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SENSEX 27,139.94 ▲ 120.55

NIFTY 8,114.60 ▲ 31.55

DOLLAR ₹60.49 ▼ ₹0.20

EURO ₹79.57 ▲ ₹0.01

GOLD ₹27,440 ▼ ₹115

OIL \$102.01 ▲ \$1.26

RISING OPTIMISM

Expectations on earnings drive market rally

Investors are now wagering that an economic rebound will translate into higher corporate earnings

BY AMI SHAH
ami.s@livemint.com

MUMBAI

Benchmark equity indices hit new lifetime highs for the seventh day in a row on Wednesday as investors bet that corporate earnings will receive a boost from higher economic growth, making India one of the best-performing markets so far this year.

The 30-stock BSE Sensex ended 0.45% higher at 27,139.94 points and the National Stock Exchange's Nifty closed up 0.39% at 8,114.60. Both are record closing highs.

Wednesday marked the ninth consecutive session the indices ended with a gain and the seventh that they rose to records. In these nine sessions, the Sensex, India's most closely watched market barometer, has risen 3%, extending its gain since the start of the year to 28.2%, making it one of the world's best performers.

While easy global liquidity and hopes of an economic revival under the new National Democratic Alliance (NDA) powered the markets in the initial phase of the rally, investors are now wagering that an economic rebound will translate into higher corporate earnings.

Asia's third largest economy grew 5.7% in the three months to 30 June, the fastest pace in 10 quarters, driven by strong industrial output, data released on Friday showed.

To be sure, softening of global crude prices and a strong risk appetite globally continue to play a role as well in driving the markets higher. Foreign institutional investors have pumped more than \$13 billion into Indian equities so far this year.

Analysts expect the earnings per share (EPS) of companies linked to the Sensex to grow in the range of 15-21% in fiscal 2016.

"We are at the start of a long

earnings upgrade cycle, but it takes time for economic growth to translate to earnings growth. It will not happen immediately. We will see some improvement trickling in from FY16 (fiscal year 2016) onwards," said Raamdeo Agrawal, joint managing director at Motilal Oswal Financial Services Ltd.

In a note last month, Motilal Oswal Financial Services raised its Sensex EPS forecast for fiscal year 2016 to ₹1,854, an increase of 21%; it had earlier estimated an increase of 20%. It expects fiscal 2015 EPS to increase by 14% to ₹1,532. The Sensex EPS rose 13.4% in fiscal 2014 and 5.3% in fiscal 2013.

Corporate earnings growth has slowed over the last couple of years, led by pressure on the earnings of sectors linked closely to the domestic economy, which slowed to a growth pace of less than 5% in each of the last two years.

Some analysts expect the earnings upside to stretch out over at least the next four years.

"We continue to reinforce our message that earnings are set to double over the next four years to FY18 and market returns could mirror earnings growth," Bank of America-Merrill Lynch analysts Jyotivardhan Jaipuria and Anand Kumar wrote in a 1 September note.

Edelweiss Securities Ltd expects Sensex earnings to grow 15-16% through fiscal year 2016. It values the Sensex at 16 times FY16 earnings—a 6% premium to the historical average, and sees a re-rating possibility in FY16 with more visibility on supply-side reforms.

"The earnings cycle will continue with a positive momentum from here onwards on the back of improving economic fundamentals. Falling crude prices, softening inflation, rising consumer spending and improving corporate sentiment, which will eventually revive investments, will support growth and corporate earnings," said Nilesh Shah, managing director (MD) and chief executive officer (CEO) of Axis Capital Ltd, which expects Sensex company earnings to grow 17% in the current fiscal and 18% in the following year.

Others are even more optimistic and base their optimism on an anticipated expansion in production capacity at companies such as energy giant Reliance Industries Ltd.

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ALSO SEE

>Mark To Market: PMIs suggest economy losing momentum >P14

KEY INDICATOR

Economic pain abates: Mint Misery Index falls to 2-year low

DECLINING MISERY



Methodology: The misery index is an equal weighted index of two parameters—GDP and consumer inflation. Each data point was normalized using the formula [Reported value for the quarter - minimum value (for inflation) or maximum value (for GDP)] / [Maximum value - minimum value]

Source: Ministry of statistics and programme implementation, Centre for Monitoring Indian Economy, Mint research

PARAS JAIN/MINT

BY PRABHAT SINGH
feedback@livemint.com

MUMBAI

An index developed by this newspaper shows that economic pain is getting less acute for citizens over the past couple of quarters.

The Mint Misery Index is based on two parameters that most profoundly affect people—inflation and growth. The index tracks how far these two key economic indicators have deviated from their best performance since the beginning of 2000. The higher the index value, the more miserable people are.

Inflation has been measured by the Consumer Price Index for industrial workers since it is the only one to have data going back over the past decade. A combination of high inflation and low economic growth had hurt citizens over the past three years as the consistent rise in the Misery Index since the March 2011 quarter shows, perhaps one reason why the electorate revolted against the United Progressive Alliance in the 2014 general election.

The decline in inflation as

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QUICK EDIT

Inflation worries

Brazil is now officially in recession. South Africa is barely growing. Russia is stagnating. China is growing rapidly but there are concerns about its debt bombs. The recent jump in India's economic growth should be seen in this context.

