

FRONT PAGE

1. Stranded Indians will be brought back to the country from abroad using the services of commercial flights and navy. The returnees will have to pay for their quarantine facilities and treatment thereafter.
2. Confusion prevails with regard to the sharing of cost of special trains transporting immigrants between centre and states.
3. It has been observed that states with high swine flu rate have recorded the most COVID cases ; MAHARASHTRA, GUJARAT, TAMIL NADU, RAJASTHAN AND DELHI

The term “swine flu” refers to influenza in pigs. Occasionally, pigs transmit influenza viruses to people, mainly to hog farmers and veterinarians. Less often, someone infected with swine flu passes the infection to others. In the spring of 2009, scientists recognized a particular strain of flu virus known as H1N1. This virus is actually a combination of viruses from pigs, birds and humans. During the 2009-10 flu season, H1N1 caused the respiratory infection in humans that was commonly referred to as swine flu. Because so many people around the world got sick that year, the World Health Organization declared the flu caused by H1N1 to be a global pandemic.

The H1N1 virus is now known as The v stands for variant and indicates that the virus normally circulates in animals but has been detected in humans. Since 2011, another strain, H3N2v, has been circulating in humans and also causes the flu. Both strains are included in the flu vaccine for 2018-19.

Swine flu” pandemic 2009 to 2010:

The virus was first identified in Mexico in April 2009. It became known as swine flu because it’s similar to flu viruses that affect pigs.

It spread rapidly from country to country because it was a new type of flu virus that few young people were immune to.

Overall, the outbreak was not as serious as originally predicted, largely because many older people were already immune to it. Most cases in the UK were relatively mild, although there were some serious cases.

The relatively small number of cases that led to serious illness or death were mostly in children and young adults – particularly those with underlying health problems – and pregnant women.

On 10 August 2010, the World Health Organization (WHO) declared the pandemic officially over.

Symptoms:

The signs and symptoms of swine flu are similar to those of infections caused by other flu strains and can include:

Fever (but not always)

Chills

Cough

Sore throat

Runny or stuffy nose

Watery, red eyes

Body aches

Headache

Fatigue

Diarrhea

Nausea and vomiting

Flu symptoms develop about one to three days after you’re exposed to the virus.

Causes:

Influenza viruses infect the cells that line your nose, throat and lungs. The virus enters your body when you inhale contaminated droplets or transfer live virus from a contaminated surface to your eyes, nose or mouth. One can't catch swine flu from eating pork.

Risk factors:

Some people are more at risk of catching swine flu than others; including:

**people aged over 65 years
children under 5 years
people with chronic diseases
pregnant women
teenagers receiving long-term aspirin therapy
anyone with a compromised immune system**

Complications:

Influenza complications include:

**Worsening of chronic conditions, such as heart disease and asthma
Pneumonia
Neurological signs and symptoms, ranging from confusion to seizures
Respiratory failure**

Home remedies:

As there is no known single cure, steps can be taken at home to prevent swine flu and reduce symptoms if a person does contract the virus.

These include:

**washing hands regularly with soap
getting plenty of sleep
exercising often
managing stress
drinking liquids
eating a balanced diet
refraining from touching surfaces that may have the virus
Do not get close to people who are sick. Be sure to stay away from crowds if there is a swine flu outbreak in your area.**

How to reduce the spread of infection?

If a person is infected, it is important they follow these rules to prevent any further spread:

Limit contact with other people.

Do not go to work or school.

When coughing or sneezing cover the mouth with a tissue. If there is no tissue available, cover the mouth and nose.

Put used tissues in a trash can.

Wash the hands and face regularly.

Keep all surfaces that are touched clean.

Follow all doctors' instructions.

SECOND PAGE - NIL

THIRD PAGE -

Koyambedu alone accounts for more than 600 cases in TAMIL NADU

FOURTH PAGE -

CASE OF JUDICIAL ACTIVISM - HIGH COURT OF TN SEEKS REPORT ON NUMBER OF TESTING KITS IN THE STATE AND WHY MOBILE BOOTHS WERE NOT BEING USED FOR TESTING.

