AMARNATH K. MENON

**T**he march of science and technology concomitant with national goals and societal applications remains slow despite the swift adaptation and adoption of technology, given the widespread use of feature phones and smart phones in India. The only spectacular achievements are largely in the domain of space science research and space applications. India's higher education system is the third largest in the world and while the global ranking of Indian institutions has been improving, skill acquisition is immediately needed in the areas of science, technology, engineering and mathematics (STEM) through hands-on training, if fundamental and applied research is to coalesce. It will also help bridge the skills gap and enable science and technology to drive each other. ■

### EXPERTSPEAK



**“India can't afford to be the production centre for bogus intellectuals. Scientific institutions must be given the mandate to innovate or the laboratories should be closed down for good. The charade of doing science in a self-serving manner without any benefit to society must end”**

**PROF. ARUN TIWARI**  
Former Missile Scientist and author, India 3.0: The Rise of a Billion People

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# THE POLITICS OF CLIMATE CRISIS



BY HARINI NAGENDRA

**I**T HAS ALWAYS BEEN DIFFICULT FOR INDIAN governments to balance the needs of the environment with the imperatives of development. The newly elected government in 2019 will face a challenge of an altogether different magnitude. With climate crises on the rise, environmental disasters—including droughts, floods, cyclones and heat waves—are becoming increasingly frequent and extreme in their effects. A single recent disaster, the recent cyclone Fani, has led to economic losses of well above Rs 12,000 crore. About 600 million people—half of India—live in hotspots of climate change. Coastal megacities, like Mumbai and Kolkata, will face the brunt of sea level rise and flooding. Dry inland regions of Chhattisgarh, Madhya Pradesh, Rajasthan, Uttar Pradesh and Maharashtra, dominated by the poor and marginalised tribal communities, will face the worst combinations of heat and drought. A wicked mix of erratic rainfall, heatwaves, groundwater depletion and melting glaciers will lead to water shortages. This will impact our agricultural productivity and affect India's energy sector which depends heavily on water—hydropower and thermal power—for its main source of energy.

Heat waves, drought and flooding in neighbouring countries have already led to massive increases in migration. Within India, too, we are seeing unprecedented numbers of people moving from rural areas to cities, impelled by crop failure and a lack of jobs. Indian climate scientists already warn of crop yields decreasing by 10 per cent because of climate change. With 15 of the world's 20 most polluted cities in India, the cities here face air pollution emergencies on an almost daily basis. Our once holy rivers and lakes are drying, shrinking and are full of waste. Epidemics, such as dengue and chikungunya, are on the rise, spurred by the combination of extreme weather, high population densities, and pollution. These challenges will not reduce, but

accelerate and intensify in the coming five years.

The new government has the tough task of dealing with India's unemployment crisis—which normally means investment in infrastructure and industrialisation. But our unwavering focus on business-as-usual has led to the crisis in which we find ourselves. A new global assessment report released by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, a United Nations effort, warns that one million plant and animal species are dangerously close to extinction. These species are our safety net. They provide food, fodder, enrich soils, clean polluted air and water, and keep our ecosystems thriving. For the millions of Indians whose livelihoods depend on nature—agriculture, grazing, fishing and forests—the loss of biodiversity will be catastrophic.

India needs to recognise that nature is the foundation on which development takes place. The new government needs to generate new paradigms of development. We can no longer afford to think of jobs and growth *versus* conservation and climate mitigation, we need to find ways by which jobs and growth can happen *through* environmental protection and climate control.

Some approaches are well known—investment in solar and other forms of renewable energy, for instance, will generate a large number of new jobs and economic opportunities. Cleaning water bodies, protecting and rejuvenating urban, rural and coastal commons and afforestation at scale are sorely needed. If linked to local employment through schemes such as the National Rural Employment Guarantee Act (NREGA), this can lead to massive economic benefits. A countrywide focus on forest and watershed restoration will boost employment, lead to skilling in specific areas like hydrology and forest management and produce spillover benefits at scale via improved environmental quality, public health



and boosted agricultural productivity.

