

CHATTERBOX

The onion saga

India's onion shortage is affecting its bilateral relations — and not just with neighbours but even distant friends such as the United Arab Emirates (UAE). New Delhi banned all export of onions from September 29. This has gradually led to an acute shortage of the vegetable all across south Asia and the middle east. Everyone buys — and likes — Indian onions. In Nepal, where Indian onions dominate the market, the export ban has signalled a geostrategic shift: Nepal is now buying onions from China, something the Communist Party of Nepal leader and Prime Minister KP Oli is only too happy to endorse. Trucks laden with Chinese onions are trundling across the border through Tatopani and Rasuwa, the two trade gateways, travelling nearly 3,500 km through arduous conditions and extremely cold weather to meet Nepalese demand. Nepalese bhattis (as their *dhabas* are called) now have a specially curated 'Modi menu' that has (mostly) onion-free vegetables.

Last week, in Bangladesh, the opposition called for a day-long strike against the government for not managing the onion shortage competently. Prime Minister Sheikh Hasina's deputy press secretary Hasan Jahid Tusher told news agency AFP that onions were being imported by air freight, and that "Prime Minister (Sheikh Hasina) said she has stopped using onion in dishes". A kilo of onions used to cost 30 taka. The cost is now 260 taka — if you can get Indian onions at all. The state-run Trading Corporation of Bangladesh (TCB) is selling onions at a discounted 45 taka per kilo from trucks in Dhaka. And of course, Twitter continues its non-stop commentary. "Went to buy onion, the shopkeeper asked for last 3 months pay slip" said one wit. "Our government's solution: if you can't afford onion, we'll use gas to make you cry," said another a day after the teargassing of Jamia students. And so it goes...

DID THEY REALLY SAY THAT?



"Not just minorities but those who care for the country's unity and progress are opposing the Citizenship (Amendment) Act and the National Register of Citizens. The new citizenship law will disturb and hurt religious and social unity and harmony of the country"

NCP chief Sharad Pawar, amid massive protests against the amended citizenship law across the country, December 21

CHECKLIST
DISSENT IN THE BJP IN UP?

- On 17 December, BJP MLA from Loni in western UP, Nand Kishore Gurjar, sat on a dharna to flag an injustice done to him. It took no time for other BJP MLAs to join him.
- Leader of Opposition and Samajwadi Party member Ram Govind Chaudhary, too sat in. The MLAs also raised slogans calling for unity among the legislators and said that the "insult of one MLA is equal to insulting all the MLAs". The opposition members also said that if the MLAs of the ruling party were not allowed to speak in the assembly, how could the opposition expect to be heard. Chief Minister Yogi Adityanath was not in the house, having gone to Jharkhand for the election campaign.
- Deputy Chief Minister Dinesh Sharma reached the protesting MLAs to placate them and ask what the problem was. It appears Gurjar felt he had been insulted by some police officials and the DM

who had got together to 'conspire' against him. Gurjar wanted the police officials to be brought to the House and punished publicly. Nearly 150 MLAs backed this demand. Gurjar tried to raise this on 17 December but the speaker did not permit him.

■ Gujarat has been in the news for the wrong reasons. His minor son was caught for causing an accident while driving at high speed. Gujarat was involved in an altercation with elections official and recently, his representative was arrested for violating traffic rules and misbehaving with the cops. He was also issued a show-cause notice by state BJP president Swatantra Dev Singh when he slapped a food security officer last month.

■ However, the fact that he and other MLAs from the ruling party came out and raised slogans against their own chief minister suggests all is not well with the UP unit of BJP.



OPINION

US HOUSE OF REPRESENTATIVES

Trump injured national security by abusing power

Article I: Abuse of power: Using the powers of his high office, President Trump solicited the interference of a foreign government, Ukraine, in the 2020 United States Presidential election. He did so through a scheme or course of conduct that included soliciting the Government of Ukraine to publicly announce investigations that would benefit his reelection, harm the election prospects of a political opponent, and influence the 2020 United States Presidential election to his advantage.