FIFTH PAGE - NIL

EDITORIAL

AAROGYA SETU

1. Does not have legislative backing.
2. Therefore government cannot make it compulsory without legislative authorisation.
3. Government has issued a directive where all the people (government employees, public and private sector staff, residents) in the containment zones will have to download the AAROGYA SETU APP , under the DISASTER MANAGEMENT ACT
4. No limit has been placed on the extent upto which data collected from the app may be used.
5. There is a possibility of the app becoming a surveillance tool.
6. BEST PRACTICES ELSEWHERE -

EU has made downloads of such contact tracing app voluntary.

Israeli SC has struck down the emergency powers given to the country's intelligence agencies to trace phone location of COVID patients.

Australia released a privacy impact assessment of their contact tracing app.

CAUVERY WATER

1. Centre has issued a notification where by which the Cauvery Water Management Authority will be brought under the administrative control of the UNION MINISTRY OF JAL SHAKTI.
2. CWMA was created on the direction of the Supreme Court in 2018.
3. The Authority even after two years does not have a full fledged Chairman.
4. There are 8 interstate water boards under the JAL SHAKTI MINISTRY.

MPLADS

1. Each MP has the choice to suggest to the district collector for works to the tune of ₹ 5 Crore per an UN to be taken up in his/her constituency .
2. Observations of CAG
 - Expenditure incurred is less than the booked amount.
 - Utilisation of fund lies between 49% to 90%.
 - 78% of work recommended were for existing assets.
 - Bills of quantity varied from 16% to 2312%.(not an error)
3. Money being utilised for appeasements and vote bank.

The government has provided for “one-time exemption in furnishing of utilization certificate” for release of the first instalment, and exemption from furnishing of audit certificate for release of the second instalment under the Members of Parliament Local Area Development (MPLAD) Scheme.

This exemption is applicable only for the financial year 2020-21.

The exemption is for the Members of Parliament (MPs) who have decided to contribute for COVID-19.

The latest announcement comes after allowing a one-time dispensation under the Scheme to allow MPs to recommend funds for purchase of medical testing and screening equipment for government hospitals and dispensaries in the wake of COVID-19.

Each year under MPLADS, MPs receive Rs 5 crore in two instalments of Rs 2.5 crore each. Funds under MPLADS are non-lapsable.

Lok Sabha MPs have to recommend the district authorities projects in their Lok Sabha constituencies, while Rajya Sabha MPs have to spend it in the state that has elected them to the House.

Under the MPLADS rules, an MP can donate a maximum of Rs 1 crore to a trust or a public fund.

Members of Parliament Local Area Development Scheme

It was announced in December 1993 and initially came under the control of the Ministry of Rural Development. Later, in October 1994, it was transferred to the Ministry of Statistics and Programme Implementation. The 1st Guidelines were issued in February 1994, covering the concept, implementation and monitoring of the Scheme.

Objective:

To enable MPs to recommend works of developmental nature with emphasis on the creation of durable community assets based on the locally felt needs to be taken up in their Constituencies.

Lok Sabha Members can recommend works within their constituencies and elected Members of Rajya Sabha can recommend works within the State they are elected from.

Nominated Members of both the Rajya Sabha and Lok Sabha can recommend works anywhere in the country. To create durable assets of national priorities viz. drinking water, primary education, public health, sanitation and roads, etc.

It is a Central Sector Scheme. The annual MPLADS fund entitlement per MP constituency is ₹5 crore.

FCI

1. FCI is facing a serious storage problem.
2. FCI lacks a proactive liquidation policy - It means to sell off or give away the excess stock of food grains to the market.
3. FCI has done away with e auction under the OPEN MARKET SALE SCHEME owing to the pandemic and has allowed States and NGOs to directly purchase from FCI depots.
4. One of the biggest drawback is that FCI depends on freight trains for bulk of their transportation and freight charges are really high in India.
5. Last year only 24% of grain moved by road.
6. FCI too should take a leaf out of US and pre-position food grains to demand hotspots in the coming months preferably in local areas under the administrative control of panchayats.
7. Centre and States need to work out a strategy with regard to the sharing of fiscal burden.
8. Present situation should be utilised to support farmer producer organisations and FCI can contribute towards rebuilding the disrupted supply chain.
9. 60% of costs of FCI are transfers to farmers.
10. This shows FCI is still a relevant institution.
11. FCI has an outstanding debt of ₹ 2.55 lakh crore in the form of National Small Savings Fund alone.