But other paradigms need to be rethought. For instance, our focus on the environment needs to be more tightly linked to equity. India's sanitation programmes and national and state missions to clean the Ganga and other water bodies have been linked to horrific practices of caste-based discrimination via manual scavenging and cleaning. This is a national shame, and these programmes need an aggressive make-over. Technology is an important game changer, but how can we introduce new technologies for cleaning without destroying local livelihoods? Poverty alleviation and community involvement must be a strong feature of such programmes, which cannot be driven through private, profit-driven investment alone.

Similarly, restoring forests is key to meeting India's targets on climate change and biodiversity. Previous governments have opened patches of many of India's richest forests for mining and industrial use, speeding up the pro-

**We can no longer think of jobs and growth versus conservation and climate mitigation, we need to find ways so these can happen through environmental protection**



Illustration by SIDDHANT JUMDE

cesses of getting environmental clearance and relaxing environmental standards to promote industries. In the context of a global climate emergency, the new government has to change its approaches. The country's last remaining large wildlife habitats are being fragmented by roads, mines, and industries. The economic gains from a new coal mine, steel factory, textile mill or car plant are vastly outweighed by the economic and health costs of lost livelihoods and reduced life expectancies due to poisoned air and polluted water.

**EVIDENCE FROM AROUND THE WORLD** shows that one of the best ways for forest conservation and restoration is by strengthening local institutions. Tribal communities, systematically disenfranchised and exploited over centuries, must be helped to regain rights over their forests. The Forest Rights Act is a very powerful way to do this. Yet, of the approximately 1.5 million claims for community forest rights made in India, only about half have been granted. The processes of the act need to be strengthened, with evaluations of claims granted and dismissed open to public scrutiny. Similarly, the Rs 54,000 crore sitting with the Compensatory Afforestation Fund Management and Planning Authority (CAMPA), need to be used for forest restoration, in line with the best ecological practices. This means, for instance, stopping the noxious practice of planting water-thirsty Eucalyptus and *Acacia auriculiformis* in the name of afforestation and involving local communities in the selection of best-suited plant species that provide food, fodder and biodiversity protection. The goals need to be aggressive and national, but the practices need to be local, adaptive and creative.

Urbanisation is a very important sector that also needs an environmental focus. Instead of technologically smart cities, India's ministry of housing and urban affairs must focus on ecologically smart cities. India is going through a massive urban growth spurt which will add tens of millions of people to its already bursting towns and cities. We need to consider an urban programme that is the equivalent of NREGA, providing employment guarantees for urban migrants to support sanitation, public health, cleanup drives, plantation and restoring urban habitats like lakes and parks for public use. Apart from the economic spillover effects, the mental and physical health benefits of such a programme will be tremendous.

Protecting the environment can no longer be considered a luxury for a developing country like India. Environmental and climate effects have already begun to significantly limit our growth and economy. In a time of unprecedented climate crisis, the new government has a task of unprecedented magnitude ahead of it. India's growth and development can happen only by strengthening its safety net—the planetary and environmental foundation on which it rests. ■

*The writer is professor of sustainability at Azim Premji University and author of Cities and Canopies: Trees in Indian Cities*



BANDEEP SINGH

# BUILDING AN INCREDIBLE INFRASTRUCTURE

The new government needs to improve infrastructure and look at the safety concerns of tourists

BY KAUSHIK DEKA

**O**ne of the recurring themes of the Lok Sabha election was the government's failure to create employment opportunities. In that context, tourism is a significant sector as it has an instant and tangible impact on job creation. According to government sources, the tourism sector has created 13 million jobs in the past four years. A 2017 report of the World Travel and Tourism Council says that tourism contributed a 9 per cent to India's GDP and 8 per cent to its total employment. However, less than five per cent of foreign tourists who visit the Asia-Pacific region come to India. The Union government needs to spend much more on this sector than what it is doing now. The 2019 budget allocated just Rs 2,189 crore—0.08 per cent—of the total budgetary spend of Rs 27,84,200 crore for the development of the tourism sector. ■

