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Narendra Modi sworn in for second term as Prime Minister

Narendra Modi, who crushed doubts about his place as one of India's most dominant leaders in recent history by winning another landslide victory this month, was sworn in for his second term as prime minister on Thursday, in a ceremony attended by as many as 8,000 guests.

Security remained tight around the massive presidential mansion in New Delhi, as national leaders and other dignitaries arrived. In a clear sign of the magnitude of Mr. Modi's victory — his Bharatiya Janata Party was the first in more than three decades to win a clear majority in consecutive elections — officials said that his swearing-in was the largest event ever held on the mansion's 300-acre grounds. Narendra Modi took oath as 15th Prime Minister of India. This is the second time Modi took the oath at the forecourt of Rashtrapati Bhavan. Modi was sworn in by the then President Pranab Mukherjee in 2014 in the presence of over 3,500 guests including the heads of SAARC countries.

Top opposition leaders including former prime minister Manmohan Singh, Congress President Rahul Gandhi and UPA Chairperson Sonia Gandhi, corporate honchos, film stars, chief ministers and a galaxy of leaders from BIMSTEC countries were part of the guests at the ceremony.

Leaders of BIMSTEC countries including President of Bangladesh Abdul Hamid, Sri Lankan President Maithripala Sirisena, Nepal Prime Minister K P Sharma Oli, President of Myanmar U Win Myint and Bhutanese Prime Minister Lotay Tshering also attended the gala event.

From Thailand, its Special Envoy Grisada Boonrach represented the country. Besides India, BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) comprises Bangladesh, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan as members.

In the presence of 8,000 guests on Thursday at India's presidential palace, featuring the leaders of eight countries including Bangladesh, Myanmar and Thailand, Modi swore an oath to India's constitution, imparted by the country's president.

Modi's successive single-party majorities, an electoral feat last achieved in the 1970s, has made him India's most powerful leader in decades.

After a bitterly polarising campaign, in which the BJP often played on India's religious divides, Modi tweeted his resolve to "build a strong and inclusive India". Three days later, in a speech on Sunday, Modi said India's minorities were "living in fear" and the BJP needed to win their trust.

Among the estimated 8,000 guests at the swearing-in ceremony were leaders from the six other countries in the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (Bimstec), a regional integration group of which India is a member.

In choosing to look east and invite the leaders of Bangladesh, Myanmar, Thailand, Bhutan, Sri Lanka and Nepal this time round, Mr Modi has deftly avoided an overt snub of Pakistan after the two countries engaged in open military hostilities in February.

Mr Modi's emphasis on foreign policy also resonated with voters, many of whom see India's growing global stature as a significant first-term achievement.

The BJP-led National Democratic Alliance returned to power with a massive haul of 352 seats in the Lok Sabha elections with the saffron party winning 303 seats on its own, much more than 272 required for majority in the 543-strong lower House of parliament.

Mandate 2019: The Republic 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.

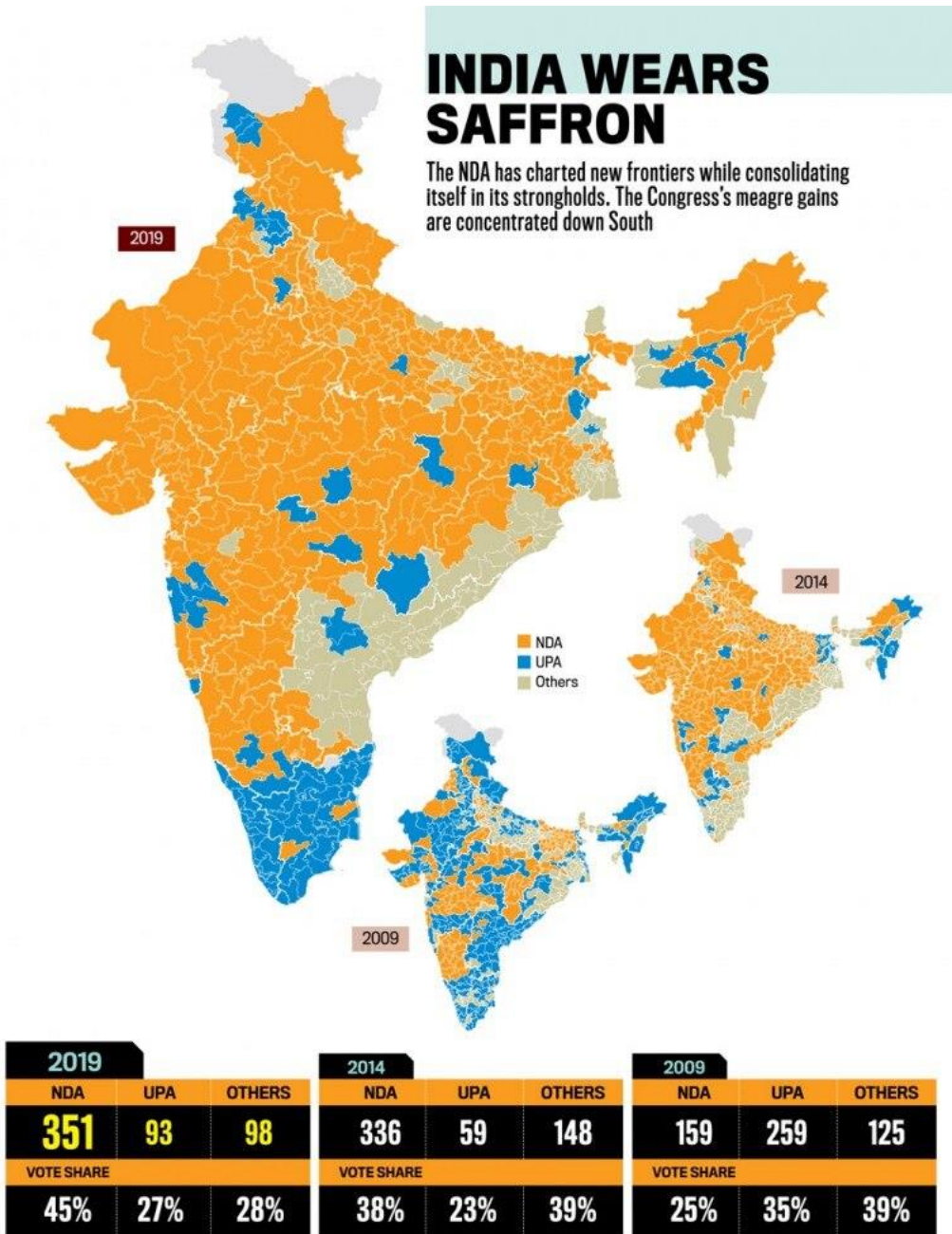
Narendra Modi was busy answering routine e-mails on his computer on the morning of May 23 when the counting of votes began. He seemed unmindful of the outcome and the history that he was about to script. It was only around 10.30 am that he checked with an aide and listened stoically to the leading positions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