Food Corporation of India (FCI) is a Public Sector Undertaking, under the Department of Food & Public Distribution, Ministry of Consumer Affairs, Food and Public Distribution.

FCI is a statutory body set up in 1965 under the Food Corporations Act 1964. It was established against the backdrop of major shortage of grains, especially wheat.

Simultaneously, Commission for Agricultural Costs and Prices (CACP) was created in 1965 to recommend remunerative prices to farmers.

It has primary duty to undertake purchase, store, move/transport, distribute and sell food grains and other foodstuffs.

Commission for Agricultural Costs & Prices (CACP)

The CACP is an attached office of the Ministry of Agriculture and Farmers Welfare. The Commission for Agricultural Costs & Prices (CACP since 1985, earlier named as Agricultural Prices Commission) came into existence in January 1965.

It is mandated to recommend minimum support prices (MSPs) to incentivize the cultivators to adopt modern technology, and raise productivity and overall grain production in line with the emerging demand patterns in the country.

MSP for major agricultural products are fixed by the government, each year, after taking into account the recommendations of the Commission.

As of now, CACP recommends MSPs of 23 commodities, which comprise 7 cereals (paddy, wheat, maize, sorghum, pearl millet, barley and ragi), 5 pulses (gram, tur, moong, urad, lentil), 7 oilseeds (groundnut, rapeseed-mustard, soyabean, seasmum, sunflower, safflower, nigerseed), and 4 commercial crops (copra, sugarcane, cotton and raw jute).

Organizational Set-Up of FCI

FCI coordinates its functions through a country-wide network of offices with Headquarters at New Delhi with five Zonal Offices, twenty-five Regional Offices and 170 District Offices under its control.

Food Security

According to Food and Agriculture Organization (FAO), food security has basically four pillars:

Availability: food should be available in sufficient quantity at all times and at all places;

Affordability: food should be affordable, i.e., people should have economic access (ample income) to buy food;

Absorption: food should be safe and nutritious that body can absorb for a healthy life; and finally.

Stability: food system should be reasonably stable, as high volatility in food systems impacts adversely not only the poor but also endangers the stability of political and social systems.

Major Activities Undertaken by FCI

Procurement

The Central Government extends price support for procurement of wheat, paddy and coarse grains through the FCI and State Agencies. All the food grains conforming to the prescribed specifications are procured by the public procurement agencies at the Minimum Support Price (MSP) plus incentive bonus announced, if any. Procurement is undertaken both in direct and in-direct mode.

Under Decentralized Procurement Scheme (DCP), introduced in 1997-98, food grains are procured and distributed by the State Governments themselves. The designated States procure, store and issue food grains under Targeted Public Distribution System (TPDS) and other welfare schemes of the Government.

The decentralized system of procurement was introduced to enhance the efficiency of procurement for PDS and to encourage procurement in non-traditional States as well as to save on transit losses and costs.

Before the start of each procurement season, Central Government announces uniform specification for quality of wheat, paddy, rice and coarse grains.

Quality Control Division of FCI ensures procurement of food grains from procurement centres strictly in accordance with Govt. of India's uniform quality specifications.

FCI has also been nominated as an additional nodal Agency for procurement of Pulses and Oilseeds.

Distribution

FCI meets the requirements of TPDS through grains procured which are issued at Central Issue Price fixed by Government to fulfill the objective of helping the economically vulnerable sections of society.

FCI delivers food grains to State Govt./ State Agencies from its base depots for distribution by the latter through Fair Price Shops.

The role of FCI becomes even more important in the backdrop of National Food Security Act, 2013, that commits to distribute grains through TPDS and other welfare schemes, at highly subsidized prices.

Public Distribution System

Public distribution of essential commodities was in existence in India during the inter-war period. However, PDS, with its focus on distribution of food grains in urban scarcity areas, had emanated from the critical food shortages of 1960s.

PDS had substantially contributed to the containment of rise in food grain prices and ensured access of food to urban consumers. As the national agricultural production had grown in the aftermath of the Green Revolution, the outreach of PDS was extended to tribal blocks and areas of high incidence of poverty in the 1970s and 1980s.

PDS is supplemental in nature and is not intended to make available the entire requirement of any of the commodities distributed under it to a household or a section of the society.