## THE 100-DAY PLAN

### WHY

■ While in the past couple of years, the sector has seen several major pushes in terms of policies and schemes to turn India into a global tourist destination, infrastructure, connectivity and safety remain concerns for tourists. The World Economic Forum's Travel and Tourism Competitiveness report ranks India 104 and 114 out of 136 countries on hygiene and safety parameters, respectively.

### HOW

■ The new government must allocate at least

2 per cent of the total budget to the travel and tourism sector

■ The Union government needs a coordinated plan with states to provide and improve tourism-related infrastructure

■ Land is pivotal to the growth of the tourism industry and it remains in the domain of states. Proactive steps by the states are a must for new tourist infrastructure—from ease of land acquisition to encouraging private players to develop infrastructure. The new government needs to create a cohesive and formal

structure for faster and effective coordination among government departments and agencies such as ministries of roads, railways, aviation, forest, urban and rural development; create separate budget in these ministries for tourist infrastructure

■ The inter-connectivity of major tourist attractions and monuments has to be improved

■ India needs to create a comprehensive campaign to improve its image as a global tourist destination

■ The government needs to create PPP models for participation of private players

## EXPERTSPEAK



**DEEP KALRA**  
Chairman & CEO,  
MakeMyTrip

**"There is a need to create a more enabling environment for the travel and tourism industry by improving infrastructure, ensuring safety and cleanliness and easing the visa process"**



**DIPAK DEVA**  
Managing Director,  
Destination  
Management,  
Sita, Thomas Cook  
India and Distant  
Frontiers

**"Double the budget, waive tourist visa fee, introduce 100 destination trains, enact a tourism policy, bring down the GST rate to 18 per cent and launch a global campaign to improve India's image"**



# SMART MONEY



## GET TAX SAVVY

● CREDIT CARD ● ITR ● TDS

# MINIMUM DUE, MAXIMUM CHARGED

Choosing the minimum due option on credit card repayment could ensnare you in a high-interest trap



Illustration by TANMOY CHAKRABORTY

**E**asy availability of credit often leads people to spend on things beyond their means. The minimum due payment feature of credit cards—usually 5 per cent of the principal outstanding—is another temptation. If you spend Rs 40,000 in one billing cycle and opt for minimum due payment, you have to pay Rs 2,000 plus GST in the next billing cycle if you do not use your credit card further.

However, it doesn't take long for this dream scenario to turn into a nightmare. As Rishi Mehra, CEO, Wishfin, points out, "Credit cardholders enjoy an interest-free credit period of 20-50 days. However, if they pay the minimum and not total due, they lose the privilege of the interest-free period. Interest is levied on the unpaid balance at 2.5 per cent to 3.5 per cent per month." Not just that, "paying only the minimum amount regularly," says Aditya Kumar, founder & CEO, Qbera.com, "will mean your total outstanding balance doesn't go down and you pay higher interest

as credit card interest rates are compound in nature." So, where you thought you would clear your dues in 20 months, it could actually take more than 40 months.

## » THE WAY OUT

Opt for minimum due payment only if you expect

ing fresh purchases on your credit card, the outstanding would reduce and give you room to pay more than the minimum due," says Mehra.

The next thing is to look for less costly repayment options. "Check if the credit card issuer offers an EMI option on high-ticket pur-

A third option is to borrow money from a less costly medium. If you have a fixed deposit, you can take a loan against the FD as the interest rate would only be 1-2 per cent above the interest you get on an FD.

