## CURRENT AFFAIRS for UPSC

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DreamIAS



### INTERNATIONAL

### WALK THE TALK ON TRIPS WAIVER (PRABHASH RANJAN - SENIOR ASSISTANT PROFESSOR AT SOUTH ASIAN UNIVERSITY'S FACULTY OF LEGAL STUDIES)

Member countries of the World Trade Organization (WTO) are under an obligation to ensure that their domestic intellectual property rights (IPR) laws conform to the requirements of the Trade-Related Aspects of Intellectual Property Rights (TRIPS) agreement. When the pandemic hit the globe, India and South Africa piloted the proposal to waive key provisions of the TRIPS agreement on COVID-19 vaccines, drugs, therapeutics, and related technologies. The core idea is that IPRs such as patents should not become barriers in scaling up production of medical products essential to combat COVID-19. The TRIPS waiver proposal, now backed by the U.S., is essential because it would give immunity to member countries from a legal challenge at the WTO if their domestic IPR laws suspend or do not enforce IP protection on COVID-19 medical products.

### Foot-dragging on compulsory licences

It is uncertain when the TRIPS waiver would be adopted, or what conditions it would be subjected to. Meanwhile, nothing stops India from using the existing flexibilities under the Patents Act of 1970, such as compulsory licences, which are consistent with the TRIPS agreement, to increase the supply of COVID-19 medical products. While issuing compulsory licences for COVID-19 vaccines in the absence of technology transfer is easier said than done, they can be used to augment the supply of drugs and other therapeutics. For instance, Natco, an Indian pharmaceutical company, has requested a compulsory licence under Section 92 of the Patents Act for Baricitinib, a COVID-19 drug. Incyte Holdings Corporation owns the patent for Baricitinib with a licence to Eli Lilly, an American drug company. Likewise, there are demands that compulsory licences be issued for drugs such as Remdesivir to augment supply. Natco's application demonstrates that the option of issuing compulsory licences is available to the government. However, despite the nudging by the judiciary and others, the government inexplicably hasn't made use of compulsory licences in the pandemic. This is ironic because India has historically played a leading role in mainstreaming TRIPS flexibilities like the compulsory licence at the WTO. To make matters worse, the Central government, in an affidavit filed before the Supreme Court a few days ago, suggests that issuance of compulsory licences will not be effective. Specifically, the affidavit states that the main constraint in boosting the production of drugs like Remdesivir is the unavailability of raw materials and essential inputs. If that is the real bottleneck, and not IPR-related legal hurdles, why is India pushing for a TRIPS waiver at the WTO? After all, the TRIPS waiver is about overcoming legal *impediments, not about addressing supply-side bottlenecks.* The affidavit further states, "it is presumptuous to assume that the patent holder will not agree to more voluntary licences". Thus, the government believes that voluntary licences, not compulsory licences, are the way forward to address shortage of COVID-19 medical products. Interestingly, those who oppose the TRIPS waiver at the WTO advance the same argument. The first step in advocating for the removal of IPRrelated impediments at the WTO is to make use of the existing lawful means, even if insufficient, to lift the obstacles that come in the way of manufacturing patented products domestically. Therefore, the government's stand before the Supreme Court is not only contradictory with India's position at the WTO but also severely undermines it. This would make the TRIPS waiver negotiations arduous. To make its TRIPS waiver stand convincing, the government needs to make aggressive use of Sections **3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR** 





92 and 100 of the Patents Act to license all patents necessary to make COVID-19 medical products, without waiting for a private party to apply for a licence. An assertive posture on compulsory licences would also have the advantage of forcing several pharmaceutical companies to offer licences voluntarily.

### **Licensing Covaxin**

India's development of Covaxin is a spectacular scientific achievement. Given the involvement of taxpayers' money in the development of Covaxin, the government has a stake in its IPR. Thus, the government should not only transfer Covaxin's technology to domestic pharmaceutical companies, to boost national supplies, but also offer it to foreign corporations. By unlocking its vaccine technical know-how to the world, India would demonstrate its resolve to walk the talk on the TRIPS waiver. Licensing Covaxin widely would enable India to live up to its reputation of being the 'pharmacy of the world' and also put pressure on developed countries to transfer their vaccine technology to developing countries. India must take a consistent stand on IPRs on COVID-19 medical products internationally and domestically.

### THE AIDS FIGHT OFFERS A COVID VACCINE PATENT PATHWAY

In order to achieve global herd immunity and prevent new strains of COVID-19 from emerging, possibly for years to come, vaccines need to be affordable and available in massive quantities throughout the globe. This can happen through patent owners voluntarily licensing their products to other companies, especially Indian producers who are experienced at mass-producing low-cost medications. This can also be done by temporarily suspending patent rights for COVID vaccines, an option that is being pursued by India and South Africa through the World Trade Organization (WTO) and one that is legal in the event of a public health emergency, according to that organisation's own rules. One way or the other, India and the world need several Indian pharmaceutical companies, not just the Serum Institute of India, to gain the right to make these vaccines if we are going to see an end to this pandemic any time soon.

### Turning point in the HIV fight

Decades of struggles over patent rights and access to medications for HIV/AIDS demonstrate that it is possible to navigate patent restrictions using something called "voluntary licenses" where a patent holder decides to license a product to other producers. The United Nations' Medicines Patent Pool and the World Health Organization's COVID-19 Technology Access Pool are important tools in an effort to promote voluntary licensing for COVID products that so far have been ignored by pharmaceutical producers. Sharing patent rights through voluntary licensing would need to involve India's large pharmaceutical sector whose production capacity helped make treatments for AIDS more affordable in low-income countries and helped mitigate that pandemic. *In the 1990s, the WTO began implementing a global intellectual property regime known as the Trade Related Aspects of Intellectual Property Rights agreement, or TRIPS. While TRIPS alarmed public health experts because of its potential to raise the price of essential medicines, voluntary licensing agreements between pharmaceutical producers were able to bring down the price of AIDS medications despite the TRIPS regulations.* Responding to anti-TRIPS activism from low-income countries and realising they would not be able to profit off of low-income markets anyway, some manufacturers placed licensing agreements to produce AIDS drugs for which they owned patent

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rights in the UN-affiliated Medicines Patent Pool. Several India-based companies then used these voluntary licences to manufacture these drugs on a massive scale and sold them at prices they determined. In the case of Gilead, which placed more products in the Patent Pool than any other producer, their licences required the licensee to pay Gilead a royalty of 3% of the sales of the drug and limit sales to low-income countries. This effort brought down the price of key AIDS medications in these countries. Most significantly, tenofovir, a first-line treatment for HIV/AIDS, has come down in price from \$200-\$500 per person per year to \$39 per person per year in low-income countries now that 13 India-based pharmaceutical companies are producing it.

### Context of health emergency

It is also possible for governments to issue what are called "compulsory licenses" which override patent rights to allow local production or import of drugs by generic manufacturers in the event of a public health crisis. *Since 2003, this right has been enshrined in the Doha Declaration addendum to the WTO's TRIPS agreement and this is what India and South Africa are lobbying for, having recently been joined by the United States though not as of yet the European Union (EU).* The Doha addendum, Section 5c, offers *AIDS, malaria and tuberculosis as examples* of what qualifies as a health emergency. By this standard, COVID-19 should easily qualify. In fact, *not invoking Doha exemptions in this unprecedented health crisis would make this agreement meaningless.* We may thus find compulsory licences being issued in several countries for vaccines and treatments for COVID-19, although manufacturers in India say they prefer to work with voluntary licences because there is more good will between companies while compulsory licences often come with a legal battle brought by the patent holder. Voluntary licences also enable production to begin more *expeditiously as they usually are accompanied by "technology transfer" meaning that the patent holder reveals to the licensee how to manufacture the medication, sparing the licensee the lengthy and costly process of figuring out how to reverse engineer the product.* 

### The COVAX option

Some favour ensuring access to COVID-19 vaccines through the COVAX programme, which was established to purchase vaccine doses and donate them to low-income countries but does not involve modifying patent rights. Similar ventures during the AIDS crisis were chronically underfunded and had only minor effects on that pandemic compared to the voluntary licensing and mass production of antiretroviral drugs from Indian producers. COVAX is also currently underfunded and the Director-General of WHO, Dr. Tedros Adhanom Ghebreyesus, warned that people in the lowestincome countries might have to wait until 2022 to get vaccinated through this programme, which may actually be optimistic since COVAX has shipped around 68 million doses so far. Similar concerns to those presented here were raised in last year's annual meeting of WHO which established a patent-sharing pool for COVID products, the COVID-19 Technology Access Pool. So far, no patent holders have joined this effort which is why India and South Africa called on the WTO to temporarily waive patent protections for COVID-19. Meanwhile, the UN Medicines Patent Pool stands ready to accept voluntary licences having added a placeholder for COVID-19 on the list of diseases they address. Hopefully, the EU will join the efforts by India and South Africa at the WTO, and pharmaceutical producers will realise, as some did during the AIDS pandemic, that voluntary licensing comes with better public relations and that they are not going to make money off low-income countries regardless of patent enforcement.

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### A key step

Furthermore, the billions of dollars in government aid given to companies to help develop COVID-19 treatments should entail an obligation to enable the mass production of affordable vaccines. After all, as legal scholars have long explained, *patents are not ironclad ownership rights. They are a temporary contract that balances the public interest with the claims of the innovator.* This is not just a question of social justice and ensuring life-saving therapies are available to the world's poor. It is a necessary step to prevent deadlier, more contagious and possibly vaccine-resistant variants of COVID-19 from proliferating in an under-vaccinated world.

### EU TO REOPEN BORDERS TO FULLY VACCINATED TRAVELLERS

EU member states agreed on Wednesday to reopen the bloc's borders to travellers who have been fully vaccinated against the coronavirus, sources said. Meeting in Brussels, diplomats also agreed to increase the level of new cases a country can hit before being declared unsafe — a measure that would open up travel into the 27-member bloc from more places. The recommendations will be adopted by EU Ministers on Friday, they said. Since March 2020, non-essential travel into the EU has been banned, apart from a small number of countries deemed safe because of low COVID-19 cases. Diplomats said that, under the new rules, travellers who could demonstrate that they had received the required number of doses of an EU-approved vaccine could enter the bloc. In addition, *the number of cases per 1,00,000 people that a country could register over two weeks and still be considered for the green list will rise from 25 to 75.* This would still exclude non-vaccinated travellers from much of the world, but could allow travel from, *for example, Britain, which is well-advanced in its vaccination campaign.* The current *green list has seven countries: Australia, Israel, New Zealand, Rwanda, Singapore, South Korea, Thailand, plus China if Beijing agrees to reciprocate.* 

### THE BIDEN PUSH-BUTTON TO WEST ASIA'S DIPLOMATIC RESETS

Major West Asian nations have recently embarked on new diplomatic engagements with erstwhile rivals that could in time overturn existing regional alignments and possibly end ongoing conflicts that have wreaked havoc in several states. The most dramatic interactions have been between senior Saudi and Iranian officials. After their meeting on April 9, the first since diplomatic ties were broken in January 2016, there have been other interactions, with technical committees set up to look at specific topics. Again, since early this year, following the removal of the diplomatic and economic blockade on Qatar that was imposed by Saudi Arabia, the United Arab Emirates, Bahrain and Egypt, Doha has made efforts to mend ties with both Saudi Arabia and Egypt, in tandem with similar initiatives of its doctrinal and political ally, Turkey. On May 5, Turkey and Egypt had their first diplomatic meeting in Cairo after they had broken diplomatic ties in 2013, when Egyptian President Mohammed Morsi was overthrown in a military coup. The two countries, on opposite sides on almost all regional issues, are now exploring how to address their differences.