President Trump engaged in this scheme or course of conduct through the following means:

(1) President Trump—acting both directly and through his agents within and outside the United States Government—corruptly solicited the Government of Ukraine to publicly announce investigations into—

(A) a political opponent, former Vice President Joseph R. Biden, Jr.; and

(B) a discredited theory promoted by Russia alleging that Ukraine—rather than Russia—interfered in the 2016 United States Presidential election.

(2) With the same corrupt motives, President Trump—acting both directly and through his agents within and outside the United States Government—conditioned two official acts on the public announcements that he had requested—

(A) the release of \$391 million of United States taxpayer funds that Congress had appropriated on a bipartisan basis for the purpose of providing vital military and security assistance to Ukraine to oppose Russian aggression and which President Trump had ordered suspended; and

(B) a head of state meeting at the White House, which the President of Ukraine sought to demonstrate continued United States support for the Government of Ukraine in the face of Russian aggression.

(3) Faced with the public revelation of his actions, President Trump ultimately released the military and security assistance to the Government of Ukraine, but has persisted in openly and corruptly urging and soliciting Ukraine to undertake investigations for his personal political benefit.

These actions were consistent with President Trump's previous invitations of foreign interference in United States elections.

In all this, President Trump abused the powers of the Presidency by ignoring and injuring national security and other vital national interests to obtain an improper personal political benefit. He has also betrayed the Nation by abusing his high office to enlist a foreign power in corrupting democratic elections.

Wherefore President Trump, by such conduct, has demonstrated that he will remain a threat to national security and the Constitution if allowed to remain in office, and has acted in a manner grossly incompatible with self-governance and the rule of law. President Trump thus warrants impeachment and trial, removal from office, and disqualification to hold and enjoy any Office of honor, trust, or profit under the United States.

Article II: Obstruction of Congress

Donald J. Trump has directed the unprecedented, categorical, and indiscriminate defiance of subpoenas issued by the House of Representatives pursuant to its sole Power of Impeachment. President Trump has abused the powers of the Presidency in a manner offensive to, and subversive of, the Constitution, in that:

President Trump abused the powers of his high office through the following means:

(1) Directing the White House to defy a lawful subpoena by withholding the production of documents sought therein by the Committees.

(2) Directing other Executive Branch agencies and offices to defy lawful subpoenas and withhold the production of documents and records from the Committees—in response to which the Department of State, Office of Management and Budget, Department of Energy, and Department of Defense refused to produce a single document or record.

(3) Directing current and former Executive Branch officials not to cooperate with the Committees—in response to which nine Administration officials defied subpoenas for testimony, namely John Michael "Mick" Mulvaney, Robert B. Blair, John A. Eisenberg, Michael Ellis, Preston Wells Griffith, Russell T. Vought, Michael Duffey, Brian McCormack, and T. Ulrich Brechbuhl. These actions were consistent with President Trump's previous efforts to undermine United States Government investigations into foreign interference in United States elections.

Through these actions, President Trump sought to arrogate to himself the right to determine the propriety, scope, and nature of an impeachment inquiry into his own conduct, as well as the unilateral prerogative to deny any and all information to the House of Representatives in the exercise of its "sole Power of Impeachment". In the history of the Republic, no President has ever ordered the complete defiance of an impeachment inquiry or sought to obstruct and impede so comprehensively the ability of the House of Representatives to investigate "high Crimes and Misdemeanors". This abuse of office served to cover up the President's own repeated misconduct and to seize and control the power of impeachment and thus to nullify a vital constitutional safeguard vested solely in the House of Representatives. In all of this, President Trump has acted in a manner contrary to his trust as President and subversive of constitutional government, to the great prejudice of the cause of law and justice, and to the manifest injury of the people of the United States. Wherefore, President Trump, by such conduct, has demonstrated that he will remain a threat to the Constitution if allowed to remain in office, and has acted in a manner grossly incompatible with self-governance and the rule of law.