(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 karmayogi.

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.

The massive mandate will help Modi cement his standing on the international stage as a tough nationalist leader to reckon with

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 Sahasrabudde 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.

By addressing 142 rallies and making it a presidential-style campaign, Modi ensured the trust he had built trounced whatever negatives the opposition hurled at him

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. 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.

Regional 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 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.

Modi posed a simple question to voters: who do they trust to deliver on security and development? they voted resoundingly for him

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 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."

By 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 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.

Modi should heed history and ensure he navigates issues like Kashmir with sagacity and sensitivity

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.

(India Today)

Modi leads NDA back to power winning 355 seats

The ruling National Democratic Alliance (NDA) rode back to power, securing 355 seats in the 543-member Lok Sabha, on the back of people's faith in Prime Minister Narendra Modi and an opposition alliance that looked untenable.

The NDA, in fact, returned to power with a better tally, with the BJP on its own securing a clear majority of 305 seats in the lower house of Parliament.

"Together we will build a strong and inclusive India," Modi said on Twitter as the counting progressed.

"India wins yet again!"

Modi's victory boosted financial markets as investors expect his government to continue to pursue economic reforms.

BJP has won 305 Lok Sabha seats while the NDA claimed 355 seats, crossing the 2014 tally. The BJP has demolished the combined opposition and confined the Congress Party to around 50 seats. Modi himself won in Varanasi with a margin of over 3.5 lakh votes while party president Amit Shah won in Gandhinagar in their home state of Gujarat by over 4 lakh votes.

On the other hand, the Congress-led opposition alliance United Progressive Alliance (UPA) secured 97 seats, 38 more compared to the 2014 elections, despite drubbings in some key constituencies. Among others, the YSR Congress of Andhra Pradesh secured 24 seats, while West Bengal's Trinamool Congress won 22 seats, BJD 12, BSP 11, TRS 8, Left 5 and AAP 1, all adding up to 83.

Congress president Rahul Gandhi lost to BJP's Smriti Irani in the Ameti Lok Sabha constituency while the Congress leader won by a record margin of 4 lakh votes from his second constituency of Wynad in Kerala.

The NDA had won 336 seats in the 2014 Lok Sabha elections and BJP had garnered 282 seats on its own.

As predicted in exit polls, BJP has made handsome gains in West Bengal and managed to thwart the threats from BSP-SP Mahagathbandhan in Uttar Pradesh. While the Modi wave swept through the Hindi heartland and other major states like Gujarat, West Bengal, Odisha, Maharashtra and Karnataka, Kerala, Tamil Nadu and Andhra Pradesh appeared untouched. But, in Telangana, the BJP was ahead in four seats, the same as the Telangana Rashtra Samiti.

The Bharatiya Janata Party secured all seven seats in capital Delhi. BJP also grabbed 11 seats from Trinamool Congress in West Bengal despite stiff resistance from Mamata Banerjee. TMC was ahead in 23 seats while the BJP was leading in 18 in the state.

BJP's Pragya Thakur also won a key contest against Congress veteran Digvijay Singh in Bhopal. The BJP-led NDA secured 38 out of 40 Lok Sabha seats in Bihar.

In Maharashtra, the BJP-Shiv Sena combine gave a tough fight to the Congress-NCP alliance in 42 seats.

In Karnataka, the BJP was leading in 23 seats, Congress in 3 and the JD(S) in 2 seats.

In Uttar Pradesh Rashtriya Lok Dal (RLD) chief Ajit Singh was trailing against Bharatiya Janata Party leader Sanjeev Kumar Balyan from Muzaffarnagar Lok Sabha constituency, which went to polls on 11 April. Sanjeev Kumar Balyan of BJP had defeated Kadir Rana of the BSP by a margin of 4,01,150 votes in the 2014 general elections. Balyan is the minister of state for water resources, river development and Ganga rejuvenation under Cabinet minister Uma Bharti.

In Rae Bareilly, Sonia Gandhi's lead narrowed down to 800 votes while Jaya Prada who was trailing behind Azam Khan in Rampur, moved ahead of Azam Khan.

Sonia Gandhi was leading from Rae Bareilly but with only around 800 votes. Meanwhile, Jaya Prada, who was trailing behind Azam Khan in Rampur in early trends, has now gained a lead.

BJP's Maneka Gandhi is leading by 1,100 votes from Sultanpur leaving behind Sanjay Singh of INC. Likewise, her son Varun Gandhi was also in lead from the Mau constituency. The mother-son duo had swapped their seats in these elections.