PDS is operated under the joint responsibility of the Central and the State Governments. The Central Government, through FCI, has assumed the responsibility for procurement, storage, transportation and bulk allocation of food grains to the State Governments.

The operational responsibilities including allocation within the State, identification of eligible families, issue of Ration Cards and supervision of the functioning of Fair Price Shops etc., rest with the State Governments.

Under the PDS, presently the commodities namely wheat, rice, sugar and kerosene are being allocated to the States/UTs for distribution. Some States/UTs also distribute additional items of mass consumption through the PDS outlets such as pulses, edible oils, iodized salt, spices, etc.

Revamped Public Distribution System

The Revamped Public Distribution System (RPDS) was launched in June, 1992 with a view to strengthen and streamline the PDS as well as to improve its reach in the far-flung, hilly, remote and inaccessible areas where a substantial section of the poor live.

It covered 1775 blocks wherein area specific programmes such as the Drought Prone Area Programme (DPAP), Integrated Tribal Development Projects (ITDP), Desert Development Programme (DDP) were being implemented and in certain Designated Hill Areas (DHA) which were identified in consultation with State Governments for special focus.

Targeted Public Distribution System

The Targeted Public Distribution System (TPDS) was launched in 1997 to benefit the poor and to keep the budgetary food subsidies under control to the desired extent following failure of the earlier PDS system. Conceptually, the transition from universal PDS to TPDS was a move in the right direction, as it was designed to include all the poor households and raise the unit subsidy and ration quota considerably for them. TPDS aims at providing food grains to people below the poverty line at highly subsidised prices from the PDS and food grains to people above the poverty line at much higher prices than the poverty line.

Thus, the TPDS adopted by the Government of India maintains the universal character of the PDS but adds a special focus on the people below the poverty line.

The National Food Security Act, 2013 (NFSA) has been notified which provides for all India coverage of upto 75% of the rural population and up to 50% of the urban population of the country for receiving highly subsidized foodgrains.

National Food Security Act

The enactment of the National Food Security Act (NFSA) 2013 on July 5, 2013 marks a paradigm shift in the approach to food security from welfare to a rights based approach.

The Act legally entitled upto 75% of the rural population and 50% of the urban population to receive subsidized food grains under Targeted Public Distribution System.

About two thirds of the population therefore is covered under the Act to receive highly subsidised foodgrains. The National Food Security Act (NFSA) 2013 is being implemented in all the States/UTs, on an all India basis. Out of maximum coverage of 81.35 crore, around 80 crore persons have been covered under NFSA at present for receiving highly subsidized foodgrains.

The identification of beneficiaries by States/UTs is a continuous process, which involves exclusion of ineligible/fake/duplicate ration cards and also exclusion on account of death, migration etc. and inclusion on account of birth as also that of genuine left-out households.

Restructuring of FCI

The shortfalls of FCI in its major objectives of procurement, storage and distribution, lead to the formation of the High Level Committee (HLC) under the chairmanship Shanta Kumar for the restructuring for FCI.

Some of the recommendations include:

On procurement related issues: HLC recommends that FCI should hand over all procurement operations of wheat, paddy and rice to states that have gained sufficient experience in this regard and have created reasonable infrastructure for procurement (Andhra Pradesh, Chhattisgarh, Haryana, Madhya Pradesh, Odisha and Punjab).

FCI will accept only the surplus (after deducting the needs of the states under NFSA) from these state governments to be moved to deficit states.

FCI should move on to help those states where farmers suffer from distress sales at prices much below MSP, and which are dominated by small holdings, like Eastern Uttar Pradesh, Bihar, West Bengal, Assam etc.

This is the belt from where second green revolution is expected, and where FCI needs to be pro-active, mobilizing state and other agencies to provide benefits of MSP and procurement to larger number of farmers, especially small and marginal ones.

Negotiable warehouse receipt system : it should be taken up on priority and scaled up quickly. Under this system, farmers can deposit their produce to the registered warehouses, and get say 80 percent advance from banks against their produce valued at MSP.

They can sell later when they feel prices are good for them. This will bring back the private sector, reduce massively the costs of storage to the government, and be more compatible with a market economy.

Government (through FCI and Warehousing Development Regulatory Authority (WDRA)) can encourage building of these warehouses with better technology, and keep an on-line track of grain stocks with them on daily/weekly basis.