Edited excerpts from the text of the articles of impeachment against US President Donald Trump by Democrats in the US House of Representatives, December 10 in Washington



ILLUSTRATION BY BINAY SINHA

Former minister in the Jharkhand government, **Saryu Roy** is believed to be the man whose efforts put two former chief ministers (Lalu Prasad and Madhu Koda) in jail for corruption. Today, he is locked in a contest with his own chief minister, Raghubar Das, as an independent. Roy tells **Shikha Shalini** why he is fighting his own party. Edited excerpts:

'Win or lose, I won't be back in party'

You have been a popular and senior leader of the party. Why were you denied a ticket?

I have been associated with the Rashtriya Swayamsevak Sangh (RSS) since 1962 when I was in Class 8. I joined the Akhil Bharatiya Vidyarthi Parishad (ABVP) later. I never asked the party for anything, but the party gave me a lot. I am grateful for that. When I was a minister in the Jharkhand government, I was critical of the government's work. I spoke to everyone in the Cabinet regarding these irregularities and I also spoke to the top leadership like Narendra Modi and Amit Shah. But people didn't like what I said. That's why I'm out of the party.

I even told the party that if I am not being given a nomination, please let me know so that I can publicly announce that I will not contest the election. I was told: there is no question of not contesting. After the fourth list was released and my name was absent from all, I

said: now I feel insulted. I said that whoever is responsible for this, I will contest against him. So, I contested the election as an independent from Jamshedpur East against Raghuvar Das.

What kind of irregularities were you seeing in the government?

Out of the 30 government departments in the state, 16 departments were held by the Chief Minister (CM). The CM kept all the creamy and important departments. You can imagine the motive behind this. It was in the knowledge of our Prime Minister and the national president Amit Shah. Despite this they backed the CM.

No one called me to intercede. I went to talk to Modi and Shah myself. If they thought I was doing something that I shouldn't have done, they should have called me and talked to me at least.

What do you think there was implied

consent of the top leadership to what the CM was doing?

It wouldn't be right to impute in any motives to the top leadership. The people will have to think this over. However, let me make one point: That the Prime Minister did not take Das' name in public meetings. In many places, he was not able to share the dais with the Prime Minister.

How was your talk with Prime Minister Modi and Shah?

I met the Prime Minister on August 4, 2017. He and even Shah gave identical assurances that my objections about the functioning of the government would be addressed. Shah also came to Ranchi and things remained fine for six months but after that it went back to the same thing.

Had Shah said something to the chief minister?

I don't know what happened. Mangal Pandey, a Bihar minister who was also in charge of Jharkhand in the Lok Sabha election said that I should not say anything till the Lok Sabha elections and they would rectify the situation. I don't know what was happening at that time but nobody called me and talked to me. I am not here to keep people happy. That's why I say what I think is right. I even told the chief minister that the path you have chosen is the same path that led to Madhu Koda's fate. I said it many times. Only about 10 per cent of the matter came out in the media. They are also upset that I talked to the media.

What is the problem in the party in the state? Because there are many groups...

People remain dissatisfied. The party is expelling those who appear to be standing with me. But the fact is that there is an attachment to the party and no one would want to leave the party under normal circumstances. I had told most of them that I would contest against the CM and that they should take a decision according to their conscience. I don't believe anyone is with me. I'm alone in this fight.

What will be the political future of Jharkhand in your opinion?

It is clear that the BJP is not going to get a majority in Jharkhand.

You mentioned allocation of mining leases to some companies and appointments scam during the campaign. Why did you not speak aggressively while you were a Cabinet Minister?

There are limitations and decorum of being in the Cabinet. I have objected to these things

in writing also. There is a record of things I have said, though these have not been made public. Now I am free and I am publicly saying what I said internally. It's not that I'm saying anything new. My words should be judged on merit.

Your efforts have put two former chief ministers in jail for corruption. Who will be your next target?

I'll follow up on all the issues that I've raised earlier. Certainly, the objectionable points against the CM will also be raised. It is difficult to find evidence of something directly.

I don't say anything unless I'm sure about it. I don't even speak against the opposition people without proof. Many things may come out in the public. We cannot say today, what might happen in the future.

Will you consider returning to the party?

I won't come back to the party whether I win or lose the election. I told my party leaders: Whatever the party tells me I will do. I am even ready to clean the floor. But if you humiliate and insult me, it will not be tolerated.