The final alternative, as Gaurav Chopra, founder and

## NOT SO CREDITWORTHY

» In minimum dues, you effectively pay interest of 36-48%, beside the 18% GST charge

» Paying only minimum due in last bill means you lose interest-free spend in current billing cycle

» Use it only when you are sure about paying off the entire dues in the next few billing cycles

» If it takes longer, you should convert it into EMIs (if it is offered)

» You may go for balance

transfer on EMI if you have a second credit card with a lower interest charge

» You can take a personal loan to clear the dues as it would be much cheaper

some cash inflow in 2-3 months that can help you clear the entire dues in one go. If not, the first thing you need to do is to stop using your credit card for further purchases. "The minimum due raises the outstanding amount substantially which can go up further with fresh expenditure month after month. So, if you stop mak-

chases through your credit card," says C.S. Sudheer, CEO and founder, Indian-Money.com. However, if you do not have that option or the period to exercise that option is over, Sudheer suggests you "opt for balance transfer to another credit card with a reduced interest rate of around 1-1.7 per cent a month."

CEO, IndiaLends, suggests is to get a personal loan, "where you get more time to repay the debt by breaking it into EMIs," says. Also, as Kumar points out, "Personal loan rates start from just 11 per cent per annum whereas credit card interest rates hover at around 35-40 per cent per annum." ■


—Naveen Kumar





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## INDIA'S MACRO OPPORTUNITY OVER THE NEXT DECADE: GDP GROWTH FROM \$2 TRILLION TO \$5 TRILLION AND BEYOND...

According to the Department of Economic Affairs, the Indian GDP is expected to grow in the band of 7-7.5% and could touch the \$5 Trillion mark by 2025 from the current \$2.2 Trillion mark, with potential to reach \$10 Trillion in subsequent eight years. This presents a huge opportunity for investors to partake in the India growth story. Over the last few years, India has undertaken several structural reforms towards formalization of the economy and fostering digital financial inclusion. GST and other initiatives such as Insolvency and Bankruptcy code, recapitalization of banks, and unclogging of infrastructure investments along with favorable demographics, all of which are steps to support the future elevated growth of the economy.

Since the last five years, there has been rapid financialization of Indian savings i.e. the trend in household savings has shifted towards 'financial assets' and away from 'physical assets' like gold or real estate. During this time frame, savings in physical assets have grown at a rate of 0.1% per annum compared to 9.9% growth in financial assets, with demonetisation further accentuating the shift. Going forward, this trend is only likely to continue. In India, the current household financial savings to mutual funds ratio is at a mere 4-5% when compared to developed nations such as US and Australia which is at 100% while the global average is at the 50%, highlighting the room for growth in India.

The physical assets which traditionally attracted a major pie of the Indian household savings, over the last 5-7 years has generated very abysmal returns. Further, the interest rates of traditional fixed return instruments have been on a downward spiral. This trend is unlikely to change as the high

inflation era of 8-9% seems to be passé. In the wake of this new reality, prudent investors have channelized their savings into capital markets (equities, debt) largely via mutual funds, with an aim to benefit from potential capital appreciation in case of equity schemes. Also, in case of fixed income, allocation has been channeled into debt mutual funds, as not only do they offer higher gross returns, but also have the distinct advantage of a higher post tax return due to benefits of indexation which bank deposits do not offer.

### Positioning for the next Decade

The plus point of investing through mutual funds is that investors get to make the most of market volatility, while benefiting from professional fund management; better risk adjusted returns and enhanced liquidity, all at a low cost. However, one has to be mindful of asset allocation based on one's risk appetite and investing time frame. Once the asset allocation is decided, investments can be deployed in a staggered manner using tools such as SIPs or STPs which aid in navigating volatility.

An investor could also look to rebalance his portfolio from time to time to align the same with his structural allocation. Above all these, the most important aspect would be adopting the discipline of staying the course during the longer time frame. Market volatility based on events or sharp corrections could test one's patience and conviction in short to medium term, but eventually one gets rewarded for staying invested in the form of outsized returns.