How does India compare with its major Asian peers? A look at the latest economic data tells us a lot. Only Malaysia and the Philippines are growing more rapidly. The latter has become something of a star economy because of the way it has been able to buck the global trend of weak growth. Indonesia and Vietnam have growth rates that are marginally below India.

But there is a big difference when it comes to inflation. Inflation in most Asian economies is at least half of India's. Even Vietnam seems to have got control over prices. High inflation continues to be the Achilles heel of the Indian economy. The Reserve Bank of India has no reason to relax.

ICICI's jumbo issue precursor to more infra bond sales

BY JOEL REBELLO
joel.r@livemint.com

MUMBAI

ICICI Bank Ltd's sale of 10-year infrastructure bonds worth about ₹3,900 crore that insurers and pension and mutual funds (MFs) rushed to buy on Tuesday is likely to open the floodgates for banks trying to raise money to finance high-cost and long-gestation projects such as roads, ports and power plants.

At least five other banks—IDBI Bank Ltd, Axis Bank Ltd, Kotak Mahindra Bank Ltd, Yes Bank Ltd and Bank of Baroda—may raise money before the end of the month to finance infrastructure and housing projects, bankers said.

Attractive yields and expectations that interest rates will eventually soften would attract insurance companies, pension funds and MFs to these instruments, they said.

The government of Prime Minister Narendra Modi has put the creation of infrastructure at the top of its agenda, as it seeks to revive economic growth that slumped to sub-5% levels in each of the past two years. The gov-

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FORCED MARRIAGES

Human trafficking caters to demand for brides

BY ASHWAQ MASOODI
ashwaq.m@livemint.com

JHAJJAR/NEW JALPAIGURI

Last year, she was raped by someone she called *mausa* (uncle) in front of and on the bed of a woman she called *mausi* (aunt). Then, the *mausa* sold her off as a bride to a 45-year-old widower, father of a three-year-old, in Haryana. Price of the exchange: ₹70,000.

Haryana, with the country's worst sex ratio of 879 girls to 1,000 boys, now has to increasingly import brides from poverty-stricken states such as Assam, West Bengal, Jharkhand and Odisha. It's the same story in Punjab and Uttar Pradesh where female foeticide is high and the sex ratio skewed. According to the 2013 National Crime Records Bureau (NCRB) report, 24,749 children and women between the ages of 15 and 30 were kidnapped and sold into marriage across the country.

Hundreds of girls and young women are sold into forced marriages in northern India, finds a report by the non-governmental organization (NGO) Shakti Vahini. "They are bartered at prices that vary de-



Nowhere to run: A woman trafficked five years ago from West Bengal by her sister and brother-in-law.

mint SERIES-II

pending on their age, beauty and virginity, and exploited under conditions that amount to a modern form of slavery," the report states.

A field study on the impact of the sex ratio on marriage by NGO Drishti Stree Adhyayan Prabodhan Kendra that covered over 10,000 households in Haryana found that over 9,000 married women were bought

from other states. The study, which covered 92 villages of Mahendragarh, Sirsa, Karnal, Sonapat and Mewat districts, said that most people accepted this as a common practice, even though they personally denied having purchased a bride in their family.

With its blend of poverty, illiteracy, naiveté, trust and betrayal, the story of this family in North Bengal is being re-

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NOTE TO READERS

The Media Marketing Initiative on Page 9 is the equivalent of a paid-for advertisement, and no Mint journalists were involved in creating it. Readers would do well to treat it as an advertisement.

Human trafficking caters to demand for brides

▶ FROM PAGE 1

peated in countless villages across India. An old, ailing mother, an estranged son, a 23-year-old illiterate, unmarried daughter, another daughter, and a deaf and mute son—the family's sole breadwinner making no more than ₹80 a day by working in a tea plantation.

Most households in the Darjeeling hills and the Doars-Terai region located in the foothills of the Himalayas depend on the 300-odd plantations located here. In the late 1990s, when tea leaf prices dropped, many owners cut wages and, in some cases, abandoned their plantations altogether. By 2003-04, many tea estates had shut down. Newspapers reported starvation deaths; according to *The Times of India*, nearly 100 people have died of starvation and acute malnutrition in the five gardens closed in the Doars since January last year. Five died in June alone.

Tall with sharp features and long hair, the 23-year-old lives in a village in Banarhat, nearly 95km from Siliguri. She walks with difficulty and complains of soreness and a constant stomach ache. The weakness caused by malnutrition is evident. Those who could afford to migrate did. But for this family with its physically disabled son, migration was not an option and so they stayed on, even though there were days when the *chulha* (cook stove) could not be lit.

The so-called *mausa*, Rajendra Pal, lived next door. Originally from Haryana, he had married the teenager's neighbour by hiding the fact of his previous marriages.

It was Rajendra Pal who suggested the family make a trip to Haryana to see a famous godman who, he claimed, would cure them of their chronic problems. He even offered to pay for their travel.

The girl was reluctant. "I kept saying I am a woman. They wouldn't do anything to my mother. They couldn't have taken anything from my brother. But I am a woman. They can do anything they want to with me, and I will be ruined for life," she says she told her mother.

But Rajendra Pal persisted. She was like his daughter, he said. Just stepping into the godman's ashram would cure her problems. Why, the godman had even healed *mausa*'s leg after an accident, he said.

The family relented. "The problem with us poor people is that we trust very easily, and we trust everyone," says the 23-year-old's elder sister.