If there is a hung assembly, what will you do?

If I become an MLA, I will decide on merit. Even if I win, my role would be that of an independent MLA.

You had a few meetings with Rashtriya Janata Dal (RJD) leader Lalu Prasad. Did he say something?

I met him in 2013 when I went to Ranchi jail. After that I met him when he was ill. I was the one to lodge the case against him but I went for a courtesy meeting. He has supported me in this current election.

Nitish Kumar's party is also supporting you? Do you think your proximity with the JD(U) chief created some problem?

Yes, Nitish ji's party has also supported me and Jharkhand Mukti Morcha (JMM), Aam Aadmi Party (AAP) and All Jharkhand Students Union (AJSU) have also given me moral support. My friendship with Nitish goes back to the time we were classmates in school and at Patna Science College. We were in the same hostel. When I lost the election in 2009, he called me to join his government. Our political stand makes no difference in our personal relationship. Shah had said at a meeting of the parliamentary board that Nitish released my book though he doesn't listen to anyone. However, he was the chief minister with the BJP's support. My book release by Nitish was not liked by many party members but supporting his candidature for CM post was fair enough.

The Bengaluru fairy-'tail'

A Bengaluru man has made a sanctuary out of the animals he has rescued. It doubles up as a habitat classroom for children, writes **Swarnami Mondal**

For all the animal lovers among us, imagine this — you come across a stray kitten on the road, you rescue it, bring it back home and bring a small change to this world. There are plenty out there who want to take care of animals and make a difference in their lives, but how many of us can turn that into reality?

Sanjeev Pednekar from Bengaluru is doing the same but at a far larger scale through his venture Prani. Founded in 2017 by Pednekar and his ecologist friend Karthik Prabhu, the Prani sanctuary is spread across four acres of land situated at Bengaluru's Kanakpura Road. It provides a safe space for children to interact with animals, develop an interest in wildlife and sustainability, in a setting away from the bustle of city life. Prani has recorded a footfall of 1,000 visitors since it opened.

With young volunteers at work at Prani, this place also works as a learning platform aiming to spread the message of peaceful cohabitation of animals amid urban people. Pednekar imparts a lesson or two about conservation among the visitors while piquing their curiosity about wildlife. In a conversation with *Business Standard*, he says, "It began with rescuing a pony, Esha, and now we are a 400-member strong family of rescued animals. Visitors can interact with rabbits, ponies, ducks, geese, hamsters, roosters, turtles, snakes, goats, among others. By interacting with these animals, adults and kids can get to learn compassion, patience and much more during the entire process."

Pednekar is a herpetologist by profession



and has worked with many conservationists, wildlife rescuers including the Bengaluru civic body, BBMP. From catching tadpoles at 10 to rescuing various animals across Karnataka, Pednekar found his calling in conservation and grew up to believe in the idea that human beings should forge bonds of love with animals.

When asked how Prani functions, he said, "People can spend two hours in the sanctuary, take a guided tour and then we take them around explaining tips which they can use in their daily lives to imbibe bits of sustainability and co-existence." Pednekar says, "Through this venture we are trying to build nature bit by bit which we humankind has destroyed systematically through the years. Going back to nature and bonding with animals is the only way forward." Visitors can also participate in a hands-on gardening session, watch biogas being made from waste, learn animal husbandry, snakebite mitigation, and naturalist training. The sanctuary also has option of overnight stay.

Prani also collaborates with schools. Children come visiting the sanctuary, the syllabus is explained to the children using non-conventional methods. For example, students are taken to the butterfly garden and with practical examples they can understand the life cycle of a butterfly than by rote learning from books.



(Clockwise from top) Sanjeev Pednekar standing inside the enclosure made for turtles at the Prani sanctuary; A little boy playing with a hamster; A baby goat; Prani volunteers interacting with school students who visit the sanctuary

What sort of animals does this sanctuary house and how do they find which animal needs to be rescued? Pednekar says, "One pregnant pony was left at a gutter to die, we rescued her and now she lives with her foal at Prani." The youngest member at Prani is Kavana, an eight-year-old who is being homeschooled at the sanctuary and has recently rescued and rehabilitated a blind dog.