In due course, Government can explore whether this system can be used to compensate the farmers in case of market prices falling below MSP without physically handling large quantities of grain.

Revisit the MSP policy: Currently, MSPs are announced for 23 commodities, but effectively price support operates primarily in wheat and rice and that too in selected states. This creates highly skewed incentive structures in favour of wheat and rice. While country is short of pulses and oilseeds (edible oils), their prices often go below MSP without any effective price support.

HLC recommends that pulses and oilseeds deserve priority and Government must provide better price support operations for them, and dovetail their MSP policy with trade policy so that their landed costs are not below their MSP.

On stocking and movement related issues: HLC recommends that FCI should outsource its stocking operations to various agencies such as Central Warehousing Corporation, State Warehousing Corporation, the Private Sector under Private Entrepreneur Guarantee (PEG) scheme, and even state governments that are building silos through private sector on state lands.

It should be done on competitive bidding basis, inviting various stakeholders and creating competition to bring down costs of storage.

Covered and plinth (CAP) storage should be gradually phased out with no grain stocks remaining in CAP for more than 3 months. Silo bag technology and conventional storages wherever possible should replace CAP.

Movement of grains needs to be gradually containerized which will help reduce transit losses, and have a faster turn-around-time by having more mechanized facilities at railway sidings.

Buffer Stocking Operations and Liquidation Policy: One of the key challenges for FCI has been to carry buffer stocks way in excess of buffer stocking norms. FCI have to work in tandem to liquidate stocks in Open Market Sale Scheme or in export markets, whenever stocks go beyond the buffer stock norms.

The current system is extremely ad-hoc, slow and costs the nation heavily. A transparent liquidation policy is the need of hour, which should automatically kick-in when FCI is faced with surplus stocks than buffer norms.

Greater flexibility to FCI with business orientation to operate in OMSS and export markets is needed.

HLC had recommended that the government should relook at the coverage (67% of the population) under the NFSA as it's on the 'higher' side'.

On end to end computerization: HLC recommends total end to end computerization of the entire food management system, starting from procurement from farmers, to stocking, movement and finally distribution through TPDS.

The new face of FCI will be akin to an agency for innovations in Food Management System with a primary focus to create competition in every segment of food grain supply chain, from procurement to stocking to movement and finally distribution in TPDS, so that overall costs of the system are substantially reduced, leakages plugged, and it serves a larger number of farmers and consumers.

FISCAL STIMULUS PACKAGE

A 'stimulus' is an attempt by policymakers to kickstart a sluggish economy through a package of measures. A monetary stimulus will see the central bank expanding money supply or reducing interest rates to encourage consumer spending.

A fiscal stimulus is one in which the government spends more from its own pocket or slashes tax rates. Stimuli puts more money in the hands of consumers and spending goes up – thereby encouraging demand & growth.

What is the logic behind?

Concept - Proponents of fiscal stimulus, base their arguments on the Keynesian theory of macro economics. Keynes argued that even small direct interventions by the Government to prop up demand, can have a disproportionately high impact on economic growth due to the multiplier effect.

The explanation - When demand in an economy stays weak for long, businesses stop investing in new projects, unemployment rises, income shrinks and consumer confidence wanes.

This further hinders spending due to lack of money and thereby dampens demand – creating a vicious cycle. If the Government can step in with a fiscal stimulus, it revives business confidence, restarts projects, creates jobs and sets off a virtuous cycle of feel-good, demand and growth.

What was our previous experience?

The 2008 Sub-prime crisis saw countries like US, Europe, Japan and China rolling out large fiscal stimulus packages.

India's too gave out a package then included export subsidies, excise duty cuts and Rs.10,000 crores for infrastructure financing.

The government employees were also given a pay revision & a large order for new buses to replace public transport fleets was made.

As a consequence GDP growth revived from 6.7% in FY09 to 8.6% in FY10 and to 8.9% in FY11.

But at the same time, fiscal deficit of the government for FY09 rose to nearly 8% of GDP, from the projected 2.5%.

Subsequently, when the stimulus was rolled back, growth promptly slumped.

What are the concerns now?

The government currently faces a situation very much similar to the one in 2008.