### The Biden challenge

The driving force behind these unprecedented engagements is the advent of the Biden administration at the helm of politics in the United States. Within his first 100 days in office, Mr. Biden has signalled a fresh U.S. approach to West Asian affairs. He has taken a tough line on Saudi **3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR** 





Arabia, indicating a closer scrutiny of its human rights record and strong opposition to the war in Yemen. Egypt too has concerns on the human rights issue, while seeking regional support for its differences with Ethiopia. It now seems the U.S. could re-enter the nuclear agreement, but Iran has concerns about the limitations to be imposed on its regional role. Turkey could also experience fresh winds from Washington. Turkish President Recep Tayyip Erdoğan has built close ties with Russia, while threatening U.S. allies in Syria, the Kurds, with military force. Mr. Biden is expected to be less accommodative; his recent recognition of the Armenian "genocide" is already a fresh rebuke. Besides concerns in West Asian capitals about a new U.S. approach to each of them, the broader message from Washington is that the U.S. is now likely to be less engaged with the region's quarrels. Mr. Biden seems to be reiterating earlier messages from his predecessors Barack Obama and Donald Trump that regional states should be responsible for regional security. These signals of new U.S. policies have occurred even as the novel coronavirus pandemic is devastating West Asia. Besides the widespread infections and deaths, the viral epidemic has severely damaged regional economies, while oil prices remain in the doldrums, creating uncertainties for the producer states. Finally, one major factor that is encouraging these unprecedented interactions among rivals is the recognition that the ongoing regional conflicts, in Syria, Yemen and Libya, despite the massive death and destruction, have yielded no military outcome and now demand fresh diplomatic approaches.

### **Recent engagements**

Following the first meetings in Baghdad, both Iran and Saudi Arabia have made efforts to improve the atmosphere. In a recent interview, Crown Prince Mohammed bin Salman spoke of seeking a "good and special relationship" with Iran. The Iranian spokesman responded by referring to a "new phase of cooperation and tolerance". The priority for the kingdom is to end the Yemen conflict: the lethal attacks from the precision missiles of the Houthis, said to have been provided by Iran, are a threat to national infrastructure and morale. The recent Houthi attack on oil-rich Marib is also a Saudi concern, while Iran would like theblockaded Hodeidah port which is partially open, to be used to rush humanitarian aid to the beleaguered Houthis. Iranian Foreign Minister Javad Zarif has supported the Saudi offer of a ceasefire in Yemen. Both countries also share concerns relating to the political impasse in Lebanon and the security of the waters of the Gulf and the Red Sea where a "shadow war" on oil and merchant vessels could escalate into a larger conflict. So far, both have paid a heavy financial price for their rivalry: *Iran's role in Syria costs its exchequer a few billion dollars* every month, while Saudi Arabia has spent several hundred billion dollars in buying weaponry to sustain its partnership with the U.S. Turkey is also exhibiting diplomatic dexterity. Despite differences with Egypt over Libya, the East Mediterranean waters and Turkey's affiliation with the Muslim Brotherhood, Turkey now sees Egypt as a valuable partner to promote peace in Libya and pursue their interests jointly in the East Mediterranean by challenging Greece, Israel and Cyprus. Turkey has also made overtures to Saudi Arabia. Besides accepting the Saudi court verdict on the Khashoggi murder case (https://bit.ly/3w5QwGS), Turkey has indicated it could work with the Saudis against the Houthis and facilitate the post-war political process through the Islamist Al-Islah party. Turkey has also offered the kingdom its advanced drones to be used against Houthi missiles. Qatar's outreach to Egypt has been well received, since it appears to have moderated its ties with the Brotherhood, toned down anti-Egypt broadcasts on Al Jazeera television, and is a major potential investor in Egypt's flagging economy. To promote regional peace, Qatar's Foreign Minister

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has called for a structured dialogue of the Gulf countries with Iran, affirming its view that Iran is a major presence in the regional security scenario.

### **Regional security**

These are very early days and all sides concerned have a long way to go in resolving their differences. *Egypt remains uneasy about Turkey's ties with the Brotherhood and its regional ambitions. Saudi Arabia has similar concerns about Turkey's doctrinal affiliations and its relations with Iran. There are difficulties in reshaping Saudi-Iran relations as well. Iran may ease the pressure on the kingdom in Yemen and gradually yield ground in Iraq: the latter has already conveyed its desire to be free from all external influences. However, Syria will test their diplomatic skills as they explore how to accommodate their competing strategic interests in that devastated country. Still, <i>this is truly a historic period for West Asian diplomacy: the major states are displaying an unprecedented self-confidence in pursuing initiatives without the heavy hand of western powers that have dominated regional affairs for at least a couple of centuries, and, in pursuit of their own interests, have nurtured deep animosities between many of them. This has left a pervasive sense of insecurity across West Asia and made the countries dependent on western alliances to ensure their interests.* 

### A role for India?

Today, states in West Asia appear poised to negotiate their strategic interests without outside intrusion. But, given that regional contentions are inter-connected, third-party facilitators will be needed to promote mutual confidence and prepare the ground for a comprehensive regional security arrangement which will bring together regional and external states with a stake in West Asia security. This arrangement will have provisions for participating states to uphold regional peace and promote mutually beneficial cooperation in energy, economic and logistical connectivity areas. Given its close ties with all the regional states, India is well-placed to build an association of like-minded states — Japan, Russia, South Korea — to shape and pursue such an initiative for West Asian peace.

### WHAT DID ISRAEL ACHIEVE IN GAZA?

After 11 days of airstrikes on and rocket attacks from Gaza, Israel and Hamas agreed to an Egyptmediated ceasefire on Thursday night. The truce appears to be holding on Friday with Palestinians taking out celebratory gatherings across the occupied territories and Israel removing the emergency restrictions in areas hit by rockets.

### Pressure from all sides

Unlike in 2014, when the last major fighting between Israel and Hamas occurred, the Israeli troops were wary of launching a ground invasion this time. In a ground attack, Israel could inflict more damage on Hamas, but the risk of losing Israeli soldiers would also be high. This time, the focus of Israel's military campaign, which started on May 10, was on causing maximum damage to Hamas's militant infrastructure through airstrikes. In the first 10 days of the fighting, Israel carried out more than 1,800 airstrikes on Gaza, according to the UN. But one issue with offensives that are heavily dependent on air power is that they need a quicker exit strategy. Airstrikes will leave

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disproportionate civilian casualties. And disproportionate airstrikes, which was Israel's strategy, will have even greater damage. While Israel tried to sell the narrative that it's a victim of terror (which has buyers), the fact remains that *Israel is the only sovereign power in this conflict, which continues the occupation of Palestinian territories in violation of UN Security Council resolutions, international laws and norms.* So, when civilian casualties mounted in Gaza, even those countries that initially supported Israel's "right to defend itself" started calling for a ceasefire. *In the UNSC, most countries, including India, backed an immediate ceasefire.* The Biden administration, which was facing intense pressure from the liberal wing of the Democratic Party, issued a strong statement on Wednesday asking for "a significant de-escalation". *Israel was also facing internal pressure as its streets were gripped by riots between Jewish vigilantes and Arab mobs. Protests were spreading in the West Bank and rockets were coming from the Lebanon border.* Amid intensifying pressure from all sides, the Israeli Security Cabinet unanimously accepted a "unilateral and mutual" ceasefire with Hamas on Thursday night. The militants immediately confirmed the truce.

### What were the goals?

During the course of the attack, Israeli Prime Minister Benjamin Netanyahu said there were two ways to deal with Hamas — one, to conquer Hamas and the other to establish deterrence. The Prime Minister said his aim was "forceful deterrence", but conquering was "an open possibility". Israeli military leaders have claimed that they have killed 225 members of Hamas and Islamic Jihad — a contested claim as the Gaza Health Ministry says 243 Gazans were killed, including 66 children. Israel has also claimed that it has destroyed Hamas's elaborate tunnel network and military and intelligence infrastructure. 'We have set Hamas back by years," said Mr. Netanyahu. *It's true that Hamas has suffered far greater damage than what its rockets inflicted on Israel, where 12 people were killed, including one child and three foreign nationals. But it will be clearer only in the coming weeks, months or years whether the Israeli campaign has established deterrence.* The facts on the ground tell us that despite the heavy losses Hamas suffered, it continued to fire rockets into Israel till the last moment. On the 11th day, Hamas fired some 300 rockets into Israel.

### Hamas's strategy

As soon as the ceasefire was announced, Palestinians took to the streets "celebrating the resistance". Senior Hamas officials called it "the euphoria of victory". *By launching the rocket attacks on May 10, hours after Israeli forces stormed Al-Aqsa Mosque in East Jerusalem, Hamas was seen to be making a political point — it is the real defender of Jerusalem.* In effect, Hamas was trying to tap the growing Palestinian resentment towards Israel's high-handedness. *The political messaging appeared to have gone down well with the Palestinians as Israel faced unprecedented protests and riots both in the occupied West Bank and Israeli cities when the Gaza attack was under way.* Militarily, Hamas, despite the heavy losses it suffered, demonstrated its growing rocket fire capabilities. Hamas launched at least 4,000 rockets in 11 days, more than the 3,383 rockets it fired during the 50 days of conflict in 2014. *By launching barrages of rockets within minutes, it also managed to overwhelm Israel's Iron Dome defence system.* For example, in one day last week, Hamas launched more than 1,000 rockets. In 2014, its daily total never crossed 200. And Hamas rockets killed more civilians in Israel in 11 days this time than the total number of civilian deaths during the seven weeks of 2014, which is a matter of grave concern for Israel.

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### What's next?

Ceasefires can be fragile. In 2014, after the ceasefire was announced, Israel attempted to assassinate Hamas's shadowy military commander Mohammed Deif, but failed. This time, too, the truce is tenuous. *Hamas says it accepted truce after Israel promised "to lift their hands off Sheikh Jarrah (where Palestinians face eviction from their houses) and Al-Aqsa Mosque. The Israeli side has denied any such promise and emphasised that the ceasefire was unconditional. Egypt says concerns in Jerusalem will be "addressed". Israel has already removed some restrictions it had imposed on Al-Aqsa, which it says was a temporary security measure. Hamas could take credit for the same. <i>But Sheikh Jarrah is a more complicated matter. The Supreme Court of Israel is supposed to give a final ruling on the eviction of Palestinians in the neighbourhood.* If Israel goes ahead with the eviction process, there could be more protests and violence. *Israeli leaders say there won't be lasting peace as long as Hamas has rockets. Hamas says there will be rockets as long as the occupation continues.* 

### INDIA, ISRAEL AND PALESTINE

India's permanent representative to the United Nations, T S Tirumurti, made a carefully crafted statement at the UN Security Council "open debate" on the escalating Israel-Palestine violence, striving to maintain balance between India's historic ties with Palestine and its blossoming relations with Israel. The statement, the first India has made on the issue, appears to implicitly hold Israel responsible for triggering the current cycle of violence by locating its beginnings in East Jerusalem rather than from Gaza. The request that both sides refrain from "attempts to unilaterally change the existing status quo including in East Jerusalem and its neighbourhoods" seems to be a message to *Israel about its settler policy.* The statement was also emphatic that "the historic status quo at the holy places of Jerusalem including the Haraml al Sharif/Temple Mount must be respected". The site, administered by Jordan, is revered in both Islam and Judaism. Jewish worshippers are not allowed inside, but have often tried to enter forcibly. The balancing was evident in the pointed condemnation of the "indiscriminate rocket firings from Gaza" on civilian targets in Israel, but not of the Israeli strikes inside Gaza; the customary omission since 2017 of any reference to East Jerusalem as the capital of a Palestinian state; and the hyphenation of "Haram Al Sharif/Temple Mount", equating claims of both Israel and Palestine. India's policy on the longest running conflict in the world has gone from being unequivocally pro-Palestine for the first four decades, to a tense balancing act with its three-decade-old friendly ties with Israel. In recent years, India's position has also been perceived as pro-Israel.