The BJP is leading in 23 of 25 seats in Rajasthan while the Congress is ahead in four seats. The BJP had won all 25 seats in 2014 Lok Sabha election.

Israeli Prime Minister Benjamin Netanyahu congratulated PM Modi: "Greetings to my friend PM Modi for impressive victory in the election! Results are another confirmation of your leadership and the way you lead the world's greatest democracy. Together we'll continue to strengthen the great friendship between US (us) and India and take it to new heights," Netanyahu said.

He tweeted in Hebrew and Hindi.

KP Sharma Oli, the Prime Minister of Nepal congratulated PM Modi. "I extend warmest congratulations to Prime Minister Narendra Modi ji for landslide election victory in the Lok Sabha Elections 2019. I wish all success ahead. I look forward to working closely with you," Oli tweeted.

Sri Lanka Prime Minister Ranil Wickremesinghe congratulated Modi on his return to power. "Congratulations to @narendramodi on a magnificent victory! We look forward to working closely with you.

(Domain-b)

Nationalism, Hindutva, welfare power BJP to an even bigger victory

Prime Minister Narendra Modi led to an emphatic win in the Lok Sabha election, crushing challenger Congress and other regional rivals under a saffron juggernaut powered by a high-voltage campaign that ran on the themes of nationalism, Hindutva and welfare schemes for the poor.

The results of the election became apparent within a couple of hours of counting on Thursday morning, with BJP racing to leads in over 200 seats. By the end of the day, it had won more seats in Uttar Pradesh than Congress did all over the country. Neither the “mahagathbandhan” of SP and BSP in UP nor regional powerhouses Trinamool and BJD could slow BJP’s march to a record second term in office. Just like the air strikes on Balakot that Modi invoked in his poll speeches, his campaign flattened opponents who had hoped allegations over the Rafale deal and issues of unemployment and farm distress would unseat the Prime Minister.

As things turned out, Congress’s “chowkidar chor hai” campaign found no resonance and was effectively countered by the “main bhi chowkidar” mobilisation. The unambiguous endorsement also marked an ideological triumph over the “secular” elite after a hard-fought duel in which BJP challenged the latter’s “idea of India” on issues ranging from sedition and how to handle J&K to judicial interference with religious traditions.

Campaign Modi was a celebration of his aggressive military retaliation against Pakistan-sponsored terror which the intellectual establishment derided as jingoism, as well as an unabashed emphasis of Hindu symbols and themes — an anathema to the “ancien regime”. In his victory speech at the BJP headquarters on Thursday evening, Modi said the verdict signalled the birth of new India’s hopes and aspirations and showed that the political use of “secularism” had run its course.

2nd landslide confirms BJP’s emergence as the principal pole of Indian politics

Modi described the 2019 mandate as unprecedented and one which would stun world opinion. “Political pundits will have to forget the formulations of the last century,” he said.

BJP president Amit Shah said Congress had failed to score in 17 states and UTs, and parties that showed a contempt for the PM’s hard work had paid a price for their arrogance. The verdict was a fitting response to the politics of appeasement and caste and dynasty, he added, hailing Modi as the world’s most popular democratic leader.

The second landslide for Modi confirmed BJP’s emergence as the principal pole of Indian politics and its enthronement as the natural party of governance, with the NDA alliance crossing 44% of the total votes polled.

NDA numbers rose to around 350 as BJP fulfilled the “ab ki baar, teen sau par” pledge. Seen by many as more of a rallying cry than a realistic political goal, Modi defied punditry that BJP would find it hard to repeat its domineering performances in states where it had done very well in 2014. It repeated its sweep of Rajasthan, Gujarat, Uttarakhand and Himachal Pradesh, and won all seats in Madhya Pradesh except one. It swept Bihar in alliance with JD(U) and Ramvilas Paswan’s LJP.

In the choice between contesting imaginations, BJP’s controversial candidate Pragya Thakur, an accused in a terror case, trounced Congress veteran Digvijay Singh who was in the Sangh Parivar’s crosshairs for allegedly coining the term “Hindu terror”. Kanhaiya Kumar of “azaadi” fame fell to the Modi wave in Begusarai.

The success in combats over ideology as well as in states which boast of big concentrations of Muslims — from Assam and West Bengal to Bihar and UP — led many in the party to call the result a stride towards the “re-Hinduisation” of India.

While cultural themes and nationalism formed part of the Modi broth, the PM scored high because of the pro-poor credentials he had amassed by implementing welfare schemes. He was helped immensely by his success in reining in inflation and corruption — two millstones which had sunk many of previous regimes.

Congress and other opponents had banked on unemployment and farm distress. In the end, those concerns failed to derail BJP, partly because of specific interventions such as the PM Kisan Samman income support and more importantly because the opposition failed to build a convincing narrative and the PM was seen as better placed to solve the problems.

It was Modi's election, with the PM being the point of referendum. "Every vote you cast will come directly to me," Modi had told voters. The party wove the campaign around Modi's personality, milking his oratory and its domination of the airwaves.

The voters responded by delivering an unambiguous mandate to the PM with BJP on its own comfortably crossing the majority mark. Unfettered by coalition compulsions — though allies will be part of the government as before — Modi is now set to unroll NDA 2.0 with an accelerated focus on reforms, infrastructure, welfare and a "right wing" political agenda like the citizenship bill and the national register of citizens.

The PM can be expected to pursue a harder policy against extremists in Jammu and Kashmir with dialogue with players like Hurriyat ruled out. The posture with regard to Pakistan can be expected to reflect an unrelenting focus on terrorism, a condition that the neighbour must meet for any progress in ties. The big parliamentary majority can be expected to help Modi further the Wuhan spirit with Chinese President Xi Jinping.