While generous public spending may boost investments & demand, the government will loose out on its fiscal deficit target that is currently pegged at 3.2 %.

This may not go down well with foreign investor sentiments.

Whether the economy will take off on its own once the stimulus wears off is also doubtful.

How does the future look?

If the government decides to go with the stimulus it would have to identify its priorities clearly.

Duty cuts on petrol, constructing of affordable homes, banks recapitalisation & cheaper lending to MSMEs are some options.

While a stimulus will rejuvenate the economy through budgetary spending, the government would have to eventually earn it back.

Hence, tax revenues through other means will ultimately pinch the citizens after a while.

The Non-Aligned Movement was formed during the Cold War as an organization of States that did not seek to formally align themselves with either the United States or the Soviet Union, but sought to remain independent or neutral.

The basic concept for the group originated in 1955 during discussions that took place at the Asia-Africa Bandung Conference held in Indonesia.

The first NAM Summit Conference took place in Belgrade, Yugoslavia, in September 1961.

It has 120 members as on April 2018 comprising 53 countries from Africa, 39 from Asia, 26 from Latin America and the Caribbean and 2 from Europe (Belarus, Azerbaijan). There are 17 countries and 10 international organizations that are Observers at NAM.

The Non-Aligned Movement was founded and held its first conference (the Belgrade Conference) in 1961 under the leadership of Josip Broz Tito of Yugoslavia, Gamal Abdel Nasser of Egypt, Jawaharlal Nehru of India, Kwame Nkrumah of Ghana, and Sukarno of Indonesia.

The purpose of the organization was enumerated in Havana Declaration of 1979 to ensure "the national independence, sovereignty, territorial integrity and security of non-aligned countries" in their struggle against imperialism, colonialism, neo-colonialism, racism, and all forms of foreign subjugation.

During the cold war era the NAM played a vital role in stabilizing the world order and preserving peace and security. Non alignment of NAM doesn't mean the neutrality of state on global issues, it was always a peaceful intervention in world politics.

Principles

As J.L Nehru was founding members, the principles of NAM was largely guided by Panchsheel principles, some of them are:

Respect for the principles enshrined in the charter of the United Nations and international law.

Respect for sovereignty, sovereign equality and territorial integrity of all States.

Peaceful settlement of all international conflicts in accordance with the charter of the United Nations.

Respect for the political, economic, social and cultural diversity of countries and peoples.

Defence and promotion of shared interests, justice and cooperation, regardless of the differences existing in the political, economic and social systems of the States, on the basis of mutual respect and the equality of rights.

Respect for the inherent right of individual or collective self-defence, in accordance with the charter of the United Nations

Non-interference in the internal affairs of States. No State or group of States has the right to intervene either directly or indirectly, whatever the motive, in the internal affairs of any other State.

Promotion and defence of multilateralism and multilateral organisations as the appropriate frameworks to resolve, through dialogue and cooperation, the problems affecting humankind.

Objectives

NAM has sought to "create an independent path in world politics that would not result in member States becoming pawns in the struggles between the major powers."

It identifies the right of independent judgment, the struggle against imperialism and neo-colonialism, and the use of moderation in relations with all big powers as the three basic elements that have influenced its approach.

At present, an additional goal is facilitating a restructuring of the international economic order.

NAM in Cold War Era

Against Apartheid: The evil of apartheid was massively prevalent in African countries like South Africa, its was on the agenda of NAM right from first conference. During 2nd NAM conference at Cairo the government of South Africa was warned against the discriminatory practices of apartheid.

Disarmament: The Non-aligned Movement repeatedly comes out for maintenance of peace, 'the cessation of arms race and the peaceful coexistence of all States. In the General Assembly, India submitted a draft resolution declaring that the use of nuclear weapons would be against the charter of the United Nations and crime against humanity and should therefore be prohibited.

UNSC reforms: Right from its inception NAM was in the favour of UNSC reforms, it was against the domination of US and USSR. It wanted the representation of third world countries to make UNSC more democratic. Members echoed with same demand at 17th NAM conference at Venezuela.

Failed to resolve regional tensions: In the era of cold war the tension in South Asia escalated due to regional conflict between India- China and India-Pakistan. NAM failed to avoid tensions in the region, that further led to the the nuclearisation of the region.