Bearing the burden: The victim of a forced marriage with her elder sister. A field study on the impact of the sex ratio on marriage by NGO Drishti Stree Adhyayan Prabodhan Kendra in Haryana found that over 9,000 married women were bought from other states.

Three days after they reached Haryana, *mausa* locked the girl's mother and brother in a room and raped the 23-year-old.

"*Mausi* was watching and kept asking me not to cry. Let him do what he wants. He is your *mausa*," the girl says.

Two days later, Pal sold her to a 45-year-old resident of Kheri Mansingh village in Karnal district of Haryana and married the two off in his lawn. He told the girl he would kill her if she tried to run away.

There was nowhere to run to. Once, she said, she hid in a maize field for close to 24 hours, hungry and thirsty and soaked in sludge till her waist. She thought she had escaped till they found her again.

"I had to do all the household chores—cleaning the house, cooking, rearing the cattle and a horse—and still they kept complaining," she says.

Brides for sale

Large-scale bride trafficking has been taking place in Haryana, Punjab and other low-sex-ratio states for over two decades, say NGOs. Even if the Haryana government ensures that not a single sex-determination test or sex-selective abortion takes place, demographers believe it will take 50 years for the population to stabilize and return to its natural ratio. The challenge before not just Haryana but also western

Uttar Pradesh, Punjab and Rajasthan is to ensure that bride demand is not catered through human trafficking. "The governments in these regions should ensure legislations which protect the rights of women and children," the United Nations Office on Drugs and Crime (UNODC)'s anti-trafficking report released in 2013 states.

Many men in Haryana, however, claim that the shortage of brides is not caused by the skewed sex ratio as much as the rising levels in women's education. "Women here study much more than men do. And she obviously will want to marry a man who has studied at least as much as she has, if not more. This is making it increasingly difficult for lesser educated men to find brides," says Vinod Bala Dhankar, a social activist and woman *khap* leader based in Jhajjar district of Haryana.

Moreover, bringing in a *molki*, or purchased bride, actually works out cheaper. "Even if you are poor, you would give a bride from Haryana gold worth at least ₹1.5 lakh plus clothes and other gifts. But for a *molki* you only pay for a *mangalsutra* and a gold ring," says Dhankar.

Strict caste and marriage rules among the Jats of Haryana also place restrictions on marriages between two people from within the same *gotra*, same village or even adjoining

villages. This, too, limits the options before the state's marriageable men.

Faced with these limitations, organized groups of unmarried youth have sprung up in the state with famous slogans such as *bahu-dilao-vote-lo* (brides-for-votes). The Kunwara Union (Unmarried Youth Organization) was founded five years ago by social activist Pawan Kumar. A similar outfit, Avivahit Purush Sangthan (Unmarried Union), was set up by Bibipoor village panchayat head Sunil Jaglan to look into the issue of gender imbalance caused by female foeticide.

Dhakla village in Haryana's Jhajjar district has a population of nearly 4,000 people. A narrow, dusty, single lane leads to Rekha's house. She has tied a dupatta around her head in the form of a *bandana*, and speaks Haryanavi as fluently and with as much confidence as the locals. In 2007, she came to Sonapat from North Bengal, after her cousin invited her to visit. The day she arrived, she was sold off for ₹50,000.

But Rekha bursts into laughter at the suggestion that she

was sold. "I don't want to think of what happened. Probably I wouldn't have had such a happy life if I was still with my family. We were very poor," she says.

Just half a mile from Rekha's house lives another woman, nearly 30 years old. Five years ago, her sister sold her off to a man who had two brothers, one older and one younger. The two brothers have decided not to marry. The woman, who does not want to be named, says her husband beats her up almost every night and has asked her more than once to leave.

Worse, within a month of her marriage, the elder brother tried to rape her. Just last month, he sexually assaulted her again, she says. Even the younger brother has assaulted her twice.

"The scarcity of women has been there for long. But earlier, if a family had four brothers, they would just get one woman and she would take care of everyone and everything," says Om Parkash Dhankar, Sarv Khap Panchayat coordinator in Haryana.

Since the women are "pur-

chased", men think they can do whatever they want to with them. "In the beginning, brides were imported from adjoining regions like Ganganagar and Rajasthan's Alwar area, but slowly women were brought from West Bengal, Assam and such states," says Rakesh Senger from NGO Bachpan Bachao Andolan. "These women do not go back to their native places and so their husbands do not feel accountable to anyone. They think they can do anything with them and no one will question them. Because they have purchased them, these women serve both as sex slaves as well as labour slaves for these men."

Recently, the Bharatiya Janata Party's National Kisan Morcha president O.P. Dhankar stoked a controversy by saying his party would get girls from Bihar for the unmarried young men of Haryana. More than a month after his controversial statement, Dhankar says: "We cannot stop migration. What we should look for is ways to legalize this process. I think both the source and the destination states should make it mandatory to register these inter-state marriages."

On September 16 last year, when the 23-year-old was working in the kitchen, she heard someone shout her name. It was her sister accompanied by Haryana Police and NGO Shakti Vahini. When the villagers learned about the joint rescue operation, a huge crowd gathered around her house with knives and sticks, shouting that they wouldn't let anyone take their bride away as they had paid for her and she was their property.

Under police protection, the 23-year-old was brought to the local *thana*. "Finally I was free. It felt like nothing worse could happen to me any more," she says.