### From Nehru to Rao

The balancing began with India's decision to normalise ties with Israel in 1992, which came against the backdrop of the break-up of the Soviet Union, and massive shifts in the geopolitics of West Asia on account of the first Gulf War in 1990. That year, the Palestinian Liberation Organisation (PLO) lost much of its clout in the Arab world by siding with Iraq and Saddam Hussein in the occupation of Kuwait. The opening of an Indian embassy in Tel Aviv in January 1992 marked an end to four decades of giving Israel the cold shoulder, as India's recognition of Israel in 1950 had been minus full diplomatic ties. PM Jawaharlal Nehru's reasoning for the decision to recognise Israel was that it was "an established fact", and that not doing so would create rancour between two UN members. But for long, all there was to show for the bilateral relationship was a consulate in Mumbai, 3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR





established in 1953, mainly for issuing visas to the Indian Jewish community, and to Christian pilgrims. This too shut down in 1982, when India expelled the Consul General for criticising India's foreign policy in a newspaper interview. It was permitted to reopen only six years later. In 1948, India was the only non-Arab-state among 13 countries that voted against the UN partition plan of Palestine in the General Assembly that led to the creation of Israel. Scholars ascribe various reasons for this India's own Partition along religious lines; as a new nation that had just thrown off its colonial yoke; solidarity with the Palestinian people who would be dispossessed; and to ward off Pakistan's plan to isolate India over Kashmir. Later, India's energy dependence on the Arab countries also became a factor, as did the sentiments of India's own Muslim citizens.

### India and PLO

The relationship with Palestine was almost an article of faith in Indian foreign policy for over four decades. At the 53rd UN session, India co-sponsored the draft resolution on the right of the Palestinians to self-determination. In the 1967 and 1973 wars, India lashed out at Israel as the aggressor. In the 1970s, India rallied behind the PLO and its leader Yasser Arafat as the sole and legitimate representative of the Palestinian people. In 1975, India became the first non-Arab country to recognise the PLO as the sole representative of the Palestinian people, and invited it to open an office in Delhi, which was accorded diplomatic status five years later. In 1988, when the PLO declared an independent state of Palestine with its capital in East Jerusalem, India granted recognition immediately. Arafat was received as head of state whenever he visited India. Four years after the Narasimha Rao government established a diplomatic mission in Tel Aviv, India opened a Representative Office in Gaza, which later moved to Ramallah as the Palestinian movement split between the Hamas (which gained control of Gaza) and the PLO. New Delhi remained firmly on the side of the PLO, which was seen as ready for a political solution, and had accepted the two-state solution. India voted in favour of the UN General Assembly resolution in October 2003 against Israel's construction of a separation wall. It voted for Palestine to become a full member of UNESCO in 2011, and a year later, co-sponsored the UN General Assembly resolution that enabled Palestine to become a "non-member" observer state at the UN without voting rights. India also supported the installation of the Palestinian flag on the UN premises in September 2015.

### Changes after 2014

For two-and-a-half decades from 1992, the India-Israel relationship continued to grow, mostly through defence deals, and in sectors such as science and technology and agriculture. But India never acknowledged the relationship fully. *There were few high-profile visits, and they all took place when the BJP-led NDA-1 under Prime Minister Atal Bihari Vajpayee was in office. Israel is Hindutva's ideal of a "strong state" that deals "firmly" with "terrorists". Even back in the 1970s, the BJP's forerunner Jana Sangh had made the case for ties with Israel. In 2000, L K Advani became the first Indian minister to visit Israel, and in the same year Jaswant Singh visited as Foreign Minister. That year, the two countries set up a joint anti-terror commission. <i>And in 2003, Ariel Sharon became the first Israeli Prime Minister to visit India. During the UPA's 10 years in office, the balancing act intensified, and Mahmoud Abbas, head of the Palestinian Authority that administers the West Bank, visited in 2005, 2008, 2010 and 2012. It was during NDA-2 that the government under Prime Minister Narendra Modi decided to take full ownership of the relationship with Israel. The first indication of the new phase came with an abstention by India at the UN Human Rights Council on a resolution welcoming a report by the HRC High Commissioner. The report said it had evidence of 3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR* 





alleged war crimes committed by Israeli forces and Hamas during the 2014 airstrikes against Gaza that killed over 2000. *The abstention was conspicuous because in 2014, India had voted for the resolution through which the UNHRC inquiry was set up. In 2016, India abstained again at on a UNHRC resolution against Israel.* But the big change was the status of the historic city that both Israel and Palestine claim.

### East Jerusalem

A visit by PLO chief Mahmoud Abbas in 2017 became the occasion for New Delhi to signal the substantive shift. Until then, in various statements, with its expression of support for a two-state solution, India had always included a line in support of East Jerusalem as the capital of a Palestinian state. The reference to East Jerusalem went missing in Modi's statement during Abbas's visit. Pranab Mukherjee, who in 2015 became the first Indian President to visit Israel, with a first stop at Ramallah, had also reiterated India's position on the city as the capital of an independent Palestine. In February 2018, Modi became the first Indian Prime Minister to visit Israel. His itinerary did not include Ramallah. The word then was that India had "de-hyphenated" the Israel-Palestine relationship, and would deal with each separately. Meanwhile, India continues to improve ties with Arab countries, especially Saudi Arabia and the UAE, and feels vindicated by the decision of some Arab states to improve ties with Israel.

### **Balancing act**

In fact, the de-hypenhation is actually a careful balancing act, with India shifting from one side to another as the situation demands. For instance, even as it abstained at UNESCO in December 2017, India voted in favour of a resolution in the General Assembly opposing the Trump administration's recognition of Jerusalem as the Israeli capital. At the UNHRC's 46th session in Geneva earlier this year, India voted against Israel in three resolutions – one on the right of self-determination of the Palestinian people, a second on Israeli settlement policy, and a third on the human rights situation *in the Golan Heights.* It abstained on a fourth, which asked for an UNHRC report on the human right situation in Palestine, including East Jerusalem. In February, the International Criminal Court claimed jurisdiction to investigate human rights abuses in Palestinian territory including West Bank and Gaza and named both Israeli security forces and Hamas as perpetrators. Prime Minister Netanyahu wanted India, which does not recognise the ICC, to take a stand against it on the issue, and was surprised when it was not forthcoming. That is because India's own balancing act is a constant work of progress. The latest statement is no different. Though it was not pro Palestine, it hardly pleased Israel. Netanyahu tweeted his thanks to all countries that "resolutely" stood by Israel and "its right to self-defence against terrorist attacks", by posting all their flags. The Tricolour was not among them.

Until 2017, the Indian position was that it supported the creation of an independent, sovereign Palestine state based on the 1967 border and with East Jerusalem as its capital that lives alongside Israel.

### ISLAMISTS, MILITANTS AND NATIONALISTS - ALL IN ONE

Ever since Hamas took over Gaza in 2007, there were at least three major conflicts between Israel and Hamas. It's an irony that Hamas, whose founding members were encouraged by Israel in the

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1970s and 80s against Yasser Arafat's secular national movement, has turned out to be Israel's biggest rival in the Palestinian territories.

### The roots

The roots of Hamas go back to the Muslim Brotherhood. The Brotherhood, established by Egyptian Islamist Hasan al-Banna in 1928, made a presence in the British-ruled Palestine in the 1930s. Its focus had been on reorienting Muslim society, while the Palestine Liberation Organisation (PLO), founded in 1964, championed the Palestinian nationalist sentiments. After Israel captured the West Bank and East Jerusalem from Jordan, and Gaza Strip from Egypt in 1967, the PLO, vowing to liberate the whole of Palestine, would start a guerrilla war against Israel. *The Muslim Brotherhood* would still stay away from politics, but their leadership was increasingly critical of the PLO's secular nationalism. The Brotherhood's approach was that time for "jihad" had not come yet and they should first rebuild a stronger, pious Islamic society — they called it "the upbringing of an Islamic generation". During this time, Israel established contacts with the Brotherhood leadership in the occupied territories. Sheikh Ahmed Yassin, the physically challenged, half-blind cleric of the Brotherhood, established al-Mujamma' al-Islam (The Islamic Centre) in 1973. Israel recognised the Centre first as a charity and then as an association. This allowed Yassin to raise funds, build mosques and set up educational institutions, including the Islamic University of Gaza. But the 1979 Islamic Revolution in Iran would change the landscape of Islamist politics across West Asia. Islamist organisations, having witnessed the political success of the Mullahs in Iran, started becoming politically more ambitious and active.

### The rise

Hamas was established after the first intifada broke out in 1987. The occupied territories were swept by a mass uprising. The PLO called on its supporters to join the intifada. The Brotherhood also found it an opportunity to enter the struggle against the occupation. On December 14, the Brotherhood, under the leadership of Yassin, issued a leaflet, asking Palestinians to stand up to the Israeli occupation. In January, they issued another leaflet under the name Harakat al-Muqawamah al-Islamiyyah (the Islamic Resistance Movement) — in short, Hamas, which means "zeal" in Arabic. In 1989, Hamas launched its first attack, abducting and killing two Israeli soldiers. Israel cracked down on the group, arresting Yassin and jailing him for life. Unlike the PLO, which was modelled around the leftist guerrillas national movements in the third world, Hamas had a completely different vision. The charter it issued on August 19, 1988 was studded with anti-Semitic remarks. According to the charter, Palestine is "an Islamic Waqf land consecrated for Moslem generations until Judgement Day"; "there is no solution to the Palestine problem except jihad" and all peace initiatives are a "waste of time and acts of absurdity". When the PLO moved to join peace efforts seeking a solution to the Palestinian issue, Hamas hardened its position. It opposed the Oslo agreement, which allowed the formation of the Palestinian Authority with limited powers within the occupied territories. When the PLO recognised Israel, Hamas rejected the two-state solution and vowed to liberate the whole of Palestine "from the (Jordan) River to the (Mediterranean) Sea". It has built a organisation with several branches — the social wing is involved in Islamic education and charity works, while Izz ad-Din al-Qassam Brigades, the military wing, is in charge of military planning and weapons acquisitions. It also has a political bureau. In October 1994, a year after the Oslo Accord was signed, Hamas carried out its first suicide attack, killing 22 in Tel Aviv.