India's Position

India being a founder and largest member in NAM was an active participant in NAM meetings till 1970s but India's inclination towards erstwhile USSR created confusions in smaller members. It led to the weakening of NAM and small nations drifted towards either US or USSR.

Further disintegration of USSR led the unipolar world order dominated by US. India's New Economic Policy and inclination towards US raised questions over India's seriousness over non alignment.

Prime Minister of India skipped the 17th Non Aligned Movement (NAM) summit held in Venezuela in 2016, it was only second such instance when Head of a state didn't participate in NAM conference.

Moreover, NAM continued losing relevance for India in a unipolar world, especially after the founding members failed to support India during crisis. For instance, during 1962 War with China, Ghana and Indonesia, adopted explicitly pro-China positions. During 1965 and 1971 wars, Indonesia and Egypt took an anti India stance and supported Pakistan.

India in particular, but also most other NAM countries, have integrated themselves to varying degrees within the liberal economic order and have benefited from it.

India is a member of the G20 and has declared itself as a nuclear weapons power and has for all practical purposes abandoned the call for global nuclear disarmament.

India has also engaged itself with new and old global powers. India joining the Quadrilateral Security Dialogue, a coalition seen by many as a counterforce to China's rise in the Indo-Pacific and Shanghai cooperation organisation led by China shown India's balancing approach in new world order.

India is striving hard for a multipolar world order and asserting itself as one of the player. Multi polar world order is very much closed to NAM principles.

Emerging Global Order

NAM has to adopt and change itself to suit the newly emerging challenges and geopolitics such as:

World has again moved towards bi-polarity, one led by US and other by China-Russia. The war torn Syria is prime example of this, where both US and Russia is asserting power.

The escalating tension in Indo-Pacific region due to China's assertion and US acting as a counterweight to check the Chinese expansionist policy.

The large scale migration in Europe and Asia due to the unstable regimes and ethnic conflict in different parts of world.

Issue of global climate change and occurrence of catastrophic disasters raising demand to form global consensus to deal with it.

Changing US policies, protectionism, prevalent terrorism and nuclearisation of middle east.

Formation of multiple regional economic groupings like TPP and RCEP and fading away of multilateral bodies WTO from global arena.

Relevance of NAM

NAM continues to hold relevance as a platform and due to its principles.

World peace - NAM has played an active role in preserving world peace. It still stands by its founding principles, idea and purpose i.e. to establish the peaceful and prosperous world. It prohibited invasion of any country, promoted disarmament and a sovereign world order.

Territorial integrity and sovereignty - NAM stands with this principle and proved its repeated relevance with the idea of preserving the independence of every nation.

Third World nations - Third world countries fighting against socio-economic problems since they have been exploited for a long time by other developed nations, NAM acted as a protector for these small countries against the western hegemony.

Support of UN - NAM's total strength comprises of 118 developing countries and most of them being a member of UN General Assembly. It represents two third members of general assembly, hence NAM members act as important vote blocking group in UN.

Equitable world order - NAM promotes equitable world order. It can act as a bridge between the political and ideological differences existing in the international environment.

Interest of developing countries - If disputes arise between developed and developing nation at any point of a concerned topic for example WTO, then NAM act as a platform which negotiates and conclude disputes peacefully securing the favorable decisions for each member nation.

Cultural diversity and human rights - In the environment of gross human right violation, it can provide a platform to raise such issues and resolve the same through its principles.

Sustainable development - NAM supported the concept of sustainable development and can lead the world toward sustainability. Can be used as larger platform to make consensus on global burning issues like climate change, migration and global terrorism.

Economic growth - The countries of NAM has inherent assets, such as a favourable demography, demand and favourable location. The cooperation can lead them to higher and sustainable economic growth. Can be an alternative to regional groupings like TPP and RCEP.

Way Forward

NAM as a concept can never be irrelevant, principally it provides a strong base to foreign policy of its members.

It should be seen as "Strategic Autonomy", which is the need of the hour of today's world. The principles of NAM still can guide the nations towards it.

NAM is a platform where India can assert its soft power and provide an active leadership and by being a torchbearer for smaller countries at multilateral platforms.

The conference of Heads of the State or Government of the Non-Aligned Countries, often referred to as Non-Aligned Movement Summit is to be held in Azerbaijan in June 2019. Platform should be used for consensus making on spectrum of global issues.