And then a pregnancy test confirmed that she was pregnant. The child, she says, is Pal's, who is now out on bail. Even though nothing legally stops an investigating officer from conducting an investigation anywhere in the country, Pal has relocated to West Bengal, out of the reach of Haryana Police.

"They forced us to withdraw the case against Pal's wife by emotionally blackmailing us, saying she has a small child," the 23-year-old's elder sister says. "But my sister's life is ruined. Nothing happened to the people who did this to her. When an item in the market is damaged or has some flaw, no one wants it...there are no buyers."

Large-scale bride trafficking has been taking place in Haryana, Punjab and other low-sex-ratio states for two decades, say NGOs

INTERNAL DIFFERENCES

Cong secretaries want top brass to ensure seniors toe party line

BY ANUJA
anuja@livemint.com
NEW DELHI

Internal trouble hit the beleaguered Congress party on Wednesday with a section of party secretaries deciding to send a letter to the top brass, flagging concerns including the need for seniors to toe the party line and taking collective responsibility for all decisions.

To be sure, the letter, which is likely to be addressed to all general secretaries, is not expected to be sent until Thursday.

"We have drafted a 10-line letter in which we have said that everyone has a right to

speak but it should be limited only to the party platform. We have also flagged that since senior leaders are a part of the decision-making process, so there should be a collective responsibility as well," a party secretary said, requesting anonymity, adding that "a number of other secretaries" are in the process of signing it.

Through such a positioning, this section of young leaders also wants to make it clear that they stand by the leadership of party vice-president Rahul Gandhi which has been questioned post the party's humiliating defeat in the general election as its numbers in Parliament came down from 206

to 44 and its vote share declined from 28.55% in 2009 to 19.3%.

In the Congress party's organizational structure, there are a dozen general secretaries and under them are 41 secretaries, most of whom are attached with a general secretary and work together on the basis of specific state allocations.

"This is to caution the senior leaders that we still do not have a policy as the opposition party. No matter how big a leader is, everyone has to follow the norms set down by the party," another secretary said confirming that the disgruntled lot has held two meetings since Tuesday to discuss the

matter.

"I am ignorant about this meeting. I will find out the details and get back on it," Shobha Oza, party spokesperson, told reporters in response to a question on the development. "The Antony committee has submitted its report. Rahul Gandhi is our leader and there is no doubt about it."

While former defence minister A.K. Antony's report on the Congress party's election debacle is not yet public, Antony has refuted media speculation that it questions Gandhi's leadership.

The move by the secretaries comes at a time when the Congress is publicly firefighting

comments from at least three veteran leaders which were allegedly not in line with party's stated positions.

Over the last week, the party has disapproved remarks by general secretaries Janardhan Dwivedi on the issue of age limits in active politics and Digvijay Singh on Gandhi's silence being a factor in the party's loss.

On Wednesday too, the party had to battle against such "personality clashes" after two senior leaders gave different views on the Bharatiya Janata Party (BJP)-led government's move to appoint former Chief Justice of India P. Sathasivam as Kerala gover-

nor. While Anand Sharma condemned the appointment, Manish Tewari said there was no constitutional or legal bar on such an appointment.

"When a spokesperson says something, that is the official party line. We have made it absolutely crystal clear that whatever Anand Sharma commented on former CJ being appointed a governor is the official party line. And any other person speaking on various issues is his personal view," Oza told reporters on Wednesday.

Oza clarified that Sharma is a Congress spokesperson, and Tewari, a former spokesperson, is now a panellist for the party.

FALSE PROMISES

A phone call to the heart of darkness

Human trafficking finds a new route through 'phone relationships'; most victims end up in slave-like conditions

BY ASHWAQ MASOODI
ashwaq.m@livemint.com

SILIGURI

It usually starts with a missed call. When the call is returned, the person at the other end of the phone compliments the caller on, say, her voice. Unlike a normal relationship, these "phone relationships" in poor villages of North Bengal take quick leaps. Within a day or two, the person who had given the missed call proposes marriage to the teenager. He doesn't want to wait. They must elope. There is a promise of love, faithfulness and always a better life in a big city.

It's a promise that is false. As many as 82,101 children went missing across India in 2013-14 (till February), of whom 48,688 were from West Bengal, according to government figures. A 2004 report by the National Human Rights Commission on trafficking of women and children said that one-third of children reported missing every year in India remained untraced and that many of these were trafficked.

Child labour, illegal adoption and prostitution are the main reasons why children go missing. According to National Crime Records Bureau data, 3,940 cases were registered in 2013 under different provisions of the law that come under the generic description of human trafficking.

Many of those trafficked end up as domestic workers, working in slave-like conditions. Placement agencies illegally earn ₹13,000-41,000 crore per year by exploiting an estimated 7-17 million domestic child labourers, according to a report, *Economics Behind Forced Labour Trafficking*, by Global March Against Child Labour, a non-governmental organization (NGO).

"In the National Capital Region, the estimated number of registered and unregistered placement agencies is around 3,000. At least 30% of these engage child labour. Each agency is able to place 60-100 children as domestic workers every year. The agencies receive commissions of ₹20,000-50,000 per child. They pay the child anywhere between ₹1,500 and ₹4,500 per month. This money, too, is often kept by the agency and does not reach the child," the report states.

On 27 May, a 16-year-old and her family went to attend a wedding, just a few miles from her house in Buraganj village, 32km from Siliguri. Among the guests was Rani, a woman in her 30s, dressed in a gaudy sari encrusted with sparkling crystals, and in distinctive, bright make-up. All eyes were on her and everyone speculated on what she did for a living.