The rise in BJP vote shares in states like UP, Haryana, Rajasthan, Madhya Pradesh and Maharashtra is bad news for opposition parties as they underline the dominance of BJP and its partners across significant political geographies. With the party's expansion in the east in West Bengal and Odisha, BJP is moving towards reducing its dependence on north and west India for electoral victory at the Centre.

The party posted a record total in Karnataka and picked up an unexpected four seats in Telangana but did not score in Kerala, Andhra Pradesh and Tamil Nadu. The increase in vote shares in these states and the boost that BJP's return to office will provide promise to spur its expansion in south India. The prospects of growth across the country could further enable the party to cushion itself against regional variations in the future.

The threat for opposition parties — Congress and regional parties — is that Modi politics has poached on almost all vote banks save the minorities. The influence of caste-based parties like SP, BSP, RJD has been curtailed by non-Yadav OBCs gravitating towards BJP along with non-Jatav Dalits. The poor governance record of these parties, serious charges of corruption, and perception that benefits are selectively distributed, gave an opening that the PM seized with vigour.

The strategem of forming caste-based alliances has also failed, with UP being a prime example while the Congress-JD(S) pact in Karnataka also came a cropper.

(Times of India)

NDA leaves Opposition licking wounds

The combination of Prime Minister Narendra Modi's bold communication skills and BJP chief Amit Shah's super sharp electoral arithmetic left the Opposition parties squirming on the result day as the saffron party surged to a never before performance by crossing the 300-mark. The superlative performance has made Modi the third Prime Minister to win two consecutive elections with majority after Jawahar Lal Nehru and Indira Gandhi.

It managed to trounce the caste arithmetic of SP-BSP-RLD, that was being considered formidable in Uttar Pradesh, rather comfortably, winning 61 out of 80 seats. It sent the Congress virtually into oblivion in UP by letting it win only one seat of Rae Bareilly. Congress president Rahul Gandhi who led the Opposition campaign suffered a humiliating defeat in Amethi at the hands of Smriti Irani.

All planks of the opposition to counter the BJP on demonetisation, farmers' distress and unemployment also failed to stop the surge of Brand Modi that came out with the a twin agenda of development and nationalism. The Mahagathbandhan and Congress also failed to measure the impact of PM Modi's Ujjwala and toilet scheme that touched the women voters in a big way.

In Delhi too, Brand Modi wrested all seven seats thereby dashing Aam Aadmi Party chief Arvind Kejriwal's hopes to make an impact in the national elections and emerge as a national player. Such was the resonance of Modi on the ground that even non-entities in politics like cricketer Gautam Gambhir and singer Hans Raj Hans romped home with vote share that was more than the vote share of AAP and Congress candidates put together. The BJP candidates got a larger vote share than their adversaries in almost all the assembly segments too which could cause an alarm in the AAP camp.

The case was not different in Bengal either.

Despite putting up a spirited fight, CM Mamata Banerjee failed to check the clinical surge of Saffron wave in her bastion West Bengal where BJP emerged as the second largest party by winning 18 out of 42 seats against Trinamool Congress's 22 seats. With a sizeable Left vote share shifting to the BJP to find succour from TMC's oppression, Mamata now faces an uphill task to hold back the saffron surge in assembly elections that are due in 2021.

To make the matter worse for Mamata, the BJP is leading on four seats in the bypolls to state assembly, while TMC is behind with three seats.

Arguably the most strident critic of Prime Minister Narendra Modi this Lok Sabha polls, Banerjee was courted by regional satraps of all hues — from Andhra Pradesh Chief Minister N Chandrababu Naidu to her Telangana counterpart K Chandrasekhar Rao — to build a formidable front to defeat the saffron party.

(DNA India)

A remarkable victory, a great responsibility

A victory of this magnitude speaks of an appeal that has breached vote banks and also drawn into its fold the aspirational and the poor

The Narendra Modi led-BJP's winning of a second term comes with a mandate so large that it could end the political argument. It must start a new conversation. One that begins with the acknowledgement of what PM Modi and his party have achieved. First and foremost: A second unprecedented majority, the second larger than the first. Verdict 2019 deals a fell blow not just to the political common sense that India's parliamentary election had become the sum of 29 contests, but also, that anti-incumbency had settled down as the country's political reflex. The numbers will be parsed carefully in days to come. But it is already clear that this was a national election, fought across the country around the political persona of the man who had led the NDA government for five years, and the electorate has overwhelmingly affirmed his rule.

In the process, Modi has taken the BJP to newer places and groups. The party that was seen as a Brahmin-Bania outfit, primarily of the Hindi heartland, and most attractive to the upper classes, has now carved significant spaces for itself in the east, most spectacularly, in West Bengal, and also in the south, in Telangana and Karnataka. It has also vaulted over the faultlines of caste and class. A victory of this magnitude speaks of an appeal that has breached the caste vote banks of its political opponents and also drawn into its fold the aspirational and the poor.

Under Modi, the BJP shows an appetite for power not diminished by being in power. And an ability to constantly remake its message, add layers to the party's appeal. In the beginning, was the call for Hindu consolidation, by a party that pledges to protect and propagate Hindu interests, through the proposed amendments to the Citizenship Bill, or even more strikingly, and troublingly, by the candidature of Sadhvi Pragya Thakur, accused in a terror case, out on bail. But that was not all.

After the terror attack in Pulwama, and India's response to it in Balakot, the BJP, and the Modi campaign, turned "national security" into a prime talking point. Hindutva was mixed with a muscular nationalism that used the strikes in Pakistan to spell out a new security doctrine: If hit, India would retaliate, and would say so too. To this mix, was added the message that the Modi regime was burnishing India's stature abroad. And delivering a vast array of schemes to the poor at home, in their homes.