Currently, capital markets may react to global and domestic news flows but over long term, it is the fundamentals of an economy and corporate earnings which aid in defining the growth trajectory. Indian corporate earnings which grew in high teens in the past may slow down to mid-teens over the next decade; but compounding even at that rate over a longer time frame will emerge to be a very powerful number presenting the investor with a great opportunity to create and grow wealth in coming decade.

# YOUR DIY GUIDE TO FILING I-T RETURNS

Many changes have come about in income tax-filing rules, but digitisation has simplified the process

It's that time of the year when individual taxpayers have to file their annual income tax return (ITR), the last date for submission being July 31. Various changes in tax returns were introduced in the Budget and ITR forms have accordingly changed. ITR filings have been increasingly getting digitised and user-friendly. Scores of taxpayers who were earlier reluctant to file ITRs on their own are now doing the process by themselves. Here's all you need to know to be able to file your ITR on your own this year.

### WHAT HAS CHANGED

For assessment year 2019-20, you will be filing the ITR on the income earned during financial year 2018-19. All individual taxpayers are required to fill their ITRs electronically, except very senior citizens (above the age of 80), who also have the option of filing ITRs in hard copy format.

Your Form 16 will have greater details of income, allowances and deductions, and it will be synced with the ITR form so that the form fetches these details automatically. "This year, providing details of your salary income will be easier. However, this would be subject to detailed scrutiny from tax officers," says Rajat Mohan, partner, AMRG & Associates. "Thoughtful





SHUTTERSTOCK

changes have been made in TDS (tax deducted at source) returns, which would allow tax officials to cross-check the ITRs of salaried employees in the blink of an eye." Besides, you will also need to give a detailed break-up of interest earned from savings bank accounts, fixed deposits and income tax refunds. "If any rent arrears have been received in FY 2018-19, you need to report them property-wise as received," says Mohan. You will also have to give greater details of capital gains if you sold equity shares, equity mutual funds or property. In case of sale of property, you will have to give complete

## If you file your ITR after July 31 but by December 31, you may end up paying a penalty of up to Rs 5,000. However, the maximum penalty for those with annual income under Rs 5 lakh is Rs 1,000

details of the buyer.

You also need to share other financial details as well. "For 'resident and ordinarily resident' (ROR), the foreign bank account details have been re-framed to include information about foreign custodian, depository, equity and debt interest accounts," says Kuldeep Kumar, partner and leader, personal tax, PwC India.

### FILE ITR ON TIME

Delaying your ITR can prove to be costly. If you

file your ITR after July 31 but by December 31, then you may end up paying a penalty of up to Rs 5,000. If you delay further and file your return by March 31, 2020, the penalty will go up to Rs 10,000. However, if your taxable income is below Rs 5 lakh, the maximum penalty will be Rs 1,000. If you have unpaid taxes, you will have to pay a penal interest of 1 per cent for each month of delay. "Any loss incurred (except house property loss) during

the financial year will not be carried forward to future years, which earlier could have been forwarded up to eight assessment years," says Kumar.

### FORMS TO FILL

The challenge faced by most individual taxpayers is in identifying the right ITR form for use (see *Pick the Right Form*).

**If you are salaried:** "A typical salaried person, without any other source of income, should file ITR-1 provided

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## PICK THE RIGHT FORM

ITR FORMS	CATEGORIES
<b>ITR-1</b> <b>Sahaj</b>	For individuals who are residents (other than not ordinarily resident) and have a total income of up to Rs 50 lakh, have income from salaries, one house property, other sources and agricultural income up to Rs 5,000
<b>ITR-2</b>	For individuals and Hindu Undivided Families (HUFs) not having income from profits and gains of business or profession. The form also applies to people with more than one house property and individuals with a salary income of over Rs 50 lakh annually
<b>ITR-3</b>	For individuals and HUFs having income from profits and gains of business or profession
<b>ITR-4</b> <b>Sugam</b>	For individuals, HUFs and firms other than LLP (Limited Liability Partnership) who are residents, have a total annual income of up to Rs 50 lakh and income from business and profession, which is computed under sections 44AD, 44ADA or 44AE of the I-T Act