Over the wedding meal, Rani started a conversation with the teenager. She asked for her phone number and a photograph. The teenager handed over her details along with a crumpled passport-size photograph she had somewhere in her bag.



Lucky escape: A teenager from West Bengal's Buraganj village at her home. She was rescued from a human trafficking net by an NGO and the police, and has started going to school again.

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Two days later, the teenager received a missed call, and called back. The man at the other end introduced himself as Mahesh Mardi. He said a mutual friend had given him her number and photograph. He was already in love with her, he said. Never having received such compliments and flattery before, the teenager believed every word.

The youngest of eight siblings, the teenager grew up pampered with hardly any housework to do. The family is not poor by the standards of their village. All the brothers work, some in their own fields, others in the tea gardens close by. The family has cattle, lives in houses built of mud, bamboo and tin, the children have bicycles and the women wear gold.

Three days after their first conversation, Mahesh asked the teenager to come to Naxalbari, which is located towards the north of her village. She happily said yes. When she reached, four people including Mahesh and Rani were waiting. Alarmed at seeing so many people, the teenager faltered; she said she wanted to go back home. But Mahesh swore undying love; he would consume poison if she didn't come with him, he swore.

Even more panic-stricken, the teenager tried to run, but Rani held her hand and pulled her into a bus headed to New Jalpaiguri railway station, 32km from her village. At the station, they gave her some food to eat while they waited for a train to New Delhi. Since everyone else was eating, she didn't suspect anything. The next thing she remembers is waking up at 3am the following day. They were in Delhi. From there it was a short auto ride to a placement agency.

Placement agencies rely on sub-agents such as Rani who provide them with information and "recruits". How much the sub-agent earns depends on the "quality" of the recruit, in terms

of how good looking they are. Along with local muscle like Mahesh, the sub-agents take new recruits like the teenager to the nearest bus or railway station to take them to their destination or else hand them over to either a new sub-agent who completes the journey.

Moving through several hands, the recruits then land up at the so-called placement agencies for "employment", a euphemism for slave wages and working conditions, as domestic workers.

In Delhi, the teenager was kept in the placement office for a day before she was assigned to an employer. "I said I wouldn't work. But they didn't listen to me," she says.

Boys and girls are taken from tea gardens or poor villages to places such as Delhi, Haryana, Punjab, Bangalore, Kerala, Kashmir, Bhutan and Sikkim with a promise of jobs or a better life.

Nearly 3,600 children from poor families in the shut-down tea gardens of West Bengal migrated to Indian cities and West Asia, to work mostly as child labourers in 2010-11. Of the total, 317 have gone missing, according to a study carried out jointly by the Unicef, Save the Children (an NGO) and Burdwan University, across 12 tea gardens in the state. The study was carried out

between May and July 2011.

When no one came to take her back, the 16-year-old told her employer that she had been forced by Rani to take up the job. Infuriated on hearing this, the owner called the placement agency, which decided to send Rani to work on the teenager's behalf. But within a couple of days, Rani tricked the teenager into believing that she wouldn't have to work for more than a week, and fled after the 16-year-old resumed her work.

Left with no option, the teenager called her brother saying: "I have been sold."

According to the US department of state's *Trafficking in Persons Report 2013*, in India, an increasing number of job placement agencies lure adults and children for sex trafficking or forced labour, including domestic servitude, under false promises of employment.

"Activists estimate 20% of domestic workers who are rescued from Delhi homes complain of sexual abuse, either by the employer or those in job placement agencies," the report said.

Following the name of the placement agency that the teenager had given on the phone, her maternal uncle and brother filed a first information report (FIR) and headed to Delhi. "We kept calling. It was frustrating because we didn't even

know where to start from," her maternal uncle, who is a tea garden manager, says.

The girl was eventually rescued in a joint operation by NGO Shakti Vahini and West Bengal Police. Nearly a month after her rescue, Rani was arrested as well. What happens in such cases, NGOs claim, is that only the destination trafficker is arrested and the entire chain of people involved or the racket isn't busted—which means the investigating officers stop after arrests in the destination states. And because of gaps in investigation, acquittals take place. Furthermore, poor victim-witness protection generally discourages victims from testifying against their alleged trafficking offenders. "For every case of human trafficking, we should involve all the law enforcement agencies across the country and network with them so that all the traffickers from the source area till the destination area are booked," says Shakti Vahini's Ravi Kant, a Supreme Court lawyer.

Even though a few states have victim compensation schemes, due to inadequate implementation, victims have to wait for several years to receive funds. "The criminal justice system in India is more focused on punishment for the perpetrator. Police efforts are towards punish-

ing. There is no care and protection for the victim. The victim is left on her own to fight her battle. Even if a case reaches the trial level, summons from the place where she was arrested reach her, but not the money. She has to come on her own. In most cases, the state is not a facilitator in getting justice... All this discourages the victims. And if the victim doesn't take interest, in several cases, it leads to acquittals," says Kant.

The government has set up the Anti Trafficking Cell under the ministry of home affairs (MHA), launched a certificate course on anti-human trafficking under Indira Gandhi National Open University in partnership with the MHA, and implemented a comprehensive scheme for strengthening law enforcement response by establishing integrated anti-human trafficking units (AHTUs).