Fending over 350 animals under one roof is an uphill task. On asking what helps fund the upkeep of a sanctuary Pednekar said, "We charge a fee of ₹400 from visitors. Providing quality time and care is our motto, the funds raised thus helps us in fending for the animals we house."

Sports and politics

Sportspeople should be free to exercise their views

Conventional wisdom in sporting circles dictates that sports and politics are distinct activities and the twain should never meet. In reality, this separation is an artificial one. Like people in any other profession, sportspeople, too, can hold political views and should have the right to express them. Two incidents within a week of each other involving Muslim sportspeople in different continents brought the issue into the limelight once again. The first was a statement by Arsenal mid-fielder and German national footballer of Turkish origin Mesut Ozil. He criticised China’s treat-

ment of the Uighur minority and wondered why the rest of the Islamic world had not raised its voice in solidarity. The move provoked a sharp response from the Chinese authorities. The Arsenal-Manchester City Premier League fixture was blacked out and Ozil was removed from a popular e-football computer game by the publisher of the game. China is the world’s fastest-growing market for European football teams, so in a sense the fallout cost advertisers, sponsors, and the club (and perhaps Ozil himself) a lot of money. No surprise, he found no support from the club, which immediately put out a

statement distancing itself from Ozil’s views, though his former manager Arsene Wenger said he had the right to voice his opinion. Ozil, who exited the German national team a few years ago complaining of being targeted for his religion and ethnicity, would have found himself in good company in the Indian cricketer Irfan Pathan, the medium pacer and key member of the 2007 World T20 winning squad. Pathan, who currently coaches the Jammu & Kashmir cricket team and is a popular TV broadcaster, was trolled by the saffron elements on social media for tweeting his support for Jamia Millia Islamia students, who had suffered at the hands of the police for their protests against the Citizenship Amendment Act. Pathan’s response was a dignified interview in *The Indian Express* that set out his credentials as an Indian first and a Muslim second, and pointed out that he did

not need permission in his own country to air his views. As a reminder of the democratic and secular nature of India, the message could not have been more pointed. Pathan, however, has been out of the national cricketing establishment, so his comments did not erupt into a major controversy. Ozil, whose footballing star is waning, still commands a large fan following in the growing markets of Asia. So, as Arsenal’s response showed, a good part of the reason for the nervousness on the part of sports administrations is the impact political statements can have on sponsors and advertisers, especially in team events such cricket or football. That is partly why most sports bodies prohibit the airing of political slogans at matches and tournaments. This is less of a problem with individual sports. Thus, Mohammad Ali was able to champion open-

ly black rights through his membership of the controversial Black Nation of Islam, an association that ended up enhancing his considerable if eccentric star power. In 1989, the Chinese-American tennis player Michael Chang could end his victory speech after winning the French Open with an oblique criticism of China’s authoritarian crackdown against protestors at Tiananmen Square. “And god bless China,” he mumbled. This was widely remarked on at the time, but drew no censure from the ATP (or China, where tennis was virtually non-existent). The acute competitiveness of international sports demands that sportspeople cannot allow themselves the luxury of distraction. When they do choose to exercise their political views, however, they do not deserve to be censured any more than the next person.

The importance of Bangladesh

Bangladesh is a key littoral on our eastern seaboard. Given Delhi’s Indo-Pacific aspirations, friendly relations with Dhaka are critical to India’s interests



Prime Minister Narendra Modi with Bangladesh Prime Minister Sheikh Hasina. Worryingly, China has developed security linkages with Bangladesh