Source: AMRG & Associates

his income is less than Rs 50 lakh in FY 2018-19. Individuals with a salary income of more than Rs 50 lakh need to use form ITR-2 this year," says Archit Gupta, founder and CEO, ClearTax. Individuals who have one house property can use ITR-1. If you have more than one house property, use ITR-2.

For those filing ITR-1, there is a change in the way the details are given. "Individuals will have to provide details of allowances, such as House Rent Allowance (HRA), Leave Travel Allowance (LTA), exempted from tax partially or fully, separately in the return form," says Gupta. "Also, deductions from salary income, such as standard deduction, entertainment allowance and professional tax, need to be separately furnished in the new ITR-1." Similar

details have to be furnished in ITR-2 as well.

The new forms also require information on residential status in greater detail. ITR-1 can only be filled by a person who is an ROR in India. "The new ITR-2 form asks individuals not only to specify the residential status as resident, ROR or non-resident, but also provide details of residential status, such as the number of days of stay in India in the relevant tax year and previous years," says Mohan.

There are cases in which you may not be eligible to file ITR-1. If you are a director in a company or have held unlisted equity shares at any time during the financial year, you cannot use ITR-1 form. ITR-2 or ITR-3 are the relevant forms for you in that case.

**If you are self-employed: A**

self-employed individual will have to file ITR using the ITR-3 or ITR-4 form, depending on the type of income in FY 2018-19. "A resident individual who has opted for presumptive taxation scheme under section 44AD or 44ADA of the Income Tax Act and has a total income of up to Rs 50 lakh can file ITR-4," says Gupta. "Otherwise, he will have to file ITR using the ITR-3 form."

### THINGS TO WATCH OUT FOR

While filing ITR, make sure that the information you are providing is accurate. Form 26AS records all taxes deducted during a given financial year against your Permanent Account Number (PAN). "Ensure that the details mentioned in this form match with your ITR, not only regarding the TDS amount but also income as discussed by the deductor," says Mohan. Before starting the tax-filing process, you have to make sure that all the receipts are readily available with you. While filing the return, you are not required to upload these documents, but do keep them in a file so that they can be produced if the tax authorities demand it for scrutiny. The income-tax department has decided to issue only e-refunds from March 1, 2019, which will be credited to taxpayers' bank accounts linked with PAN. So if you want a timely refund without any hassle, you need to double-check your bank details linked to your PAN. ■

**Naveen Kumar**

**Double-check the bank details linked to your PAN. Income-tax authorities have decided to issue only e-refunds from March 1, 2019, which will be credited to the taxpayers' bank accounts linked to PAN**





Illustration by TANMOY CHAKRABORTY

## A LESS TDS ALTERNATIVE

Filing Form 15G/H can help you avoid tax deduction at source on interest income

**I**s tax on your interest income deducted at source and do you wait for a refund after filing your income-tax return? You can avoid TDS on your interest income if you fill in form 15G/H. TDS is part of a direct tax that is levied on the gross earnings of an individual. It applies to salary, interest earned on bank/post-office deposits, rental income and commissions, among other things. A TDS mechanism enables tax to be deducted well in advance on receipts that are in the nature of an income of an individual.

In FY2019-20, the basic exemption from TDS on interest income has been increased to Rs 40,000. However, many individuals, especially senior citizens, have much higher interest income and might want to avoid tax being deducted at source. "To receive incomes

subject to TDS provisions without the deduction, explains Dr Suresh Surana, founder of RSM Astute, "the recipient is required to make a declaration under Form 15G/H to the payer for non-deduction of TDS stating therein that tax on estimated total income, including such income, should be nil."