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### The evolution

In the 1990s and early 2000s, Hamas conducted several suicide attacks, targeting Israelis. In 2000, when the second intifada broke out, Hamas was in the driving seat. Hamas supporters fought pitched street battles with Israeli troops, who used brute force to crush the protests. Israel had also taken a policy of targeted assassinations. Hamas continued to remain defiant, targeting Israeli troops and settlers. In 2005, faced with Hamas's violent resistance, Israel unilaterally decided to pull out of Gaza. Hamas's violent tactics and Israel's collective punishment of Palestinians in return seemed to have helped the Islamists gain popularity. In the 2006 legislative elections in the Palestinian territory, Hamas won 74 out of the 132 seats, while the Fatah party, the PLO's backbone, got only 45 seats. Hamas formed the government, but faced opposition from Israel and most international powers. Like Israel, the U.S. and several European countries have designated Hamas as a terrorist organisation. As tensions rose between Fatah and Hamas in the West Bank, Palestinian President Mahmoud Abbas dissolved the Hamas government and declared a state of emergency. This led to violent clashes between Fatah and Hamas. Fatah ousted Hamas from the West Bank and Hamas ousted the former from Gaza in 2007. Since then, Hamas is the government in Gaza. Following Hamas's capture of Gaza, Israel has imposed a blockade on the strip, which practically turned the territory of 2 million people into an open prison. While Hamas never gave up its right to armed resistance, the organisation's outlook has evolved over the years, like the PLO's did in the pre-Oslo years. It still refuses to recognise Israel but has offered hudna (a lasting ceasefire) if Israel returned to the 1967 border. In 2017, it adopted a new charter from which the anti-Semitic remarks of the original charter were expunged. The new document stated Hamas is not seeking war with the Jewish people — only with Zionism that drives the occupation of Palestine. "Hamas advocates the liberation of all of Palestine but is ready to support the state on 1967 borders without recognising Israel or ceding any rights," it said back then. Ideally, this should have opened a new beginning. But Israel continues to maintain the position that it won't hold talks with a "terrorist entity" that doesn't recognise it, while at the same time deepening the occupation. Hamas's view is that unless Israel withdraws to the 1967 border, there won't be peace. It's a stalemate. Hamas may not have the capability to push Israel back to the 1967 border or the deterrence to stop Israel from pounding Gaza. But it does two things with its resistance to the superior Israeli Army — one, it has emerged as a key force in Palestine's political landscape, which in the past had largely been driven by secular nationalism. A solution to the Israel-Palestine problem cannot be reached without taking Hamas into consideration. Two, its survives. Over the years, Hamas has lost most of its founding leaders, it is categorised as a terrorist outfit by the U.S. and others and it faces disproportionate Israeli attacks frequently. Every time it bombs Gaza, Israel vows to destroy Hamas's militant infrastructure. But Hamas survives, to fight another day.

### SRI LANKA PARLIAMENT PASSES BILL ON CHINA-BACKED PORT CITY

The Sri Lankan Parliament on Thursday passed a controversial Bill on laws governing the Chinabacked Colombo Port City, with a majority of 149 legislators — in the 225-member House — voting in its favour. The development comes after the Supreme Court suggested certain amendments, following over a dozen petitions challenging the Bill that political opposition and civil society groups said "directly affected" Sri Lanka's sovereignty. The government accepted the amendments, pre-empting the requirement for a two-thirds majority or a referendum for passage of certain clauses, as per the apex court's determination. The \$1.4-billion Colombo Port City was launched in

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2014 during the previous term of the Rajapaksa government, when Chinese President Xi Jinping visited the island nation. *The mega infrastructure project is currently being built on land reclaimed alongside Colombo's iconic sea front, while environmentalists and fisher folk opposed the move. The Ranil Wickremesinghe –Maithripala Siripala administration too went ahead with the project, vowing to develop it as a financial hub.* Following their return to power in November 2019, the Rajapaksa administration sought to expedite construction work as well as a legal framework for what promises to be a tax haven for foreign investors. In a two-day debate in the legislature, culminating in Thursday's vote, government MPs defended the Colombo Port City Economic Commission Bill, pointing to potential foreign direct investments —up to \$15 billion — and prospects for job creation. The ruling side has a two-third majority in Parliament.

### 'Chinese enclave'

Legislatures from Opposition parties, including the Samagi Jana Balawegaya (United People's Front) and the Janatha Vimukthi Peramuna (JVP) challenged its provisions that they said infringed upon the country's sovereignty, gave the governing commission overarching powers, and immunity from Sri Lankan law, and threatened to create a "Chinese enclave". Some of the strongest attacks on the Bill, during the debate, came from Tamil MPs. Legislator and former Northern Province Chief Minister C.V. Wigneswaran on Wednesday asked the government if its stated policy of striving for 'One Country, One Law' meant "Chinese law". Intervening in the debate, Tamil National People's Front Leader Gajen Ponnambalam on Thursday said Sri Lanka had gone too close to the U.S. in the Cold War era, prompting India to back and train Tamil militant groups. The "Chinacentric" Rajapaksa administration was again challenging the geopolitical order in the region, he said. Observing that the "Tamil nation" had paid a heavy price the last time Sri Lanka made such choices, he said he opposed the Bill for that reason. Tamil National Alliance MP M.A. Sumanthiran said the Supreme Court had made merely "cosmetic changes" to the Bill, while its fundamental character remained unchanged. Accusing the government of giving away part of its land to China, the Jaffna legislator said: "You say so much about [Tamil] Eelam, but this is Cheelam, [referring to China and Eelam, the Tamil name of Sri Lankal... and it is Cheelam that you are enacting in your own laws, when you don't have jurisdiction over that territory."

### CHINA COMPLETES TIBET HIGHWAY

China has completed the construction of a strategically significant highway through the world's deepest canyon in Tibet along the Brahmaputra river, enabling greater access to remote areas along the disputed border with Arunachal Pradesh in India. The highway, official media in China reported this week, took seven years to complete and passes through the Grand Canyon of the Yarlung Zangbo river, as the Brahmaputra is called in Tibet. This is the "second significant passageway" to Medog county that borders Arunachal, the official Xinhua news agency reported, directly connecting the Pad township in Nyingchi to Baibung in Medog county. The highway will reduce the distance between Nyingchi city and Medog from 346 km to 180 km and will cut the travel time by eight hours. The project, undertaken by the China Huaneng Group, required an estimated investment of over 2 billion yuan (around \$310 million), Xinhua reported. The construction, which began in 2014, is part of a wider infrastructure push in border areas in Tibet. In November, China began work on a strategically important railway line — its second major rail link to Tibet after the Qinghai-Tibet railway that opened in 2006 — that will link Sichuan province with Nyingchi. That

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project was considered important enough for President Xi Jinping to officially launch it, as he called it "a major step in safeguarding national unity and a significant move in promoting economic and social development of the western region". Zhu Weiqun, a senior Party official formerly in charge of Tibet policy, was quoted as saying by state media that the railway will help "transport advanced equipment and technologies from the rest of China to Tibet and bring local products out". He said, "If a scenario of a crisis happens at the border, the railway can act as a 'fast track' for the delivery of strategic materials." The first segment of the line within the Sichuan province, from Chengdu to Yaan, was completed in December 2018. Work on the 1,011-km section from Yaan to Nyingchi will be finished in 2030.

### **Civilian settlements**

Another part of the border infrastructure push is the construction of new civilian settlements, along with the expansion of existing smaller hamlets, along border areas, some of which lie in disputed territories claimed by India and Bhutan, to strengthen China's control over the land. In 2017, the Tibet Autonomous Region (TAR) government launched a plan to build "moderately well-off villages" in border areas, under which 628 "first line and second line villages", referring to those right on the border and others in remote areas slightly further within, would be developed in the prefectures of Ngari, Shigatse, Shannan and Nyingchi, along China's borders with India, Bhutan and Nepal. An investment of 30.1 billion yuan (about ₹30,000 crore) was announced for the project, covering 62,160 households and 2.4 lakh people, and includes plans to resettle residents to live in the new settlements. Last year, satellite images emerged showing a new village called Pangda built 2-3 km into what Bhutan sees as its land. On January 18 this year, another village built 4-5 km into what India sees as its territory in Arunachal was seen via satellite images. Indian officials said this land has been under China's effective control since 1959 and there were military barracks there earlier. The civilian settlements, along with the new infrastructure connectivity, are seen as aimed at bolstering China's control over the areas.

### PUTIN, XI HAIL TIES AT LAUNCH OF WORK ON NUCLEAR PLANTS IN CHINA

*Russian President Vladimir Putin and his Chinese counterpart Xi Jinping on Wednesday hailed close ties between their countries as they launched via videoconference work on Russian-built nuclear power plants in China.* The heads of state initiated work on pouring concrete into new units of the *Tianwan and Xudabao nuclear power plants.* Built jointly with Russia, the *Tianwan plant has been operating since 2007, while the Xudabao station is still under construction.* "Russian and Chinese specialists are implementing a truly landmark flagship joint project," the Kremlin cited Mr. Putin as saying. Describing the nuclear reactors as "powerful" and "modern", the Russian leader said that they "meet all safety requirements and the highest environmental standards". He said that the new units will be functional by 2026-2028 and that Russia and China are prepared to further develop nuclear power plants through joint construction. "We can say that Russian-Chinese relations have reached the highest level in history," Mr. Putin said. Mr. Xi called nuclear energy a "strategic priority for cooperation" between the two countries, according to a readout published by the Chinese Foreign Ministry. Mr. Xi called for a "more equitable, balanced, inclusive, open and shared global energy governance system," adding that Beijing and Moscow should "play a constructive role in achieving global sustainable development goals."

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### THE CZAR OF BRINKMANSHIP MUST SEEK PEACE

The recent stand-off between Russia and Ukraine has again captured headlines in the international news media. *This geopolitical situation appears to be complex due to the indirect involvement of its multiple stakeholders, including the United States, Turkey and the North Atlantic Treaty Organization (NATO).* Increased tensions between Ukraine and Russia can be viewed as a continuation of the unresolved conflict of 2014. Since then, the 'illegal annexation of Crimea' has become a buzzword in international politics, and Russia has been constantly painted as an aggressor and a hostile power. In addition to this, the country has been criticised for its involvement in the Donetsk and Luhansk regions in eastern Ukraine, where Russian-backed separatists have been fighting with Ukrainian troops. From the beginning of April 2021, Moscow has allegedly deployed thousands of troops as well as tanks and artillery near Ukraine's eastern border. It has also mobilised troops in the annexed Black Sea region of Crimea. This was enough to send a shock wave among the political elite in Ukraine, forcing them to appeal to the U.S. and NATO and ask for an intervention, if needed. How dangerous can this become in the short term, and to which extent is the fear-mongering of the Ukrainian administration justified by the real situation on the ground?