PREMVIR DAS

India and Bangladesh have come a long way since 1971. From the heyday of Sheikh Mujibur Rehman, to the low points during the regimes of Zia-ur-Rehman and his wife Begum Zia, to the current blossoming relationship with Mujib’s daughter, Sheikh Hasina, the relationship has travelled some distance, with many ups and downs. With an upswing now in motion, every effort must be made to ensure that the surge is maintained. India’s Indo-Pacific aspirations have been emphasised more than once by External Affairs Minister S Jaishankar in recent months; Bangladesh, located where it is, must surely figure very high in that calculus. It is in this context that we should view recent developments resulting in, and flowing from, the cancellation of two visits by its senior ministers to our country. While the history of our land border issues over several decades is well-known and now happily resolved, that of the maritime demarcation is unknown to most Indians. For several years, both countries argued over a small piece of territory called New Moore Island, which submerged at high tide but was quite visible when the waters subsided. Bangladesh claimed the island as its own and drew its maritime boundary and exclusive economic zone from it, while India maintained that it lay in its jurisdiction. Behind both claims was an assessment that reserves of oil and gas lay submerged in the seabed around New Moore. At one time, India even positioned its naval personnel and a ship around the island. There was considerable acrimony and a near state of hostility between the two countries, and it was only in 2014 that the issue was resolved through international arbitration, which resulted in India giving up its claim to New Moore and about 80 per cent of the waters it had claimed. Thus, a major impediment to good-neighbourly relations was removed. So, now both land and maritime boundaries between the two countries stand resolved.

Why is Bangladesh important to our interests in the Indo-Pacific? Lying some 600 miles north of the Andaman Islands in the Bay of Bengal, with the major port of Chittagong and another, Cox’s Bazaar, almost bordering its neighbour Myanmar, the country is an important littoral on our eastern seaboard. Along with Myanmar, it has had security linkages with China in the form of port infrastructure development; to this must be added the supply of military and naval hardware, in which two submarines figure prominently. Chinese warships have frequently visited Chittagong. If the relationship strengthens further, it can only be to India’s detriment. Bangladesh is also a supporter of the China’s Belt and Road Initiative, and that country’s aspiration to link its Yunnan province to the Indian Ocean, bypassing the long and arduous Malacca Straits, requires access to Chittagong through Bangladesh. If this materialises, we will see a sizeable increase in the Chinese naval and maritime presence in the Bay of Bengal and consequently, in proximity to the Andaman Islands. During the current positive engagement between India and Bangladesh, the potential negatives have been pushed to the back burner, but nothing should be done that may reverse the situation. Earlier this month, the naval chief disclosed that a Chinese research vessel had intruded into our exclusive economic zone and had to be asked to leave. This is not the first time that such an intrusion has occurred. These ships test seabed possibilities and sonar conditions that facilitate optimum operations of submarines, and are clearly unacceptable. Further, deployments by foreign warships in the maritime territories of others — except on “innocent passage” — require prior approval. The Chinese have ignored this requirement repeatedly. They have flouted international norms and rules in the South China Sea, where smaller countries such as the Philippines and Vietnam have been wary of opposing them forcefully. They cannot be allowed to replicate their in our areas of interest. The Bay of Bengal is a key

component of the Indo-Pacific, and rates high in our strategic and security priorities. Leaving aside such unauthorised incursions, the Chinese maritime presence in the waters of the Indian Ocean has increased substantially post-2008, following the outbreak of Somali piracy. They maintain bases in Pakistan (Gwadar) and in Djibouti in the Horn of Africa, and can deploy forces from both. They also maintain a regular presence of four or five ships, including an oiler, in the Indian Ocean region, which provides endurance and staying power at sea. Additionally, they are seeking a presence in island territories such as the Seychelles, and have contributed towards port development in Sri Lanka (Hambantota and Colombo) and in Myanmar. So, friendly relations with Bangladesh are critical to India’s interests. Fortunately, from every economic and social parameter, the country is doing well and in many of them, out-performing India. The areas of discord are few. It is in this context that we must view recent developments. Identifying Bangladesh, even indirectly, for persecution of Hindu minorities alongside Pakistan has not been well-received by them, and it is not surprising that it has taken the position that it has. Fortunately, Sheikh Hasina herself has not made any comments, and this speaks volumes for her own assessment of the relationship, even as the desired “messages” were sent through cancellation of the high-profile ministerial visits. Hopefully, these have been assimilated and will help tone down the rhetoric because, of the dozens of countries that are Indo-Pacific littorals and of importance to India, Bangladesh must rank among those at the top. In the immediate neighbourhood, it is clearly one that merits a “friendly” tag. It will not help our interests if that categorisation is even diluted, much less revised. The writer is a former Commander-in-Chief of the Eastern Naval Command. He has also served as member of the National Security Advisory Board