It should be used as a platform to raise global issues like terrorism, climate change and trade protectionism and others.

NAM platform can be used to garner support by South-East Asian countries like Vietnam, Malaysia, Indonesia and Philippines against Chinese assertion in South China Sea and related island and border disputes.

NAM can provide a platform for Afro-Asian cooperation and a strong position for poor African nation to have healthy negotiations with China and US for economic development without compromising the sovereignty of their land.

Microfinance is a basis of financial services for entrepreneurs and small businesses deficient in contact with banking and associated services. The two key systems for the release of financial services to such customers include 'relationship-based banking' for individual entrepreneurs and small businesses along with 'group-based models' where several entrepreneurs come together to apply for loans and other services as a group. Similar to banking operation traditions, microfinance entities are supposed to charge their lender's interests on loans. In most cases the so-called interest rates are lower than those charged by normal banks, certain rivals of this concept accuse microfinance entities of creating gain by manipulating the poor people's money.

As per the World Bank estimates, more than 500 million people have improved their economic conditions via microfinance-related entities.

History of Microfinance

The history of microfinance can be traced back to the middle of the 1800s. During the 1800s, the benefits of small credits to entrepreneurs and farmers was written by Lysander Spooner, the theorist, as a way to get people out of poverty. Later, the first cooperative lending bank was founded independently by Friedrich Wilhelm Raiffeisen to support the farmers in rural Germany.

The term "microfinancing" was first used in the 1970s during the development of Grameen Bank of Bangladesh, which was founded by the microfinance pioneer, Muhammad Yunus. In 1976, Yunus institutionalized the approaches of microfinance, along with the foundation of Grameen Bank in Bangladesh. Since, in the developing countries, a large number of people still depends largely on subsistence farming or basic food trade for their livelihood, therefore, smallholder agriculture in these developing countries has been supported by the significant resources.

Microfinance in India

Lack of security and high operating costs are some of the major limitations faced by the banks while providing loans to poor people. These limitations led to the development of microfinance in India as an alternative to provide loans to the poor with an aim to create financial inclusion and equality.

SEWA Cooperative Bank was initiated in 1974 in Ahmedabad, Gujarat, by Ela Bhatt which is now one of the first modern-day microfinance institutions of the country. The National Bank for Agriculture and Rural Development (NABARD) offered financial services to the unbanked people, especially women and later decided to experiment with a very different model, which is now popularly known as Self-help Groups (SHGs). The SHG-Bank linkage programme in India has savings accounts with 7.9 million SHGs and involves the participation of regional rural banks (RRBs), commercial banks and cooperative banks in its operations. The origin of SHGs in India can be traced back to the establishment of the Self-Employed Women's Association (SEWA) in 1972.

To know more on Self-help Groups (SHGs), refer to the linked page.

In 2013, a loan of \$144 million was provided by Grameen Capital India to the microfinance groups. Apart from the Grameen Bank, another microfinance organization named Equitas was developed in Tamil Nadu. The Southern and Western states of India are the ones attracting the greatest number of microfinance loans.

What is MUDRA?

The central government had introduced the Micro Units Development Refinance Agency (MUDRA) where the scheme aims to refinance collateral-free loans of up to Rs 10 lakh granted by lending entities to non-corporate small borrowers, for revenue growth actions in the non-farm sector. Currently, loans granted under this system have falls under three categories namely, Shishu loans for up to Rs 50,000, Kishor loans in a range between Rs 50,001 to Rs 5 lakhs and Tarun loans ranging from Rs 5 lakhs to 10 lakhs. As a way to make the MUDRA scheme popular, the government aims to set up a Rs 3000-crore Credit Guarantee Fund to back these loans.

Benefits of Microfinance

As per the World Bank estimates, more than 500 million people have improved their economic conditions via microfinance-related entities. Also, the International Finance Corporation (IFC) estimated that, as of 2014, over 130 million people were directly benefited from the microfinance-related operations. But, approximately only 20% of the three billion people who fall under the category of the world's poor can avail these microfinance operations. IFC also helped in establishing or improving the credit reporting bureaus in 30 developing nations.

Microfinance is also a source of capital for the people. It also empowers women in particular, which may lead to more stability and prosperity for families.