### NATO, U.S. response

On April 13, 2021, NATO Secretary General Jens Stoltenberg invited Ukrainian Foreign Minister Dmytro Kuleba to the NATO headquarters for a meeting of the NATO-Ukraine Commission on the security situation in Ukraine. Mr. Stoltenberg said, 'Russia's considerable military build-up is unjustified, unexplained, and deeply concerning.' He underlined that NATO would continue to provide significant political and practical support to Ukraine. In turn, Mr. Kuleba made a strong statement that 'the mistakes of 2014 must be avoided this time, so that Russia cannot catch anyone by surprise'. Besides powerful rhetoric from NATO, Ukraine seems to be desperate to receive more commitments and concrete actions. Dealing with Russia, a powerful and unpredictable neighbour, forces Kiev to rely on NATO/U.S. military support if Russia is to continue with its provocations. The question though is how far the NATO alliance can go in its support, given that Ukraine has not yet obtained membership. In June 2020, NATO recognised Ukraine as an Enhanced Opportunities Partner, along with Australia, Finland, Georgia, Jordan, and Sweden. This partnership aims to maintain and deepen cooperation between countries that have made significant contributions to the NATO-led missions and operations. The Ukrainian President Volodymyr Zelensky has also used the current tension as an opportunity to push for NATO membership, arguing that 'this is the only way to end the war in Donbas'. Notably, the U.S., under the new administration, has taken a more resolute stance towards this conflict, unlike the predecessors of the U.S. President, *Joe Biden. Mr.* Biden seems to be less apprehensive about provoking Russia and is ready to support Ukraine militarily, if the need arises. The recent visit of the U.S. Secretary of State, Antony J. Blinken, to Kiev indicates the U.S.'s foreign policy priorities. The underlying rhetoric of this visit was to support the 'independence, sovereignty, and territorial integrity of Ukraine'.

### Support from Turkey

On April 11, 2021, *Mr. Zelensky visited Istanbul to mark the 10th anniversary of Ukraine's strategic partnership with Turkey. This was also an opportunity for him to be reassured by Turkish President Recep Tayyip Erdoğan, that Turkey stands by Ukraine amidst the current tensions with Russia.* Both leaders discussed the security issues in the Black Sea region. During the bilateral meeting, *Mr.* 3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR





Zelensky emphasised that 'the visions of both countries regarding geopolitical threats coincide with each other'. In other words, the visit was a diplomatic success for Ukraine as it had obtained the necessary guarantees from Turkey should tensions with Russia escalate. It is worth recalling that Turkey has not acted in synchrony with Russia during several conflicts, e.g., in Syria, Libya, and, most recently, in Nagorno-Karabakh.(Azerbaijan and Art shak+ Armenia)

### Russia's moves

So what is Russia's end goal? Arguably, the cornerstone of the Russia-Ukraine conflict is insufficient communication, especially on the part of Vladimir Putin's Russia. It is very difficult, if not impossible, to speculate on the overarching rationale behind Russia's tactical decisions towards Ukraine. There are more questions than answers regarding the strategic calculus of the Russian administration. A deficit of explicit messages from Moscow creates room for misinterpretations and exaggerations on the part of Ukraine and its western supporters. This misunderstanding can be best illustrated by the Russian explanation of its recent 'military build-up' in western Russia. According to the Russian Defence Minister, Sergei Shoigu, it was just a 'three-week drill' meant to test combat readiness to respond to NATO's threats. Russian President Vladmir Putin has been known for his geopolitical adventures, especially in West Asia. In the case of the eastern Ukraine, it is highly unlikely that he would be willing to make further territorial gains this time around. He possesses enough diplomatic (and pragmatic) skills not to indulge in yet another geopolitical endeavour, that might entail serious repercussions from the international community. Mr. Putin is aware of the 'red line' that should not be crossed. Hence, from the Russian perspective, the current 'military build-up' can be viewed as another round of muscle flexing and an attempt to perpetuate the narrative of a powerful and capable Russia.

### For a peaceful resolution

All the stakeholders in the ongoing crisis should focus on establishing a constructive dialogue among themselves using clear and unambiguous language. The only way forward is to seek a peaceful resolution to the *Russia-Ukraine conflict rather than exacerbating the reality and using quid pro quo tactics.* Both countries do need support from the global community, but not in a military form. *There is a need for a platform (similarly to the Minsk Agreements) that will facilitate negotiation, mutual consensus and possible compromises, as well as engagement with mediators.* The long-term solution should be sought out in order to break the vicious cycle of animosity and misunderstanding.

U.S. TO WAIVE SANCTIONS ON FIRM BEHIND RUSSIA'S NORD STREAM 2

The U.S. government will waive sanctions on the company behind Russia's Nord Stream 2 pipeline to Europe and its Chief Executive, a Washington source familiar with the plans and Germany's Foreign Minister said on Wednesday. A U.S. State Department report to be delivered to Congress as early as Wednesday concludes that Nord Stream 2 AG and CEO Matthias Warnig, an ally of Russian President Vladimir Putin, engaged in sanctionable activity but that it was in the U.S. national interest to waive the sanctions, the source said.

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### **Rebuilding ties**

German Foreign Minister Heiko Maas said the administration had waived the sanctions on those two parties but also imposed sanctions on Russian entities and ships linked to Nord Stream 2. "We see this as a constructive step, which we are happy to further discuss with our partners in Washington," Mr. Maas said. The administration under Democratic President Joe Biden still opposed the Nord Stream 2 pipeline but felt it was important to send a signal about its commitment to ties with Germany, which were badly damaged under former President Donald Trump, the source said. *Russia's state energy company Gazprom and its western partners are racing to finish the line to take Russian gas to Europe via Germany, under the Baltic Sea*. The project, now about 95% complete, would bypass Ukraine, depriving it of lucrative transit fees and potentially undermining its struggle against Russian aggression.

### IRAN TO DEVELOP FARZAD B GAS FIELD DOMESTICALLY, DUMPS INDIA

Iran on Monday gave the Farzad B gas field to Petropars, a domestic gas producer. This is a setback for *India's energy ties with Iran as ONGC Videsh Ltd (OVL) had discovered the gas field in 2000 and has been part of the ongoing cooperation on that front.* According to Iran's news agency Shana, the deal was signed in an event on Monday which was presided over by Iran's Minister of Petroleum Bijan Zanganeh. The deal was signed between Mohammed Meshkinfam, CEO of Pars Oil and Gas Company, on behalf of the National Iranian Oil Company, and Hamid Reza Masoudi, CEO of Petropars Group. The Ministry of External Affairs has not yet commented on the development but OVL had discovered the Farzad B gas field in the Farsi region, which is located between the Iranian and Saudi territories. Monday's deal in Iran comes despite India's long-standing cooperation regarding the gas field and is indicative of the impact of the U.S. sanctions on India-Iran energy cooperation, which had been drastically reduced during the Donald Trump administration in the U.S. Last year, Mr. Zanganeh had indicated that foreign talks on the Farzad B block had become difficult because of the sanctions. Monday's deal will pave the way for daily production of 28 million cu m of gas over five years, reported Shana. The Ministry of External Affairs on Thursday said there is a possibility of India becoming a part of the projects unfolding in the Farzad B gas field in Iran at a later stage

### AFGHANS WHO HELPED THE U.S. NOW FEAR BEING LEFT BEHIND

He served as an interpreter alongside U.S. soldiers on hundreds of patrols and dozens of firefights in eastern Afghanistan, earning a glowing letter of recommendation from an American platoon commander and a medal of commendation. Still, Ayazudin Hilal was turned down when he applied for one of the scarce special visas that would allow him to relocate to the U.S. with his family. Now, as American and NATO forces prepare to leave the country, he and thousands of others who aided the war effort fear they will be left stranded, facing the prospect of Taliban reprisals. "We are not safe," the 41-year-old father of six said of Afghan civilians who worked for the U.S. or NATO. "*The Taliban is calling us and telling us, 'Your stepbrother is leaving the country soon, and we will kill all of you guys.*"" The fate of interpreters after the troop withdrawal is one of the looming uncertainties surrounding the pullout, including a possible resurgence of terrorist threats and a reversal of fragile gains for women if chaos, whether from competing Kabul-based warlords or the Taliban, follows the end of America's military engagement. *Interpreters and other civilians who worked for the U.S. or NATO can get what is known as a special immigrant visa under a programme* 

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created in 2009. Both programmes have been dogged by complaints about a lengthy and complicated application process for security screening that grew more cumbersome with pandemic safety measures. U.S. Secretary of State Antony Blinken said last month that the U.S. is committed to helping interpreters and other civilians who aided the war effort, often at great personal risk. The Biden administration is reviewing the visas programmes, examining the delays and the ability of applicants to challenge a rejection. At least 300 interpreters have been killed in Afghanistan since 2016, and the Taliban have made it clear they will continue to be targeted, said Matt Zeller, a cofounder of No One Left Behind, an organisation that advocates on behalf of the interpreters. He also served in Afghanistan as a U.S. Army officer. "*The Taliban considers them to be literally enemies of Islam*," said Mr. Zeller, now a fellow at the Truman National Security Project. "There's no mercy for them."

### A MAN OF MANY COMEBACKS

It was past 11 p.m., on September 23, 2018. The banquet hall of the three-star hotel in central Colombo was buzzing with young men and women. They were restlessly following updates on a big screen showing live news from another island, not far away. The chatter in Dhivehi was hard to follow, but the outcome they desired was clear. They wanted to see the common oppositional candidate from the Maldivian Democratic Party (MDP) win the crucial presidential election. Watching the developments intently, but calmly, was former President and exiled leader Mohamed Nasheed. He had played a critical role in that poll. His party colleague Ibrahim Mohamed Solih's decisive victory against incumbent Abdulla Yameen, widely regarded an authoritarian leader, gave the Maldives another chance with democratising the Sunni Muslim nation that is home to over 500,000 people. "Destiny has a habit of always choosing the right and the good. When history is on the march, you can't stop it. President Yameen has to go," he told The Hindu that night. In the international arena, Mr. Nasheed is best known as the Indian Ocean archipelago's first democratically elected (2008-2012) President, who was controversially ousted and convicted on terrorism charges that the Maldivian Supreme Court later deemed wrongful and quashed. He shot to global fame as a climate hero in 2009, when his government held the world's first underwater *Cabinet meeting*. In the realm of domestic politics, Mr. Nasheed, 53, is arguably the country's most charismatic politician, consistently speaking out against religious extremism and corruption. A week after the MDP alliance's big election win in 2018, Mr. Nasheed landed in Male, ending three years of exile, as huge crowds thronged the streets to welcome him back. Barely three years since — during which time the ruling alliance won the parliamentary elections, and Mr. Nasheed was appointed Speaker — he was targeted in a deadly explosion in the capital 10 days ago. Mr. Nasheed survived, although with serious injuries, and is currently receiving treatment in Germany. The police arrested three suspects allegedly involved in the "terror attack" that they have *linked to religious extremists.* While observers have flagged religious extremists, corrupt individuals, and political rivals as forces hostile to the ex-President, the motivations or actors behind the May 6 attack remain unknown, with no one claiming it as yet.

### **Challenging time**

The assassination bid targeting Mr. Nasheed not only exposed security threats within the country, but also came at a politically challenging time for Mr. Solih who is confronted with mounting criticism and a relentless pandemic imperilling its economy. The local council election in April was

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a reality check — despite beating the opposition in total, the party lost its traditionally held mayoral seat in the capital. However, the party's problems did not stop Mr. Nasheed from constantly pressuring the government to act on corruption allegations. The Speaker openly accused senior Cabinet Ministers of corruption, in an act that his critics saw as a deliberate effort to embarrass and discredit President Solih. Some party insiders sensed a deepening rift within the MDP. The ex-President's political ambitions are no secret, as his pet demand for the Maldives to transition to a parliamentary system of governance shows. Soon after the local council election last month, Mr. Nasheed confronted President Solih on the subject, reportedly conveying his desire to lead the country as Prime Minister. President Solih, seen as a leader more amenable to the MDP's diverse alliance partners, maintains that the system of governance could be changed only by the citizens' will. Meanwhile, the recent attack has put political debates on hold, and national security under the spotlight. Mr. Nasheed himself was shocked, according to his family. "We don't know who did this, but what we know is Nasheed is not safe here. Those who wanted to eliminate him will see this as a job unfinished," Ibrahim Nashid, brother of the former President, told The Hindu from Male. But that is unlikely to deter Mr. Nasheed, who has vowed to return stronger. Ahead of his departure to Berlin, he told nurses treating him: "I have already planned my comeback speech".