RAJAT DHAWAN, AMIT V GUPTA & BIKRAMJIT CHAUDHURY

The onset of BS-VI emission norms in April 2020 will witness a major transition by the Indian automotive industry. This will result in a reduction of almost 70 per cent in nitrous oxides and hydrocarbons, and a 50 per cent reduction in particulate matter emissions, compared to BS-IV norms. Additionally, on-board diagnostic and enhanced safety and durability norms will kick in, bringing a new set of requirements to be complied with. After this, there will be three more stages of these norms (steps B and C are expected in 2022 for commercial vehicles and step D is expected by 2023), before it can be said that India’s auto emissions norms are at par with Euro 6. Although this transition will ensure a much-needed reduction in vehicular emissions, it comes with a set of challenges for the industry. We explore here both key challenges as well as areas of opportunity that auto original equipment manufacturers (OEMs) can benefit from if they take the right steps, going forward. To do so, OEMs must focus on how their peers in developed geographies responded when faced with similar challenges and opportunities.

Changes in engine and after-treatment systems are expected to account for a total one-time investment of around ₹40,000-50,000 crore and an operating cost impact of ₹30,000-40,000 crore for automotive OEMs. This increase in investment and operating costs will, in turn, result in increases in vehicle prices. Given that India has leapfrogged BS-V, the overall cost of vehicles is expected to increase by 10 per cent for two-wheelers, 5-6 per cent for petrol cars and 8-12 per cent for diesel cars, and around 15 per cent for commercial vehicles. OEMs may not find it feasible to pass on the full increase in costs to customers in one go. In Europe, the transition from Euro 5 to Euro 6 saw an increase of 20 per cent in terms of cost and 7 per cent in terms of price for large trucks. Additionally, with the expected decline in demand post-transition, OEMs need to proactively ensure a strict focus on direct material cost reduction and on optimising fixed costs to protect Ebitda (earnings before interest, taxes, depreciation and amortisation) margins. This will also be critical when it comes to planning the next set of investments required for Step D, CAFE (corporate average fuel efficiency) norms and electrical vehicles. OEMs will also need to make changes to manufacturing lines owing to the new BS-VI parts that would need to be installed. This is a potential opportunity to implement Industry 4.0 measures. OEMs should think of building flexible manufacturing lines, increasing productivity and quality through IoT (Internet of Things) enablement and increasing

automation during this transition to prepare for the future. Lastly, the transition to BS-VI is also an opportunity for OEMs to focus on building more strategic technological and manufacturing partnerships with suppliers of key emission-related components, especially with the increasing number of electronic components. Post BS-VI, it is also likely that there will be an increase in competition from global OEMs, given that it will become a more level playing field. By 2025, 85 per cent of global automotive demand by volume would have moved to the Euro 6 equivalent, and the larger global OEMs will be able to leverage their economies of scale to bring ready powertrains and platforms into the growing India market. Equally, this levelling of the playing field presents the Indian OEMs with an opportunity to sell more globally. With unifying powertrain norms, markets such as China, Russia, LatAm, and even Western Europe can be targeted by leveraging the frugal engineering of Indian OEMs to play in the mid-price segments. Building a loyal customer base with a focus on after-sales servicing will be critical to differentiate in the market. With the combination of new BS-VI technologies such as SCR and DPF coming in, service revenue for OEMs is likely to increase, at least in the short term. The unorganised sector will need to build up its capability for servicing BS-VI vehicles. This can help OEMs build a stronger loyalty loop, with the next set of customers buying BS-VI and improving on service revenues both for the OEM and its dealers. Developing end-to-end value propositions such as connected solutions, telematics, leasing, load-sharing and fleet management will be key in countering the entry of other global OEMs in an already competitive market. A few passenger car OEMs have already announced they will discontinue diesel cars after BS-VI, primarily due to the higher investment required and higher costs of diesel powertrains. However, the advent of CAFE norms in 2021 and 2022 will be more favourable to larger diesel cars, given that they are thermodynamically more efficient. OEMs will need to think strategically about both BS-VI and CAFE norms, and how they could utilise them to be effective. In sum, the transition to BS-VI is a critical milestone for the auto industry. The focus must be on partnerships with suppliers, preparing for intensifying global competition, pushing for international growth, and cost reduction. OEMs that act on this by mitigating near-term disruptions through operational efficiencies and planning for the longer term will emerge stronger from this transition. Dhawan is senior partner and leader, advanced industries, Asia-Pacific region, McKinsey & Company. Gupta is partner, and Chaudhury is associate partner