The ministry released funds—₹8.72 crore and ₹8.33 crore in 2010-11 and 2011-12, respectively, for the establishment of 225 AHTUs. The ministry of women and child development also runs shelter-based homes, such as short-stay homes, and Swadhar homes for women in difficult circumstances, including trafficked victims.

The teenager has started going to school again. She says something happens in her spine whenever she tries to dredge up the memory of those 15 days. "I wouldn't listen to anyone now. I will not let anyone befool me again," she stammers. Her maternal uncle says that after this incident, even though she is safe and with her family now, she is traumatized. "She cannot complete even one sentence without stopping more than once or without forgetting while speaking," he says.

Over the last few years, many cases of exploitation of domestic help have been reported—almost all of them females—many of whom were abused, some brutally.

Early this year, an 11-year-old domestic help from Uttar Pradesh was allegedly starved for days and tortured by her employers (in Thane), who inserted green chillies into her genitals to make her obey their orders.

A civil engineer in Bangalore was booked in August for physically and mentally harassing an 18-year-old domestic help in his house.

Even though the teenager is still traumatized, she was at least lucky to have escaped; not every story has a happy ending in such cases.

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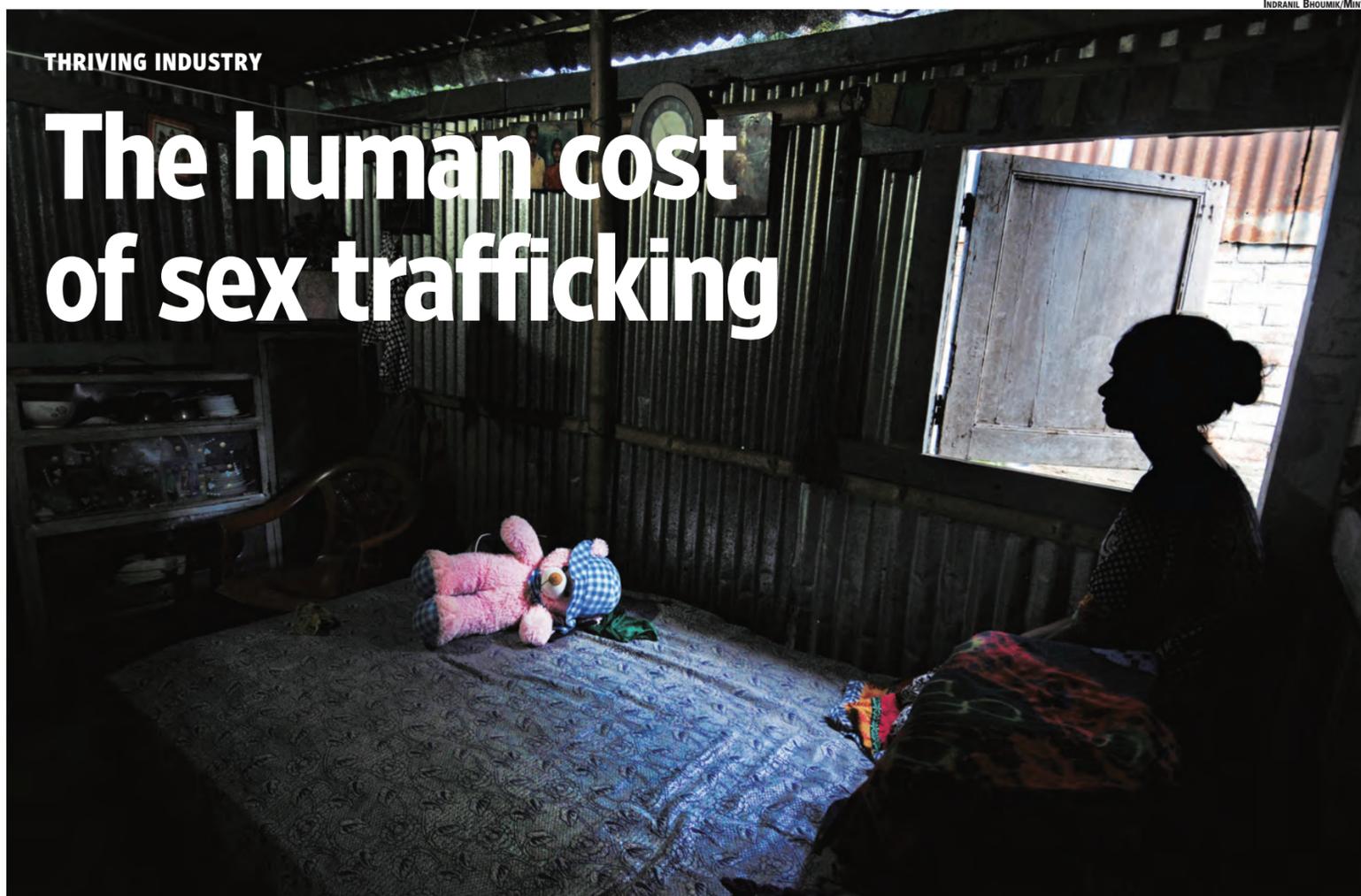
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India has the world's largest number of modern-day slaves, estimated at between 13.3 million and 14.7 million people, according to the first global slavery index compiled by the Perth-based Walk Free Foundation. Ten countries, including India, account for the highest numbers of enslaved people—76% of the worldwide 29.8 million estimated to be in slavery. In India, trafficked women and children end up in the sex trade or as domestic workers toiling in slave-like conditions in big cities and towns. Increasingly, women and young girls from impoverished states are being trafficked as 'brides' for men in relatively more prosperous states such as Haryana and Punjab where decades of female foeticide have resulted in a skewed sex ratio. Over a period of six weeks, Mint travelled to West Bengal and Haryana to report on human trafficking in its various forms. We bring to you the first part of the series.

