

## Modi and His Projects

**More** than three years have passed since Modi came to the power. Starting with Swachh Bharat, he announced a number of schemes culminating in the demonetisation and GST. On these columns comments have appeared about these schemes. Every scheme had ulterior purpose than openly said aims. How far these aims have been achieved?

### **Swachh Bharat Mission**

The aim of Swachh Bharat Mission (SBM) is to create cleaner habitats and its main plank is to make the country free of Open Defecation. It used to be pet project for the leaders to do some cleaning work on one day claiming that it would instil awareness among the people. This local level ritual was made into a national one by NDA government. Such a programme was implemented – Nirmal Bharat Abhiyan – previously. Auditing by CAG revealed that the number of toilets built was inflated by the states. The SBM has also gone the same way.

The Ministry of Drinking Water and Sanitation (MDWS) claimed that it had over reached the targets in all the four years, It claimed to have built 5.85 million toilets against the target of 5 million in 2014-15. It built 12.7 million against the target of 12 million in 2015-16. Similarly, it built 21.7 billion toilets against the target of 15 million in 2016-17. Data shows that a total of 49.6 million toilets built so far.

Let us do some calculation. The yearly budgetary allocation for SBM for construction of toilets includes expenditure for education, information and communication on this programme. For 2014-15, MDWS was allocated a sum of Rs. 2850 crore. Assuming the entire amount had been spent on constructing the toilets at the cost of Rs.7200 each (centre's share) then it could have built 3.95 million toilets. The MDWS claimed to have built 5.85 million in which case it would have spent Rs.4215 crore. The difference Rs.1365 crore was not provisioned in the next budget.

The story is similar for 2015-16 also. Assuming the entire budgetary allocation of Rs.6524 crore was spent on toilets only, it could have built 9.6 million toilets against that year's target of 9 million. But the MDWS patted its back for construction of 12 million with that money.

There are some explanations in circulation for this lapse such as toilets build during this period by household on their own and those build under other schemes like MNREGA were added. These excuses only confirm that the figures are inflated.

Even if we take the claims of MDWS on their face value, it could have built 49 million toilets in four years. It has to built the remaining 62 million toilets – the total target for five years being 111.1 million - in the next year alone, which is impossible to achieve.

The SBM, which is the dream project of Modi who used to chant swadeshi mantra, is to be financed by the World Bank. It sanctioned \$4.5 billion, which is not disbursed due to the failure of the government to appoint a neutral international agency to assess the performance of SBM. However, the government is paying a 0.5 per cent interest on this sanctioned amount since December 2015. Thus the target of ODF will largely remains unfulfilled.

The other aspect of the SBM is that to maintain the clean surrounding in villages, towns and cities is where to be achieved. This is the main responsibility of the local authorities which are always short of funds to perform their duty. This is so because, inspite of Constitutional provision for the autonomy of local bodies, the successive governments never bothered to provide them necessary funds. If this is achieved, all most all the communicable diseases could have disappeared in India.

### **Jan Dhan Yojana**

Prime Minister Jan Dhan Yojana (PMJY) was announced with the aim of bringing the entire society under the ambit of formal financial system. As on August 2017, the number of bank accounts under PMJY stands at 22.7 crore and balance in these accounts totaled to Rs.65,844 crore. So far it achieved the target of opening the accounts.

At least Rs.50,000 crore from these deposits has been utilized by the banks in their business, which were cash-starved due to mounting non-performing assets. This along with the deposits made due to the demonetization has led to the cut in interests rates.

But who received these advances from the banks? Again the big business. The advances to small industries and micro finance fell from 13.3 per cent in 2014-15 to 12.6 per cent this year. The

promise that every account holder under PMJY will be eligible for an overdraft of Rs.5000 has not been implemented.

According to the version of banks, only 15 per cent of the PMJY accounts are credit linked and the remaining 85 per cent are not credit worthy. Even these 15 per cent accounts are not provided with loans. The PMJY account holders needs are continued to be catered by the micofinance and small banks.

There is a wrong notion that PMJY accounts were used to route black money into banking channels after the demonetization. The official data did not corroborate this. After demonetisation PMJY deposits increased to more than Rs. 74.000 crore, that comes to an average of Rs.8500 per account. The balance in these accounts as on August 2017 stands at Rs.65,695 crore. Only Rs. 8300 crore was withdrawn over a period of eight months, which is meager when compared to the huge figures of demonetisation.

There are other financial instruments linked to the PMJY. Under the life cover of Rs. 30,000, for 294 million accounts, only 4784 claims came of which 4801 were paid as on 8 August 2017. This is for three years. It is far below the average received claims in the case of life insurance policies. The claims under the accidental cover of Rs.1 lakh were 2576 and claims cleared are 1817.

Other financial instruments are Pradhan Mantri Jeevan Jyothi Beema Yojana (PMJJBY) and Pradhan Mantri Suraksha Beema Yojana (PMSBY). Gross enrolment under PMJJBY was 3.46 crore and the claims made are 68,681 only. In the case of PMSBY, while the gross enrolment is 10.9 crore, 15,420 claims are cleared until August 2017. This data provided by the concerned agencies is still to be verified by them.

Pradhan Mantri Mudra Yojana, designed to provide loans to small industries, has around 4 lakh accounts, to which a loan amount of Rs.1.8 lakh crore was sanctioned – a meager average of Rs. 45,000 per account., which the Modi described as astonishing success and created millions jobs for the youth.

On completion of three years of PMJY, Modi said it has given “wings to million aspirations”. But the reality is that the wings are clipped.

Moreover, the PMJY accounts are being utilized to cut the subsidies meant for the poorer section of our society. In the name of curbing corruption and see the benefits reached needy, they are closing down the fair price shops of public distribution system promising to deposit the subsidy amount in the accounts of the beneficiaries. This Direct Befit Transfer system is tantamount to asking the people to eat cash.

### **Make in India**

The NDA government unveiled Make in India programme with the proclaimed aim of turning India into a manufacturing base of the world. Accordingly, Modi called upon the foreign capital to come to India, to manufacture here and sell in the world.

Under this pogramme, the NDA government hoped that MNCs will come to India to produce sophisticated arm and military hardware including the fighter jet and submaruines in collaboration with Indian capitalists. Many arms producers showed interest and demanded to ease the norms governing FDI. The government allowed 49 per cent limit for FDI and after some time prepared to relax it upto 76 per cent and even 100 per cent in a bid to attract the FDI.

As India is one of the biggest buyer of arms and armaments, MNCs are ready to come to erect assembling plants of almost completely knock down kits. Lockheed Martin has offered to shift its F-16 fighter jet production line to India from Fort Worth, Texas and make it as its solitary worldwide unit if India orders at least 100 fighter jets. It selected Tata Advanced Systems as its India partner. The US company wants a guarantee that it would retain control over technology. They are not prepared to transfer technology. Without its transfer, India remains as an arms buyer. Contrary to the Modi's claims that India becomes manufacturing base for the world, it continue remain as a secondary assembly line manager to the MNCs.

The data regarding the other sectors in the Make in India programme is not complete and confusing as the FDI statistics are not given in fully comprehensive way. Anyhow Make in India ties the Indian capital to the MNCs as a junior partner and hands over the Indian industries to the FDI.

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