Indeed, the Modi message was underscored by the fact that in times of an economic downturn, and rampant unemployment in a country of the young, the government found imaginative and relatively efficient ways of lending a helping hand to the poor. Be it the Ujjwala yojana, or the assistance with building toilets and Swachh Bharat, be it the opening of Jan Dhan accounts for all or the Rs 2,000 sent into them under PM-Kisan — the state reached out to those who bore the brunt of an economic slowdown made worse by, ironically enough, another government policy, demonetisation.

As it drove its multiple messages home, the Modi-BJP was helped, most of all, by its Opposition. It would be no exaggeration to say that the Congress-led Opposition created the enabling environment for the Modi landslide.

The Congress and the Mahagathbandhans sought to counter the multi-hued, leave-nothing-to-chance Modi campaign with just an anti-Modi slogan plus a bare caste arithmetic. Rahul Gandhi's "Chowkidar chor hai" chant could not drown out his party's silence on crucial issues or its BJP-lite responses in others.

For five years, the Congress seemed either spooked by the BJP or bewildered about the way forward, on subjects ranging from secularism and the rights of minorities to economic policy. Just before elections, the Congress did finally try to outline its positions, differentiate itself from the BJP, in its manifesto. But it was too late, and the Congress itself seemed content to throw up talking points in the capital's drawing rooms — it did nothing to carry its document to the people.

Regional parties in the Opposition, with the exception of the DMK in Tamil Nadu and the YSR Congress in Andhra Pradesh, also confront a moment of reckoning. The RJD in Bihar, and partners in the much touted UP Gathbandhan, SP and BSP, need to ask themselves why it was so easy for the BJP to flatten regional diversities and sweep aside state specificities. It could do so because these parties have either shrunk into family fiefs, or let themselves be tarred by corruption or tainted by a distorted version of secularism that alienates the majority without meaningfully coming to the aid of the minority. Or they have narrowed their appeal to address their core support groups alone.

BUT with great power comes great responsibility, as Modi himself underlined in his victory speech. More so, when the victory comes after a campaign marked by majoritarian triumphalism and a rhetoric that often sought to divide to rule. From fielding a terror-accused who will now be the new MP from Bhopal to categorising the electorate as majority or minority, many anxieties were stoked, institutions were tested. Now, the election won, and handsomely, PM Modi and the party that he and his lieutenant Amit Shah have remade in their own mould, must acknowledge the need to reach out to those who worry about the shrinking of the Opposition. How they respond in their historic second term will matter to all those who have stakes in the quality — and future — of this great democracy.

(Indian Express)

Bang in the middle of the on creating jobs Narendra Modi decade

On becoming prime minister in 2014, Narendra Modi had asked India's electorate to give him at least 10 years to put India on a path of progress and prosperity. Five years later, India's voters have agreed — resoundingly, unhesitatingly. The results are a rousing victory for the PM, BJP, and party president and organisational meister Amit Shah. Modi is the first PM with a full majority to secure a second consecutive term with a full majority, after the early years of Nehru and Indira Gandhi. In 2020, BJP is expected to secure a majority in the Rajya Sabha as well. This will allow GoI to pass the laws it thinks necessary, without worrying about how to elicit Opposition cooperation. This should make for better policy, decisive implementation and a stronger economy.

Congress' rout in states where it steers governments tells the story of the power of a national narrative for the voter. While the implementation of schemes to open bank accounts, build toilets, give gas connections in rural areas and the Ayushman Bharat scheme have built the PM's reputation as a doer, the Opposition's allegation of corruption found no purchase. The promise to remove poverty through hand-outs lacked credibility. Also found defunct was the mahagathbandhan's caste-corralling in the guise of 'arithmetic'. Class trounced caste, with Modi as the grand unifier.

At the same time, swift implementation of the PM-Kisan scheme, under which the first instalment of Rs 2,000 was transferred to farmers soon after announcement, made for trust. The metanarrative of nationalism and punitive action against Pakistan probably helped mould appreciation of the work done into celebration of strong leadership. Rahul Gandhi's defeat against Smriti Irani in Amethi points to the

emergence of a new voter who has little time for dynasty. Not only do the results, especially from Bihar and UP, spell the end for purely caste-based parties, they also reiterate the irrelevance of Left politics, as traditionally practised. Regional parties stay relevant, although voters have matured to voting differently at different levels of the federal polity. We hope the new government will focus on tackling some key hurdles to India's growth accelerating to double digits, such as breathing new life into the debt market, so as to relieve banks, as well as non-banking finance companies that raise short-term money, of the burden of funding long-term infrastructure, and accelerating urbanisation.

(Economic Times)

With another massive win, this is Modi's India now

To win twice at such scale means that Indian politics, and India itself, has changed beyond recognition.

No other political chieftains are holding the balance of power; only Modi matters.

After a long and arduous election, with months of campaigning and voting spread over seven phases, India's 879 million voters have spoken. And, if not with one voice, then close to it. The Bharatiya Janata Party of Prime Minister Narendra Modi has been handed another historic mandate.

Modi's 2014 victory was already record-setting — the first time a single party had attained a parliamentary majority in three decades. While every vote hasn't yet been counted, it seems that he might equal or even surpass that figure this year. To win once at that scale was astounding, a black swan event. To win twice means that Indian politics, and India itself, has changed beyond recognition.

For the first decades after independence, India was a democracy but nevertheless a one-party state. The Indian National Congress, the party that spearheaded the independence movement, dominated most states and had a stranglehold on power in New Delhi. It was voted out once in 1977, after Prime Minister Indira Gandhi turned towards authoritarianism and was punished by a united opposition. Still, not until the 1990s did the party enter a permanent decline.