THRIVING INDUSTRY

The human cost of sex trafficking



By ASHWAQ MASOODI
ashwaq.m@livemint.com

KOLKATA

As the customer entered her room, the 14-year-old's mother pushed a cassette into the tape recorder and turned the volume up. Before leaving, she looked at the teenager and warned: "Do not shout or cry, even if it hurts."

The room in one of Kolkata's red light districts was small, no more than 10ft by 8ft, and had a bed with a lumpy mattress, a dust-laced air conditioner, a small shelf that held various deities and the tape recorder.

The man was in his late 20s, she guesses. "I was trembling and crying. He said, *bachche* (kid), I have paid ₹50,000 to your mother to spend two hours with you." She pushed, hit, shouted for help and then she gave in.

After the man left, her mother gave her medicine for the pain. Then she left her alone for a few months. But after she turned 15, it was time for business and there was no turning back.

The girl remembers growing up in a lower middle class family in Mumbai. She was just in preschool when a couple kidnapped her while she was playing out in the open. She remembers crying and begging to be returned home. Instead, the couple insisted she start calling them "mummy-papa". There were other girls in the house, she says. "Everyone called them 'mummy-papa'. So did I." Running away was not an option—she had no money and no idea of where to run to.

The girl is telling her story from the safety of a shelter home where she now lives and it is hard to assimilate her as just a statistic in India's rampant trafficking trade where 80% of sex workers, or 16 million women, are victims of sex trafficking, according to reports by Dasra, a strategic philanthropy foundation.

Arrests are disproportionate to the figures. According to National Crime Records Bureau (NCRB) data, just 3,030 cases were registered in 2008 under the different provisions of laws

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that come under the generic description of human trafficking. In 2013, that figure went up only marginally to 3,940.

In the sex trade, the demand for young girls is high because of a belief that sex with children holds less risk of HIV infection, and, in fact, can cure the disease. Dasra, along with organizations such as the UK's Hummingbird Trust and Japan's Kamonohashi Project, find that as many as 40% trafficked girls in the sex trade are adolescents and 15% are below the age of 15.

In the beginning, the teenager used to wear *salwar-kameez*, until mummy realized she wasn't attracting enough men. From then on, it was slinky, short clothes for her. Every day, she says, she serviced five to six customers. Mummy kept the earnings but gave her ₹200-300 a day.

Every evening in the brothel, the teenager would, along with a group of other girls, be forced to dance to 12 Bollywood songs. For the last two songs, the girls were supposed to strip. The teenager says it was embarrassing. She tried switching off the lights but the men would switch them on again. Touching was allowed; anything more was charged extra.

Life went on, until a police raid early last year—the shelter home asks that details remain sketchy since the trial is still on and the girl's safety could be compromised.

A report on labour trafficking by Global March Against Child Labour, a global movement against child labour and trafficking, finds that 60% of rescued victims of commercial sexual exploitation said they had left home in search of employment. However, 40% were duped with false promises of marriage, love and a better life, or were kidnapped, like the 15-year-old.

Another 13-year-old from Bangladesh, rescued and presently in a shelter run by Kolkata-based non-governmental organization (NGO) Sanlaap, fell in

love with a boy four years older than her. When, two years into their relationship, he told her he wanted to run off and marry her, she happily agreed. When they reached Bangalore, he sold her off for ₹60,000.

Tucked into the loose-leaf binders at the shelter are such stories of betrayal, misery, hopelessness and violence. Even after they are rescued, victims, particularly of cross-border trafficking, are detained in shelters, sometimes for years.

"Cross-border trafficking is increasing because we lack a mechanism to prevent it," says Tapoti Bhowmick, senior programme coordinator for Sanlaap. "We have no treaty between the two countries (India and Bangladesh) and so even if the trafficker is arrested in India, he goes back to his country. Instead, we detain the girls in shelters—sometimes for years."

Modus operandi

Nearly 75% of Indian states have what government data define as a "high concentration" of women engaged in the sex trade. West Bengal tops this list with 660 reported cases of human trafficking in 2013, according to NCRB data.

West Bengal's geographical location—it borders Sikkim, Bihar, Odisha, Jharkhand and Assam and shares international borders with Nepal, Bangladesh and Bhutan—as well as its demographic and social constraints, coupled with having some of the poorest districts in India, makes it vulnerable to trafficking.

Andhra Pradesh, Karnataka, West Bengal and Tamil Nadu are major source states while Maharashtra, Delhi and Goa are the major destination states.

Factors that make a state a source state—places of origin of the victim—include low levels of education (71% of trafficked victims surveyed by the National Human Rights Commission were illiterate), poverty (nearly 50% had a family income of less than ₹66 per day), and natural disasters or events known as trigger events.

The journey from source to destination usually involves moving the victim from her point of origin to a small town, and from there to her final destination.

Traffickers tend to be known to the victims' families. They work by either kidnapping victims or luring them away by promising jobs, financial security and a better life in a big city. In many cases, elder sisters working in prostitution bring their younger siblings to be sold to brothels. In some cases, mothers struggling to feed their children send daughters to work in prostitution, sacrificing one child so that the others can eat.