### GIVE HER THE CROWN

The beauty pageant has definitely seen better days. When Instagram feeds turn youngsters into celebrities, when a smartphone screen can launch showbiz careers, a contest where stunning women in swimsuits are expected to spout platitudes about "inner beauty" and "world peace" appears spectacularly passé. But as Thuzar Wint Lwin, Miss Universe contestant from Myanmar, demonstrated in Florida, glamour pairs well with the flag of protest. The young woman used the pageant to tell the American audience — and the world — about the crackdown on pro-democracy protestors by the military junta after it forcibly dislodged the Aung San Suu Kyi government in February. "Our people are dying, and are being shot every day," she said in a recorded video message. Lwin is not the only one. Last month, another young university student from Yangon had used a beauty pageant in Thailand to make an impassioned speech against the Tatmadaw. They are among many celebrities that are using the internet to protest against the coup in Myanmar at the risk of *military blowback*. Perhaps, this explosion of the raw and real into a thing wrought of such immense artifice as the beauty pageant is a sign of the times. Across the world, it's become impossible to seal off aspects of social and cultural life from the larger political churning. That is reflected in how the community of artists, filmmakers, actors and celebrities, among many others, are not only seen to be taking political positions — but are also held accountable for their views. One could argue that much of it does descend into a performative wokeness. But it is also a longdelayed reckoning of the exclusions that shape stardom and fandom alike. Sometimes, as it so happened in Florida, such open political positions can be a matter of life and death. Thuzar Wint Lwin, who took to the streets to demand restoration of democracy in Myanmar before she boarded a flight to the US, knew she might not be able to return home after her Miss Universe stint — but still *went ahead.* Give her that crown, already.

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### NATION

### THE ROAD FROM LADAKH IS PAVED WITH DISRUPTIONS (SUSHANT SINGH - SENIOR FELLOW WITH THE CENTRE FOR POLICY RESEARCH, NEW DELHI)

It has been a year since the news of tensions between Indian and Chinese troops on the Line of Actual Control (LAC) in Ladakh first broke. Dismissed as a "routine" event in the first few weeks by officials, the truth about the extent of Chinese ingress could no longer be hidden when India lost 20 soldiers in a violent clash with soldiers of the People's Liberation Army (PLA) in mid-June. As has been evident from commercial satellite imagery, sparse official statements and a few interviews, the crisis eventually involved seven places: *Depsang plains, Galwan, Gogra, Hot Springs, North bank of Pangong Tso, Kailash range and Demchok*.

### Border crisis

The situation at Galwan was resolved a few weeks after the deadly clash, and the two sides disengaged from the face-off site. The Indian Army had occupied certain heights on the Kailash range in end-August, where it was in an eyeball-to-eyeball confrontation with the Chinese. In February this year, the two sides agreed to disengage from this location and from the north bank of Pangong Tso. This was announced by India's Defence Minister in Parliament, where he also said that the two armies will convene the next meeting of the senior commanders within 48 hours after the complete disengagement in the Pangong lake area "to address and resolve all other remaining issues". The last such meeting of commanders was held on April 9, but the Chinese have refused to even discuss the remaining issues. Such an outcome was not entirely unexpected. It was written in this newspaper ("Looking after the Ladakh walkback", February 17, 2021; https://bit.ly/3bsLvAi) that India had lost its only leverage on the Kailash range for the sake of disengagement on the north bank. This happened after India reversed its position of simultaneously resolving all the flashpoints in Ladakh rather than deal with them piecemeal. India's military rationale was evident: with soldiers and tanks of the two armies barely a few metres apart, the situation was explosive and could escalate into a major crisis with a minor incident or accident. It was also clear that by restricting itself to its own side of the LAC on the Kailash range, India had not taken control of the more dominating peaks like the *Black Top* and had a weak hand to play with. Politically, the Narendra Modi government seemed keen to announce a closure of the border crisis by creating the impression of an honourable solution against a major power. Three months later, no such closure is in sight. With the PLA troops denying India access to territories it controlled by patrolling, the government's avowed aim of restoring the status quo ante as of April 2020 remains unfulfilled. Even on the north bank of Pangong, a new status quo has been created where the patrolling rights are yet to be restored. Similarly, the Kailash range has seen neither de-escalation nor de-induction so far. In each statement, both India and China reiterate the need "to ensure peace and tranquillity" in border areas. Even if there have been no further deaths after June and no firing after early September, the peace on the border is both unstable and unsustainable. Ongoing tensions, with massive deployments on each side, belie any hope of tranquillity. That the security establishment in New Delhi is cognisant of the volatility and risk can be gauged from the fact that the Indian Army has undertaken a major reorientation of its units and formations towards the China border.

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### **COVID-19 and geopolitics**

Even as the situation on the border poses a tricky challenge for India, its geopolitical concerns have been exacerbated by the devastation caused by the mismanagement of COVID-19. Through its 'Vaccine Maitri' programme, New Delhi was presenting itself as a better alternative to Beijing's vaccine diplomacy, particularly in South Asia. Shaken by scenes of massive suffering and public criticism, the Modi government has backtracked on existing contractual commitments to supply vaccines to its friendly neighbours. Countries such as Bangladesh and Sri Lanka have started procuring vaccines from China, further casting doubts on India's reliability as a partner and raising questions about its ability to act as a counter to China. Sensing the opportunity, Beijing also moved in quickly, organising a meeting with all South Asian countries except India, ostensibly to deal with the pandemic. New Delhi was also the lynchpin of the Quad's pledge to deliver a billion doses of *COVID-19 vaccine throughout the Indo-Pacific by the end of 2022, an effort focused on countering* Chinese influence in the region. With India now trying to import vaccines for its own population and reneging on its commitments to other poor countries under GAVI's COVAX scheme, the proposal now seems to be on a weak footing. The abysmal failure of the Modi government to anticipate and deal with a public health crisis has diminished India's aura as an emergent power. A Prime Minister tom-tomming the mantra of 'Atmanirbharata' or self-reliance has been forced to reverse a 16-year-old policy to accept global aid has laid bare India's vulnerabilities, further reducing its standing as the Quad's anchor. A weaker India is not only less attractive as a partner globally, it makes New Delhi more dependent on the United States to deal with China. That India has been acting at the behest of the U.S. has been one of *China's presumptions and this would only* confirm Beijing's worst fears. It would further strain India-China ties, directly linking them to the vagaries of the China-U.S. relationship. The hypothesis that India can safeguard its land borders by strengthening its oceanic prowess could then be put to test, a scenario New Delhi wants to avoid at all costs. Meanwhile, the threat of a two-front collusive threat after the Ladakh crisis forced the Modi government to seek peace with Pakistan. The back channel talks, facilitated by the United Arab Emirates, led to the announcement of the ceasefire on the Line of Control which has held so far. But there have been contradictory voices emerging from Islamabad and the process seems to be floundering, as Pakistan awaits the steps on Kashmir promised by the Modi government. No political environment has been created in India for any such step so far. New Delhi's preoccupation with the pandemic may brook a delay of few weeks but fears of failure, a routine happening in India-Pakistan engagements, loom large. It is hard to predict the Pakistani course of action hence, but if the past is an experience to go by, it has usually been spiteful, reckless and dangerous, especially when India is seen as weak. Coupled with the imminent American military withdrawal from Afghanistan and a win for the Taliban, the signs are ominous. An assertive China and a vengeful Pakistan acting in concert on the land borders is India's military nightmare, which New Delhi will have to avoid at all costs.

### **Chinese supplies**

Meanwhile, Beijing has made certain significant moves towards New Delhi in the recent days. China's *President Xi Jinping sent a message to Mr. Modi to convey sympathy and express condolences over the pandemic, which was the first communication between the two since the border crisis began last year*. The Chinese Foreign Minister spoke to his Indian counterpart twice and offered help to deal with the pandemic, *which led to an early clearance and approval of cargo flights from China*.

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The Chinese Ambassador to India has been highlighting the supplies and the material being sent to India. *Beijing's efforts have been largely confined to private companies and donations from the Red Cross and Red Crescent societies, unlike other countries which have pledged government help to India*. Curiously, much of the Chinese media ambiguously frames it as Chinese aid, while India explicitly avoids that framing and lays stress on the point that these are largely commercial contracts between private companies. *Even if the Chinese intent is to project itself on a par with other global powers providing relief and aid to India, the fact remains that India is heavily dependent on China for crucial medical supplies. State-owned Sichuan Airlines had suspended cargo flights to India for 15 days beginning last month, but the supply chains have since been kept open by Beijing. This is in tune with the Indian demand from Beijing that the supply chain should remain open but the other demand to ensure stable product prices has not been met.* 

### More point scoring

If the recent weeks during the pandemic provided an opportunity for the two Asian giants to work together, that hope has been lost as both governments have focused on point scoring. That reflects the broader state of bilateral ties, but is also a fundamental difference emanating from the ongoing border crisis. As the talks between India and China have floundered, New Delhi has taken a position that the border issue is central to the bilateral relationship. This runs contrary to Beijing's argument that the boundary question cannot be seen as the whole of the bilateral relationship. In an ideal world, New Delhi can hope for a settlement that delineates and demarcates the LAC in some form but Beijing has ruled out any such proposal. With soldiers of both armies facing each other in Ladakh and a lack of trust between the two countries as the two governments talk past each other in a period of geopolitical churn, it is clear that the China-India bilateral relationship is moving into a zone of increasing disruptions, and attendant risks of conflagration on the disputed border.

### A THAW IN INDIA-PAKISTAN TRADE RELATIONS

The rejection by the Pakistan government of the recent proposal made to it by the Economic Coordination Committee (ECC) to import sugar, cotton and cotton yarn from India was disappointing, but at the same time indicative of a possibility of resumption of trade relations between the two countries. In 2019, India and Pakistan undertook trade-restrictive measures against each other, which were perhaps the most severe in several decades. After the Pulwama terror attack in Kashmir in February 2019 and cross-border air strikes, India withdrew the Most Favoured Nation (MFN) status of Pakistan and imposed a customs duty hike of 200% on imports. Later, when India revoked the autonomy of Jammu and Kashmir, Pakistan suspended bilateral trade. Despite the trade ban setback, the *Indo-Pak history suggests that there are reasons for having cautious optimism towards reviving the trade dialogue*. Even though trade curbs have been applied several times in the past, such measures have been reversed to create a trade enhancing environment. Most notable is the protocol on resumption of trade in 1974 after a hiatus of nine years following the India-Pakistan war in 1965. The two countries agreed to trade in a list of items, including essential agricultural commodities, which could stabilise domestic prices and take care of seasonal shortages and food security in the home country. Both countries worked on positive lists for some years, which expanded over the years. We can see parallels emerging in the current context. Within a month of suspending bilateral trade with India, the *Pakistan government lifted the ban on* the import of medicines and raw material from India to avert any crises and ensure that there is no

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shortage of essential drugs. A year and a half later, there is a demand for the inclusion of three more items, namely sugar, cotton and yarn. A deeper examination of the trade measures and data indicate that there is more concrete evidence of trade between the two countries even after the imposition of restrictions. A key difference between India and Pakistan is that while India imposed a 200% import duty and no ban on export, Pakistan banned both export and import. Hence, Indian trade data are likely to reflect trends better. Not only has trade been recorded in the first eleven months of the financial year 2020-21, but a sizeable number of items have been traded between the two countries. During 2020-21 (April-February), the recorded bilateral trade was \$280 million, of which India's exports to Pakistan were \$278 million and imports were \$2 million. Nearly 77% of India's exports comprised vaccines, pharmaceutical products and products of chemical and allied industries. Interestingly, despite the trade ban, sugar was already being exported to Pakistan and was the second most important item, accounting for 15% of India's total exports. Dates were the most important item being imported from Pakistan, accounting for 31% of total imports, followed by ethyl alcohol, which accounted for 17% of total imports.