At that point, India ushered in an era of coalitions. A patchwork of regional, caste-based and ideologically distinct parties held the balance of power. It's no surprise that this period also coincided with the growth of the private sector following the liberalization of the economy in 1991. Parties with no monopoly on the state are less likely to seek purely statist solutions.

Modi's successive victories mark another era of Indian politics. No other political chieftains are holding the balance of power; only Modi matters. Back in the days of one-party rule, a sycophantic Congress politician said of his leader: Indira is India. That was hyperbole. But no politician since Indira Gandhi has had as powerful a claim to be identified with India's conception of itself as Modi now does.

How has he earned that claim? Multiple explanations for the BJP's victory have already been trotted out: the organizational strength of the party, its vast advantages in money and resources, the covert and overt backing of supposedly independent institutions -- all hallmarks of democratic strongmen globally. Others will point to the weakness of the opposition and its crisis of leadership, or to Modi's reputation for incorruptibility, his muscular foreign policy and the popularity of some of his welfare schemes.

All these, of course, are factors. But they didn't determine this election. Neither did the economy. Regardless of the official figures for gross domestic product growth, the economy is under-performing. It's rare anywhere in the world for incumbents to increase their political strength under such circumstances.

No, India has proved Bill Clinton wrong: It's identity, stupid. This election was fought and won over identity -- the identity of India and the identity of Indians.

Modi is the perfect representative for the young, aspirational, majoritarian, impatient Indians who have put him into office twice now. An overwhelming number of these 400 million voters see in him a self-made man, one who has every intention of asserting India's centrality to world affairs. More, he appears strong and decisive, and wishes to impose a unity and uniformity on Indian politics. This clarity is comforting for most of his core voters.

The India of the past saw itself as a patchwork of competing identities, represented by the multiple powerful satraps of the coalition era and by the many factions within the umbrella tradition of the Congress prior to that. The BJP, under Modi, permits no such balancing. India is strong if it is united, Modi's voters feel, and unity requires the welding of these multiple identities into a single one.

Hyper-nationalists on Twitter, as well as cabinet ministers, attack Modi's opponents as the "tukde-tukde" gang -- literally, those who want to break India into pieces. The BJP's electoral logic has long been incredibly simple: Over four-fifths of India is Hindu and the BJP is the party that best represents Hindu interests. If most Hindus vote for them out of religious solidarity rather than on economic, class or caste interests, then the BJP will win.

The truth is that this is increasingly what Modi and the party have achieved. Their triumph isn't merely a product of political management. It is a rhetorical and ideological battle, a culture war, which they have won.

All bets are off about India's future. The West has long seen this country as a natural ally: one that has similar liberal institutions, is outward-looking and acts modestly on the global stage. But that is not the India wanted by the voters who have twice now demonstrated their loyalty to Modi so dramatically. Just as Indians are looking at themselves and their country anew, so the world will have to recalibrate its assumptions about India.

(Bloomberg)

Modi-led NDA government to face challenges of arresting slowdown, creating jobs: Economists

BJP has won more than 300 seats in the latest polls, bettering its performance in 2014. But the victory has come amid agrarian distress, youth unemployment, anaemic growth and troubles in the financial system.

After a landslide victory at the general election, Prime Minister Narendra Modi faces immediate challenge of arresting a slowdown in the world's sixth largest economy, creating jobs, stimulating private investment and tackling bad loan woes of banks, economists have said. BJP has won more than 300 seats in the latest polls, bettering its performance in 2014. But the victory has come amid agrarian distress, youth unemployment, anemic growth and troubles in the financial system.

Economists said the new government should ease land acquisition rules for companies, initiate labour reforms, address the funding crisis in shadow lending sector and fix mounting bad loan problem in the banking system. Other challenges on the economic front before the new government would be to contain current account deficit (CAD), and take steps to improve the quality of manpower to make them employable.

S&P Global Ratings Chief Economist Asia-Pacific Shaun Roache said the immediate challenge is to unlock the benefits of the impressive reforms the government has already undertaken, especially the GST and Insolvency and Bankruptcy Code which are needed to be streamlined further to reap benefits.

“Second, decisive measures to resolve asset-quality issues at public banks, improve their operational efficiency, and resolve the stress in the non-bank finance sector would be a large step. “These would improve credit conditions and access to finance for the private sector, necessary conditions for the stronger private investment needed to lift growth,” Roache added.

India Ratings and Research Chief Economist Devendra Pant said the new government has the challenge to arrest a slowdown in growth and focus on creating non-inflationary long term growth. “Any short term growth measure might prove inflationary,” he added. Economic growth slipped to a five-quarter low of 6.6 per cent in October-December 2018. In 2018-19 GDP growth slipped to 5-year low of 7 per cent, from 7.2 per cent in 2017-18. The growth was 8.2 per cent in 2015-16 and 2016-17, 7.4 per cent in 2014-15, and 6.4 per cent in 2013-14.

Pant further said policy focus should be on increasing capex without compromising on fiscal consolidation, taking steps to mitigate farm distress and address labour and employment issues.

According to PwC India Leader Public Finance and Economics Ranen Banerjee, the challenge will be to contain CAD that will face pressures from growing crude prices and headwinds to exports because of trade tensions and slowing global growth. CAD, which is the difference between inflow and outflow of foreign exchange, widened to 2.5 per cent of GDP (USD 16.9 billion) in the third quarter of the current fiscal, from 2.1 per cent of GDP (USD 13.7 billion) a year ago.