### ▶ WHEN CAN YOU FILE THIS FORM?

Form 15G can be used by an individual/ HUF/ Trust or any other assessee (but not a company or firm) who is a resident of India. In the case of an individual, the age should not be more than 60 years. The aggregate of incomes subject to TDS provisions should also not exceed the basic exemption limit, so that the tax calculated on total income is nil.

Form 15H, on the other hand, can be used by a resident individual who is 60 years or more and whose tax on total income amounts to nil. The form should ideally be filled before the end of the first quarter of a financial year, or before June 30, to prevent tax deduction at source for the entire year.

### ▶ BENEFITS OF SUBMITTING FORM 15 G/H

If Form 15G/H is not submitted, then the taxpayer gets his income after tax deduction at source which can be claimed as return

during the filing of income tax returns. Apart from eliminating TDS on interest income for bank and postal deposits, filling up Form 15 G/H also saves you from TDS on corporate bond proceeds and EPF earnings. "The withdrawal of EPF balance exceeding Rs 50,000 before five years of continuous service attracts TDS at 10 per cent. However, if you submit 15G/H form, you can save the TDS on the withdrawal amount. But to make it happen, the total of your salary and EPF withdrawal amount must stay within the basic income tax exemption limit," says Rishi Mehra, CEO, Wishfin.com.

### ▶ WHAT IF THE SCENARIO CHANGES AFTER SUBMITTING FORM 15 G/H

If you have already submitted Form 15G/H but expect the income to exceed the income tax exemption limit, you can invest in products that offer tax breaks up to a specified amount. This would include all instruments under Sections 80 (C), 80 (D) et al of the Income Tax Act, be it Public Provident Fund (PPF) or Equity-linked Savings Scheme (ELSS) and other such investment options and avail the tax benefits.

However, if you have already exhausted the tax saving investment limit, then such change needs to be intimated to the deductor. The deductor will make the requisite changes and charge TDS accordingly. ■

**Amit Sethi is a freelance writer**

### THINGS TO KEEP IN MIND WHILE FILLING FORM 15 G/H

- ▶ Select the correct assessment year
- ▶ Submit valid PAN or Permanent Account Number while filling out Form 15G/H, else tax will be deducted at 20%
- ▶ Any incorrect declaration in Form 15G/H attracts penalty and prosecution under Section 277
- ▶ The forms have to be submitted in each branch of the bank from where the interest income is generated
- ▶ Make estimate of income from all sources—including that accruing from interest—during the year as accurately as possible

# Q+A HE WHO LAUGHED FIRST

Most of today's stand-up comics weren't even born when Russell Peters first took stage. To mark his 30 years in comedy, the Indo-Canadian comic is bringing to India his *Deported World Tour* this month



**Q. Why did you choose India to record your 30th anniversary show?**

Well, after a career of 30 years and a lot of jokes being made at the expense of my Indian people, I just wanted to show my love and respect for them by coming back to film my latest special. I've worked really hard on this set. It's more self-deprecating and introspective than my other sets. Mind you, it still has its silly moments but it's not your usual 'I'm just making fun of your culture'.

**Q. Congratulations on your second baby. How has fatherhood affected you?**

Thank you! My daughter is amazing. She's funny and sweet and beautiful. We have a great relationship. My son is only a few weeks old. I've got nothing to offer him right now and my breasts are full of nothing but fat.

**Q. You've got your own graffiti in Mumbai. Given that this city has quite a reputation for stuff falling apart, what's your plan for this wall?**

The wall is awesome, but the fact that it could fall apart and disappear is a good analogy for show business. It's all fleeting. I've been lucky, but I know that it's not going to last forever.

**Q. A DJ, stand-up comedian, a jiu-jitsu exponent—what's next?**

Let's not forget 'Dad'. That's the most important and also the hardest one.

—with Shail Desai





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