### **Significant costs**

While the overall value of trade with Pakistan may not be significant, the number of items traded certainly is. A closer look at the trade data reveals that India exported 357 products (at HS-6 digit level classification) to Pakistan and imported 25 products from the country. *This is despite the complete ban on trade by Pakistan on both exports and imports. Thus, even under restrictive trade conditions, there are interdependencies between India and Pakistan.* The trade measures impacted several important domestic and export industries, even though the volume of trade was small at \$2.56 billion in 2018-19. Governments of both countries need to recognise that there are significant costs of non-cooperation. *Restrictions also shift trade to informal channels, which have functioned for decades and are a ready option for traders from both countries. Initiating a positive list for trade is the right move towards normalisation.* The recent data provide an indicative list of products that can be included. Business organisations and chambers of commerce can play an important role in creating a strong lobby that could build momentum in opening channels and influence the shaping of the India-Pakistan trade policy.

### CAN A SINGLE LIGHTNING FLASH KILL 18 ELEPHANTS? SCIENCE SAYS YES, IN VARIOUS POSSIBLE WAYS

18 elephants died on a hilltop in Assam. The preliminary post-mortem report indicates they had been struck by lightning. While the state government is waiting for the final report before definitely ruling out other possible causes, the preliminary conclusion raises a question: Can a single flash of lightning kill 18 elephants? The answer is yes, based on science and a history of such events.

### How does lightning kill animals?

Lightning may injure or kill animals in a number of ways, physicist and engineer Chandima Gomes wrote in the International Journal of Biometeorology in 2012. In an email to The Indian Express, Gomes, now professor of high voltage engineering in the University of Witwatersrand, Johannesburg, listed some of these ways, including:

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DIRECT FLASH: An animal in an open field may be struck directly by lightning if part of its body protrudes over other objects in the vicinity. Taller animals are more vulnerable.

SIDE FLASH: When lightning strikes a tall object such as a tree, it may generate a side flash that can strike an animal standing underneath the tree.

TOUCH POTENTIAL: If one part of a tall animal's body is in contact with the ground while another part, at a higher elevation, comes in contact with a lightning-struck object, a partial current may pass through its body.

STEP POTENTIAL: The most common lightning hazard among four-legged animals. When an animal's front and hind feet are far enough apart, a partial current may pass through the body in certain circumstances.

### Which of these could have happened in Assam, assuming it was indeed lightning that killed the elephants?

According to a member of the team that conducted the post-mortem, it is possible that the elephants were killed by current flowing through the ground (The Indian Express, May 15). That would be 'step potential'. When current flows through the ground following a lightning strike, the electric potential (voltage) is highest at the point of the strike, and decreases with distance along the direction of the flow. If an elephant is facing the strike point, the current will flow from the front feet (higher potential) to the hind feet (lower potential), electrocuting it in the process.

### But so many elephants killed in one flash of lightning?

It can happen because in a single lightning flash, the current flows to the ground several times. "These are termed subsequent strokes. This is why we see a flash of lightning flickering. There is a possibility of each subsequent stroke attaching to different nearby objects due to a few reasons explainable in physics," Gomes told The Indian Express. "There are two other possibilities of multiple deaths other than step potential," he said. One of these is side flashes from the first elephant being struck to the others. "That's why in lightning safety, we advise people to stay at least 2 m away from one another under thunderstorm conditions — long before Covid-19 restrictions were set forth," Gomes said. The other possibility is multiple side flashes from a nearby tree.

### Are elephants particularly vulnerable?

Since an elephant's front and hind feet are wide apart, it would appear to make it more vulnerable than a smaller animal, such as a rat. "The potential difference increases with increasing distance between the two feet. The larger the potential difference, the greater the current through the body," Gomes said. He threw in a caveat, however. "Usually, an animal with a larger body mass can withstand a larger current through step potential. Thus, although an elephant could be subjected to a larger step potential, the chance that the current through its body becomes lethal is less," he said. The author of another paper, on the other hand, felt elephants are indeed more vulnerable —because of their height. Following the death of two giraffes in a lightning strike in South Africa last year, Ciska P J Scheijen, now a conservation scientist with the Rockwood Conservation Fund in Kimberley, wrote a paper in the African Journal of Ecology suggesting that it was height that had made the giraffes vulnerable to a direct strike. And elephants too are tall animals. "Yes, I do believe

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*elephants would potentially have a higher chance of getting struck by lightning compared to other species because of their height,*" she told The Indian Express, by email.

### But could the elephants have been struck by a direct flash?

"Chances of getting directly struck by lightning highly depends on the vicinity. Tallest objects in the vicinity attract the lightning. So if there are tall trees (higher than the elephants) the chance that lightning strikes them directly is not big. But if they are in an open grassfield the chances are bigger," Scheijen said. The Bamuni Hill in Assam, where the elephants died, has no tall trees that could have taken the brunt of the lightning strike. A number of smaller trees were found burnt and split down in the middle, indicating that the area had indeed been struck by lightning. Some of the elephants, too, had burnt ears, charred bellies, and burn marks on the scapular region.

### Are multiple animal deaths such as these common?

In 2007, five elephants were killed in a similar incident in Buxa Tiger Reserve in West Bengal.

In 2016, over 300 reindeer were killed on Norway's Hardangervidda plateau following thunderstorms.

In 1972, 53 reindeer we<mark>re killed in a lightning strike in Alaska.</mark>

### IN CYCLONE TAUKTAE, A CONTINUING NEW TREND FROM THE ARABIAN SEA

Cyclone Tauktae (pronounced Tau-Te), classified as a *very severe cyclonic storm (VSCS*) and developed in the Arabian Sea, is expected to hit southern Gujarat on Tuesday. In recent years, strong cyclones have been developing in the Arabian Sea more frequently than earlier.

### What is the forecast?

As of 5.30 pm on Sunday, *Cyclone Tauktae lay over 190 km northwest of Panjim, 270 km southsouthwest of Mumbai, 510 km south-southeast of Veraval, 470 km south-southeast of Diu and 700 km southeast of Karachi.* The system is expected to intensify during the next 24 hours. As per the latest cyclone track forecast, Tauktae will cross close to Porbandar and Mahuva in Gujarat's Bhavnagar district as a Very Severe Cyclone (VSCS) during the early hours of Tuesday, with an expected wind speed of 150-160 km/hr gusting to 175 km/hr. Heavy to very rain and storms could affect at least 12 districts of Gujarat – Kutch, Saurashtra, Porbandar, Junagarh, Bhavnagar, Ahmedabad, Surat, Valsad, Amreli, Anand and Bharuch, and the Union Territory of Diu. The IMD expects Tauktae to touch the Gujarat coast between Porbandar and Naliya around May 18 afternoon or evening, with wind speeds increasing to 175 kmph. Current forecasts show heavy rain in the coastal districts of Gujarat, including extremely heavy rainfall in Junagadh and Gir Somnath and heavy to very heavy rain in Saurashtra, Kutch and Diu, Junagadh, Porbandar, Devbhoomi Dwarka, Amreli, Rajkot, and Jamnagar. The IMD also warned of storm surges that could inundate coastal areas of Morbi, Kutch, Devbhoomi Dwarka and Jamnagar districts.

### Why is Cyclone Tauktae unique?

Tauktae is the fourth cyclone in consecutive years to have developed in the Arabian Sea, that too in the pre-monsoon period (April to June). All these cyclones since 2018 have been categorised either 3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR





'Severe Cyclone' or above. Once *Tauktae makes its landfall, three of these will have hit either the Gujarat or Maharashtra coast. After Cyclone Mekanu in 2018, which struck Oman, Cyclone Vayu in 2019 struck Gujarat, followed by Cyclone Nisarga in 2020 that struck Maharashtra. Tauktae has been intensifying very rapidly. From a depression formed in the southeast Arabian Sea on May 14 morning, it strengthened into a VSCS by the early hours of May 16. Compared to Tauktae's 2 days, Cyclone Vayu had taken 36 hours to become a VSCS, while Cyclone Mekanu (4 days) and Cyclone Nisarga (5 days) had developed slower. Also, the first cyclones to form in 2020 and 2021 were in the Arabian Sea during the pre-monsoon period, both in the VSCS category.* 

### What is aiding such rapid intensification?

Any tropical cyclone requires energy to stay alive. This energy is typically obtained from warm water and humid air over the tropical ocean. **Currently**, sea water up to depths of 50 metres has been very warm, supplying ample energy to enable the intensification of Cyclone Tauktae. The more the heat released through condensation of water vapour, the steeper the drop in pressure. A low-pressure system undergoes multiple stages of intensification to form cyclones. Typically, tropical cyclones in the North Indian Ocean region (Bay of Bengal and Arabian Sea) develop during the pre-monsoon and post-monsoon (October to December) periods. May-June and October-November are known to produce cyclones of severe intensity that affect the Indian coasts.

A joint bulletin issued by the Indian National Centre for Ocean Information Services (INCOIS) in Hyderabad and IMD forecast "damage" over Porbandar, Amreli Junagarh, Gir Somnath, Botad and Bhavnagar, plus the coastal areas of Ahmedabad. An estimated 1.5 lakh people are being shifted from low-lying coastal areas in Gujarat while 54 teams of the National Disaster Response Force (NDRF) and the State Disaster Response Force (SDRF) have been deployed in the State. Maharashtra, too, is bracing for the cyclone as the Met Department predicted heavy to very heavy rain at isolated places in north Konkan, Mumbai, Thane and Palghar, and extremely heavy rainfall in Raigad on Monday. Four deaths were reported from Karnataka's Uttara Kannada, Udupi, Chikkamagaluru and Shivamogga districts. Roads in coastal districts were washed away and about 12 km of beachfront from Kulai to Sasihithlu in Dakshina Kannada district was eroded, leaving several houses in danger.

### Levels in Kerala dams up

The water level in many dams across Kerala rose after heavy rain in the catchment areas, prompting the authorities to sound an alert. The IMD issued orange alerts for heavy to very heavy rain in three Kerala districts — Ernakulam, Idukki and Malappuram — and 11 districts have been put on yellow alert for Monday. The cyclone-related toll in the State went up to three after a 71-year-old woman from Kozhikode district died when a coconut tree fell on her on Saturday. Gusty winds and heavy rain started lashing several parts of Goa since Sunday morning. Power supply in several areas was disrupted as hundreds of electric poles were uprooted due to the high-speed winds, State Power Minister Nilesh Cabral said. Restoration work was hampered due to the strong winds, he said.