S&P’s Roache, however, said India should take advantage of the current trade disputes between the US and China to increase its participation in global supply chains and benefit from the positive growth and technology spillovers. “This will require a well-thought-out reform agenda to improve India’s investment attractiveness and competitiveness,” he said.

PwC’s Banerjee said infrastructure investments have to be continued by the government as part of its capex. “The revenue collections may fall short of estimates and this would put pressure on the fiscal deficits given some of the newer social sector programmes launched and uptake of some of the schemes growing over the year viz. Ayushman Bharat,” he said. EY India Chief Policy Advisor D K Srivastava said the immediate task before the new government is to stimulate demand in the economy and uplift investment sentiments.

“On the monetary side, two successive policy rate reductions of 25 basis points each have not yielded tangible results as yet. One more repo rate reduction of 25 basis points may be considered. This should be supplemented by a fiscal stimulus,” Srivastava said. In the short run, both consumption and investment demand should be stimulated. “An additional repo rate reduction of 25 basis points and

frontloading of government expenditure and bringing forward the presentation of the full year budget should be government priorities,” he added.

(The Economist)

France plans to hold investment conclave in Goa this year

The Government of France is planning to organise an investment conclave in Goa in October this year, to encourage French companies to invest in various sectors in the coastal State.

A proposal to this effect would be submitted to the Goa government soon, Consul General of France in Mumbai Sonia Barbry said here on Friday. The first such conclave was held at Nagpur last year, in which Maharashtra Chief Minister Devendra Fadnavis had participated, she said.

“During that conclave, a number of memorandum of understanding (MoUs) and letters of intent (LOI) were signed between French and Indian companies. Now, we will try to bring in French investment into Goa,” she said.

The ‘Franco Goa Investment Conclave’ will look at investment in the field of green marinas, health, medical equipment and waste management besides others, Barbry said. “We have some companies in France that know how to make sustainable marinas without disturbing the environment,” she said.

Barbry, who was in Goa to oversee Indo-French Naval Exercise ‘Varuna’, met Goa Chief Secretary Parimal Rai on Thursday and discussed economic interests of France in Goa.

She said some French companies were interested in investing in Goa in different fields.

During her visit, the Consul General also met Goa University Vice Chancellor Varun Sahani to discuss about preparations for the upcoming workshop for French teachers to be held from May 20-25 at Goa University.

She said around 130 teachers from various colleges from India, Sri Lanka and Nepal would take part in the workshop, which will improve their pedagogical skills.

(The Pioneer, 5/5/2019)

Growth in energy investment highest in India, says IEA report

Energy investment has risen most rapidly in India in three years till 2018, up 12% to around \$85 billion, the International Energy Agency (IEA) said in its latest report.

Solar spending exceeded that for coal power for the first time in 2018.

Energy investment has risen most rapidly in India in three years till 2018, up 12% to around \$85 billion, the International Energy Agency (IEA) said in its latest report. While global energy investment stabilised at near \$1.85 trillion in 2018 after three years of decline, the US and India were the only two countries where investment in energy recorded a growth in 2018 from 2015-levels, the IEA noted.

The country was also the fourth-largest destination for power sector investment in 2018, trailing behind China, the US and the European Union, the agency said. Spending on renewables in India continued to

exceed that for fossil fuel-based power for the third year in a row. Solar spending exceeded that for coal power for the first time in 2018.

The report, titled World Energy Investment 2019, attributed the rise in renewable funding to the government-led auctions of solar/wind projects and the current stress in the thermal power generation sector, rendering the latter financially unattractive.

However, even it is adding more renewable plants, India is not totally neglecting coal — its more reliable and accessible power source. Global investment in coal supply (on an annual basis) increased for the first time since 2012, thanks to China, India and Australia pumping in more money in this sector though the rest of the world recorded an annual decrease.

Coal supply investment in India grew by 5% in 2018, as the country seeks to cut import costs and tap its own available resources. In 2018, India was the largest market for ‘final investment decisions’ (FIDs) to set up coal-fired power.

Across the globe, FIDs for coal-based stations, or decisions to start such construction for the first time, declined by 30% to 22 GW in 2018, their lowest level this century.

“Modernisation of industrial facilities, coupled with strong mandatory government policy, through the perform, achieve, trade (PAT) scheme is an important factor driving greater levels of investment (in India),” the IEA said.

The PAT scheme is a market-based mechanism for large energy-intensive industries to improve energy efficiency. Under the scheme, three-year energy consumption targets are set for large industrial sectors. Industry units which consume lesser energy than their respective targets can sell energy saving certificates (ESCCerts) to manufacturing plants which failed to do so. One ESCert is equivalent to one metric tonne of oil equivalent (Mtoe). Currently about 620 entities are engaged in ESCert trading.

Despite the jump in ease of doing business, India sees huge exodus of millionaires

Despite the government’s thrust on improving ease of doing business, India saw the largest migration of its high net worth individuals in 2018 after China and Russian Federation.

India sees huge exodus of HNIs in 2018 according to a recent report. 5,000 HNIs left India in 2018

Despite the government’s thrust on improving ease of doing business, India saw the largest migration of its high net worth individuals in 2018 after China and Russian Federation. The large exodus of HNIs can be attributed to better standard of living, safety, better work, business and education opportunities in other countries, according to a recent report. Notably, India’s ranking in terms of ease of doing business had jumped to 77 from 100 last year but it seems to have failed in creating a suitable environment for millionaires to stay back in the country which claims to be the fastest growing economy in the world.

The total number of HNIs which left India in 2018 represent 2 percent of the total HNIs in the country. As per the report, 5,000 HNIs left the country in 2018. However, the report also said that the outflow of HNIs from China and India is not a concern as both the countries are still producing far more HNIs than they are losing. With the improvement in the standard of living in these two countries, several wealthy people will move back.