▶ OTHER VIEWS

NCLAT ruling on Tatas flags corporate governance issues

It could be a dampener for those looking to bet on projects in India

Three years after being abruptly unseated, Cyrus Mistry appears on course to being reinstated as executive chairman of Tata Sons, the holding company of one of India’s largest business conglomerates, with the National Company Law Appellate Tribunal (NCLAT) ruling on Wednesday that his sacking in October 2016 and the subsequent appointment of N Chandrasekaran was illegal. The tribunal’s verdict will become operational only after four weeks with a window being provided for the Tatas to appeal to the Supreme Court. But irrespective of the final verdict in this case, there are some larger issues which need to be addressed by corporate India. These questions concern corporate democracy or democratic behaviour in listed corporate firms, be they promoter-driven companies or professionally managed companies, and appropriate governance structures, including independent boards. It is important in a public corporation to make a clear distinction between decisiveness and arbitrariness. At a fraught time when many Indian companies are struggling to manage their balance sheets, one of the grave risks that the latest ruling poses is that of further deepening the distrust of corporates by many investors hurt already by events in many



firms over the past few years. That could be a dampener for long-term investment in India and for companies and entrepreneurs looking to bet on projects here. Much will depend on how swiftly the Supreme Court ensures an early closure to this corporate feud, and the behavioural change in India’s boardrooms over the next few years.

The Indian Express, December 20

Maintaining order important

But so are the rights of citizens

On Thursday, those opposed to the passage of the Citizenship (Amendment) Act planned protests across the country. The government’s response should have been simple. Ensure police presence to maintain order, while enabling citizens to exercise their rights. Instead, in many parts of the country, the governments concerned decided to impose Section 144, which prohibits gatherings of more than four people, and places other restrictions on personal liberty. This was done across Uttar Pradesh and Karnataka, both governed by the Bharatiya Janata Party, and parts of Delhi. It isn’t clear whether there was specific intelligence that prompted the imposition of

Section 144 in Delhi and Bengaluru. In both, protestors, armed only with posters and pamphlets, many of whom were detained and later released, said the executive has directly impinged and violated their fundamental right to free speech and to free association and assembly. History shows that dissent can’t be sustainably contained by simply deploying greater force. The onus lies squarely on the government to break out of this cycle, find a political solution to the controversy, but most critically, respect the right of the Indian citizen to speak, protest, move and assemble freely — as long as there is no threat to peace.

Hindustan Times, December 20

Fine dining, enhanced

Rating hygiene in restaurants welcome

With the introduction of the display of hygiene ratings on the doors of restaurants as mandated by the Food Safety and Standards Authority of India (FSSAI), Haryana is all set to enhance the dining experience. Under the Eat Right India campaign of the Central government, the food regulator has readied trained manpower of food supervisors who will periodically check the safety of food served. The hygiene rating serves to benefit all stakeholders. As health-conscious customers report instances of malpractice and naturally veer towards eateries boasting of good quality fare, food business operators that fail to meet the standards of food material, preparation, handling, storage and cleanliness

will be forced to either pull up their socks or pull out. The temptation of it going the “inspector raj” way while doling out ratings must be firmly resisted. While Haryana is taking baby steps by making the scheme voluntary for restaurants initially, Punjab has gone a step ahead towards offering a healthier platter. With the trend of ordering food online shooting northwards, Punjab has ordered all aggregators, including Swiggy and Zomato, to display the hygiene ratings of eateries registered with them, so as to allow consumers to make an informed choice and bridge the physical divide with the eateries they are promoting.

The Tribune, December 19