Tragedy of abandonment

And sometimes, it is just the tragedy of abandonment that leads women to sex work. A 26-year-old from Bangladesh was abandoned by her husband a couple of years after their marriage. All that she knew was that he had moved to India. A few months later, her younger brother-in-law told her he would take her to India where she could find work. "I was almost like his mother. I trusted him," she says. They took a train and reached Bangalore. There, her brother-in-law sold her for ₹3 lakh. Within just two hours she had been resold, this time for ₹6 lakh.

Victims are usually bought and sold several times over until they reach their destination. Sales take place at the buyers' markets, where victims are usually stripped so that potential buyers can inspect their piece of flesh. Source traffickers then hand over the merchandise to local pimps who transport them to brothels in red light districts.

Brothels are governed by a strict chain of hierarchy. At the top is the *malik* (owner) who visits the flesh markets and deals directly with pimps. He also controls the revenue from the brothel, writes Siddharth Kara, author of *Sex Trafficking: Inside the Business of Modern Slavery*, in a 2013 Dasra report on trafficking.

Next comes the *gharwali*, or manager of the brothel. Usually a victim of trafficking herself,

writes Kara in the Dasra report, she is the first point of contact with clients and negotiates the prices and terms.

Then come the lodgers—sex workers who have scraped and saved enough money to move out of the brothel. They accept clients but as independent agents, in a rented room within the brothel.

Next come the *adhiya* (literally, half); slaves really, who work as commercial sex workers attached to the brothel, sharing as much as half of what they earn with the *malik*.

Newly trafficked victims are at the very bottom of the hierarchy. They are told they must sleep with any client who buys them because they need to work off their debt. It is the *malik* who decides when that debt is paid off so that they can then be resold or become an *adhiya* or thrown out of the brothel altogether because they can no longer attract clients.

Business of sex trafficking

She was 22 when she left Murshidabad district of West Bengal and moved to Mumbai. Like many girls who are trafficked, she is illiterate. Now 30, she says she volunteered to join a brothel—her mother had died when she was a few months old, her father remarried and the stepmother was abusive, she says. When her father got tuberculosis and the stepmother became the family's sole earning member, she knew it was time to move out. "I was a liability for her," she says.

A friend had moved to Mumbai and told her about the business. It was easy money and she would earn more than she needed. "What seems wrong now was the only right thing for me then," she says. "No one forced me. I got proper food and week-long breaks during my periods. I earned more than enough. I would just take a few customers as I only needed to earn enough for myself. I couldn't think of any better option then," she says.

She doesn't regret what she did. She just thinks that had she

been wiser, she wouldn't have done what she did. She is now in a shelter home run by an NGO, where she spends most of her day cooking for other inmates.

India is a source, destination and transit country for girls being trafficked for the purposes of commercial sexual exploitation and forced labour, finds the US Department of State's 2010 *Trafficking in Persons Report*.

Maplecroft's Trafficking Index, that measures the risk of exposure to trafficking based on prevalence as well as government complicity and inaction, puts India at seventh rank among 196 countries (where 1 is the lowest ranking country), categorized as "extreme risk" for trafficking. According to the United Nations, human trafficking is now the third most lucrative criminal enterprise in the world after weapons and narcotics.

Profit margins are what make sex trafficking such a thriving industry. According to Kara, the average purchase price per sex slave is \$660 (roughly ₹40,000). Taking an average price per sex act of \$4.15 and an average number of daily sex acts at 11, average annual revenues per sex worker work out to \$16,705. Even if you deduct an average annual maintenance cost of \$4,763, the annual profit per sex slave still works out to \$11,942—a profit margin of over 70%.

"The trafficker gains profit by selling at a price higher than his fixed and variable costs. Sex trafficking has high fixed costs, where average total cost is high at low quantities of trafficked individuals and decreases as operations increase in size, up to a certain point. Therefore, in situations when traffickers have been convicted, the trafficking route has been exposed, the houses where he would confine victims are seized, his accomplices have been booked, the economic gains are significantly reduced as the trafficker must factor in the cost of re-establishing his supply chain. Inverting these risk-reward economics of sex trafficking by increasing the cost of getting caught will begin to diminish the business of sexually exploiting vulnerable girls," the Zero Trafficking report states.

The annual revenue generated by just one brothel can range between ₹1.5 crore to ₹14.40 crore, says NGO Bachpan Bachao Andolan. Annually, the sex trafficking industry in India generates roughly \$9 billion. "The total Commercial Sexual Exploitation (CSE) industry in the country generates revenues amounting to \$30-343 billion per year," states Global March Against Child Labour's report *Economics Behind Forced Labour Trafficking*.

"It is a shocking revelation that \$360 billion, or ₹21 lakh crore, is generated by enslaving young girls in brothels and homes—that is equivalent to one-fifth of the country's GDP (gross domestic product). This black money propels capital corruption," says Kailash Satyarthi, chairperson Global March Against Child Labour. "The dream of development and child slavery cannot co exist."

The 15-year-old lives in a shelter home now. While most other inmates hope to reunite with their families someday, she doesn't even know the whereabouts of her parents. All she remembers is her father was a furniture assembly worker and she had one brother and four sisters.

While she is happy to be out of the business, she says she is scared her traffickers will track her down, and she will once again lose control over her life, her body and her dignity.