Also read: Nifty records biggest losing streak in over eight years, Sensex ends 372 points lower; key reasons

Last year, in an interview with Financial Express Online, Ruchir Sharma, Chief Global Strategist, Morgan Stanley Investment Management, had cited the reasons of anti corruption and regulatory crackdown in India behind the leaving of millionaires. He had said that the speed at which millionaires were leaving India might affect the domestic markets, and might not bode well for India going forward.

Australia, the US and Canada are the top three countries which saw the largest inflow of HNIs in 2018 on account of safety, appeal of bringing up children and better education in terms of schools and universities, climate, healthcare and tax system among others.

Australia has beaten out the world's largest economy US for the fourth consecutive year in attracting the HNIs. Sydney, Melbourne and the Gold Coast are among the most popular cities to move in for HNIs in Australia. In the US, the most preferred places for HNIs are New York City, Los Angeles, Miami and the San Francisco Bay area.

After Australia and the US, Canada is the topmost country which saw the largest inflow of HNIs in 2018. Dubai in UAE is also one of the most sought after places for the millionaires to move in, as per the report.

(Financial Express, 14/5/2019)

FDI inflows record first decline in six years in FY19

Foreign direct investment (FDI) in India declined by 1 per cent to \$44.37 billion in the 2018-19 financial year, registering the first fall in the last six years, as the wave of foreign fund flows into the telecom, pharma and other sectors subsided, official figures showed.

This is against a record FDI inflow of \$44.85 billion in 2017-18, according to the latest data available with the Department for Promotion of Industry and Internal Trade (DPIIT).

Last time it was in 2012-13

Last time FDI registered a contraction was in 2012-13 when foreign fund inflows declined of 36 per cent to \$22.42 billion from \$35.12 billion in 2011-12.

Since 2012-13, the inflows had been steadily growing till it reached a record high in 2017-18.

According to the data, FDI inflows in telecommunication, construction development, pharmaceuticals and power sectors declined significantly in 2018-19.

Foreign direct investment in telecommunication dropped to \$2.67 billion in 2018-19 from \$6.21 billion in 2017-18, while in construction development FDI fell to \$213 million from \$540 million, in pharmaceuticals to \$266 million from \$1 billion, and in the power sector to \$1.1 billion from \$1.62 billion.

Sectors that recorded a growth in FDI include services (\$9.15 billion), computer software and hardware (\$6.41 billion), trading (\$4.46 billion), and automobile (\$2.62 billion).

Meanwhile, Singapore has replaced Mauritius as the top source of foreign investment into India in the last fiscal, pumping \$16.22 billion into the Indian market while FDI inflows from Mauritius stood at \$8 billion in 2018-19

The other major investors in the country include Japan, the Netherlands, the UK, the US, Germany, Cyprus, the UAE and France.

India is heavily dependent on FDI for its huge investments in the coming years to overhaul its infrastructure sector and boost growth.

(Domain-b)

India opposes EU proposal for e-commerce rules

India today moved a proposal at the WTO mini ministerial seeking to amend laws on unilateral action by members on trade issues, which found immediate support from China and South Africa.

India also opposed a proposal moved by the European Union in the WTO on Friday to create new e-commerce rules saying that it will impact domestic industry and job creation in host countries.

India's proposal to safeguard the right of special provisions for developing countries has been challenged by the US.

The proposal was circulated in Geneva among the 22 member countries who are participating in the New Delhi's mini ministerial meeting on Monday and Tuesday.

"South Africa and China are excited about our proposal and the meeting," said an official in the know of the details, adding that India may modify its proposal as per other countries, if need be. South Africa's trade and industry minister Robert Davies and a 14-member delegation the largest- from China, led by assistant minister of commerce Ren Hongbin, is attending the meeting.

Addressing the mini ministerial commerce secretary Anup Wadhawan said the existential challenges to the multilateral rules based trading system are manifest in a spate of unilateral measures and counter measures, deadlock in key areas of negotiations and the impasse in the appellate body.

He said the logjam in the appellate body is a serious threat to the dispute settlement mechanism of the WTO and the implementation function of the organisation. The fundamentals of the system are being tested through a tide of protectionism around the world vitiating the global economic environment. The situation does not bode well for developing countries, including the LDCs, he said.

The harm that the institutional failure due to the collapse of the Appellate Body will cause will be felt more in developing countries, including LDCs who need the protection of the rule-based system more than developed countries. There is an urgent need to engage constructively to preserve the system and come up with constructive solutions to the problem, he pointed out

"The discussions in the meeting being held in New Delhi give a chance to reaffirm the resolve to keep development at the centre of the reform agenda. The reform initiatives must promote inclusiveness and non-discrimination, build trust and address the inequalities and glaring asymmetries in existing agreements. These asymmetries are against the interest of developing countries including LDCs. There

is a need to work together to put issues of importance for developing countries and their priorities in the reform agenda.

“There has been no active engagement or movement on key issues of concerns for developing countries including LDCs in the negotiating agenda. Agriculture remains a key priority for a large membership of WTO representing the developing world. However, there is a strong push to completely relegate existing mandates and decisions and work done for the past many years, to the background,” he said.

India believes that developing countries need to work together to protect their interests in the WTO negotiations through preservation of the core fundamental principles of the WTO. The two-day meet gives an opportunity to the participating countries of developing a shared WTO reform proposal on issues of priority and interest for developing countries. This will help in building a common narrative on issues of importance for Developing Countries including LDCs.

The two-day meeting is an effective move by developing countries to positively influence the outcome of WTO reforms by making development at its core and exploring all means of saving multilateralism.

(Domain-b, 13/5/2019

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