### Is the Arabian Sea becoming cyclone-friendly?

Annually, five cyclones on average form in the Bay of Bengal and the Arabian Sea combined. Of these, four develop in the Bay of Bengal, which is warmer than the Arabian Sea. In the Arabian Sea, 3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



cyclones typically develop over Lakshadweep area and largely traverse westwards, or away from India's west coast. However, in recent years, meteorologists have observed that the Arabian Sea, too, has been warming. This is a phenomenon associated with global warming.

### WRONG CALL LED TO TRAGEDY: BARGE OWNER

# The Oil and Natural Gas Corporation (ONGC) contractor Afcons Infrastructure Ltd., a Shapoorji Pallonji Group company, said on Thursday that it was unpredictable bad weather and the decision of the master of the Barge-P305 to stay put in high sea that led to the tragedy in the Arabian Sea.

"On May 14, 2021 itself, all our vessels were advised to secure their respective work locations and move to a safe location at the earliest. Accordingly, all vessels and barges, including P305, commenced moving out of their work locations on May 14 and 15, 2021," Afcons said on Thursday. It said while other barges moved to the Mumbai Port, the Mumbai outer anchorage or the anchorage close to Revandanda, the master of P305 chose to move 200 metres from the HT platform where the Barge-P305 was working. The master had decided this as a safe location since the maximum predicted wind speed was only 40 knots and his location was 120 nautical miles from the eye of the tropical storm, Afcons said. "Unfortunately, the weather conditions deteriorated rapidly from the evening of May 16, 2021, reaching levels far worse than predicted on May 17, 2021. The sudden deterioration of weather left no time at all for any further action to be taken by the master of the vessel," the company said. Putting the blame on the owners of the vessel, it said, "As per the normal marine protocol as well as the specific charter agreement for P305, matters concerning vessel safety lie under the responsibility of the Owner/Barge Master, who is in the best position to decide on the appropriate course of action regarding vessel safety, as he has the necessary skill sets as well as the understanding of his vessel and its equipment, under the prevailing *local conditions*". It said to secure the vessels and bring the people onboard to the shore, Afcons had chartered the vessel from Durmast. "Charting is not same as subcontracting. Durmast is the owner and the responsibility for marine operations rests with the vessel owner and his marine crew stationed on the vessel. Afcons, as charterer, deploys its construction workmen and supervisors, who stay on the barge and carry out construction/revamp work on the platform," it said. As per the international standard vessel chartering terms, which was adopted for the charter of P305, the responsibility for the marine side of the operations, namely safe vessel operation, navigation and vessel management, came under the scope of work of the vessel owners, carried out through the master, officers and the crew appointed by the owner. On not evacuating those on the barges, it said evacuation was an extreme step resorted to in case the vessel was in distress.

### RESTRUCTURING THE TRIBUNALS SYSTEM (AAKANKSHA MISHRA AND SIDDHARTH MANDREKAR RAO - RESEARCH ASSOCIATES WITH DAKSH)

The Centre has abolished several appellate tribunals and authorities and transferred their jurisdiction to other existing judicial bodies through the Tribunals Reforms (Rationalisation and Conditions of Service) Ordinance 2021. This Ordinance has been challenged in the Supreme Court.

### Sharp criticism

The Ordinance has met with sharp criticism for not only bypassing the usual legislative process, but also for abolishing several tribunals such as the Film Certification Appellate Tribunal *without* 

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any stakeholder consultation. Despite the Supreme Court's direction in Rojer Mathew v. South Indian Bank (2019), no judicial impact assessment was conducted prior to abolishing the tribunals through this Ordinance. While the Ordinance has incorporated the suggestions made in Madras Bar Association v. Union of India (2020) on the composition of a search-cum-selection committee and its role in disciplinary proceedings, it has also fixed a four-year tenure for Chairpersons and members of tribunals "notwithstanding anything contained in any judgment, order, or decree of any court" by blatantly disregarding the court's direction for fixing a five-year term. Further, the Centre is yet to constitute a National Tribunals Commission (NTC), an independent umbrella body to supervise the functioning of tribunals, appointment of and disciplinary proceedings against members, and to take care of administrative and infrastructural needs of the tribunals. The idea of an NTC was first mooted in L. Chandra Kumar v. Union of India (1997), but it has still not seen the light of day. Initiating dialogue and promoting awareness about the NTC is vital for overcoming the government's inertia in establishing such a body. Developing an independent oversight body for accountable governance requires a legal framework that protects its independence and impartiality. Where the institutional design is not properly conceived, partisan interests can twist the law to serve political or private interests. In India, executive interference in the functioning of tribunals is often seen in matters of appointment and removal of tribunal members, as well as in provision of finances, infrastructure, personnel and other resources required for day-to-day functioning of the tribunals. Therefore, the NTC must be established vide a constitutional amendment or be backed by a statute that guarantees it functional, operational and financial independence. One of the main reasons that has motivated the idea of NTC is the need for an authority to support uniform administration across all tribunals. The NTC could therefore pave the way for the separation of the administrative and judicial functions carried out by various tribunals. A 'corporatised' structure of NTC with a Board, a CEO and a Secretariat will allow it to scale up its services and provide requisite administrative support to all tribunals across the country.

### Administrative duties

The NTC would ideally take on some duties relating to administration and oversight. It could set performance standards for the efficiency of tribunals and their own administrative processes. Importantly, it could function as an independent recruitment body to develop and operationalise the procedure for disciplinary proceedings and appointment of tribunal members. *Giving the NTC the authority to set members' salaries, allowances, and other service conditions, subject to regulations, would help maintain tribunals' independence.* Administrative roles of the NTC include providing support services to tribunal members, litigants, and their lawyers. For this purpose, it would need to be able to hire and supervise administrative staff, and to consolidate, improve, and modernise tribunals' infrastructure. *As the Finance Ministry has been vested with the responsibility for tribunals until the NTC is constituted, it should come up with a transition plan.* The way to reform the tribunal system is to look at solutions from a systemic perspective supported by evidence.

### 6 UNESCO HERITAGE SITES ADDED IN INDIA

Six sites, including the Ganga ghats in Varanasi, temples of Kancheepuram and the Satpura Tiger Reserve in Madhya Pradesh, have been added to India's tentative list of UNESCO world heritage sites,

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Culture Minister Prahlad Singh Patel said on Wednesday. Mr. Patel said six of the nine sites submitted by the Archaeological Survey of India had been accepted by *UNESCO for inclusion in the tentative list, which is a requirement before the final nomination of any site.* The recently-included proposals are *the Maratha military architecture in Maharashtra, the Hire Bengal megalithic site in Karnataka and Bhedaghat-Lametaghat of Narmada Valley in Madhya Pradesh.* The six proposals were included in the list on April 13, according to the UNESCO World Heritage Centre.

### BAHUGUNA'S SIMPLY EXTRAORDINARY LIFE

I first met him in 1979. As a group of youngsters beginning our journey into ecological issues, Chipko was already a legend, a movement to draw inspiration from. At a meeting in Delhi, Sunderlal Bahuguna spoke quietly but firmly about the havoc being caused by deforestation and road construction in the Himalayas, and of the resolve of villagers to stop this madness. His sing-song voice, his Garhwali phrases, the mix of cold science and grassroots wisdom in his arguments for why the Himalayan ecosystems had to be saved, the simplicity of his appearance - all these served to create a deep impression. Forty-two years later, the imprint he made on my mind and heart has been moulded and shaped by countless other women and men who have braved the odds to protect India's environment from destructive development, including the women of Chipko on the frontlines of saving Himalayan forests, whom we, as members of Kalpavriksh, met on treks through Tehri Garhwal in 1980-81. But like the seeds we carry within us from our parents, some original voices and personalities do not disappear even after decades. Sunderlalji's is one such. Lots will be said about his contributions — the campaign to save Himalayan forests resulting in a ban on commercial felling above 30 degrees slope and above 1,000 msl (mean sea level) in 1981; the movement against the Tehri Dam, a mega-project with devastating consequences due to submergence, tree-felling, displacement, and possible seismic impacts, unsuccessful even after Sunderlalji undertook one of India's longest fasts after Independence, over 56 days, and after an expert committee appointed by the Central government said it should not be built; his support for women-led movements against the liquor mafia in the hills, and for the Beej Bachao Andolan, a movement to save Himalayan agricultural biodiversity from being wiped out by the chemicalintensive Green Revolution; the untiring awareness campaigns across India and the world, including a jaw-dropping Kashmir-to-Kohima padayatra (foot march) in the early 1980s to bring attention to the entire Himalayan region; and even before much of this, with his wife Vimlaji, who was in his own words one of his strongest inspirations, the freedom movement and struggles against untouchability and caste discrimination. The list of contributions can go on. But what I would like to remember him for is his personality. He was gentle, quietly persuasive, firmly strong in his beliefs and arguments, with occasional bouts of anger quickly left behind and replaced by his infectious smile. He showed delight in interacting with children and youth, charming them with the kind of open laughter only mountain people are capable of, giving them simple nuggets of wisdom. Like his mentor Gandhiji, he had the ability to come up with pithy one-liners, such as "ecology is permanent economy". And in the simplicity of his lifestyle, he was always clad in khadi, ate sparsely but healthily, no frills, and lived the life he preached. In his insistence on ecology being the foundation of everything, and "development" being anything but development if it does not respect this, Sunderlalji gave us a wealth of ground truths. Given the deepening chasm between India's governance and these ground truths (the hubris-filled Chardham and hydro-electricity projects in the Himalayas as painful manifestations), and his own health situation, which had been worseing even before COVID-19

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struck, perhaps it is just as well that he does not have to live through these traumatic times. His was a life well-lived, and it is up to us to learn from it and continue struggling for ecological sanity.

### SC: PERSONAL GUARANTORS LIABLE FOR CORPORATE DEBT

The Supreme Court on Friday upheld a government move to allow lenders to initiate insolvency proceedings against personal guarantors, who are usually promoters of big business houses, along with the stressed corporate entities for whom they gave guarantee. In a judgment which will ring loud and clear across the business community, a Bench of Justices L. Nageswara Rao and S. Ravindra Bhat held that the November 15, 2019, government notification allowing creditors, usually financial institutions and banks, to move against personal guarantors under the Indian Bankruptcy and Insolvency Code (IBC) was "legal and valid". The November 15, 2019, notification was challenged before several High Courts initially. The Supreme Court had transferred the petitions from the High Courts to itself on a request from the government.

### 'Intrinsic connection'

The court said there was an "intrinsic connection" between personal guarantors and their corporate debtors. Justice Bhat, who authored the 82-page verdict, said it was this "intimate" connection that made the government recognise personal guarantors as a "separate species" under the IBC. It was again this intimacy that made the government decide that corporate debtors and their personal guarantors should be dealt with by a common forum — National Company Law Tribunal (NCLT) — through the same adjudicatory process. In this context, Justice Bhat referred to how the November 2019 notification had not strayed from the original intent of the IBC. In fact, Section 60(2) of the Code had required the bankruptcy proceedings of corporate debtors and their personal guarantors to be held before a common forum — the NCLT. "The adjudicating authority for personal guarantors will be the NCLT if a parallel resolution process is pending in respect of a corporate debtor for whom the guarantee is given," Justice Bhat noted. In fact, side by side bankruptcy proceedings before the same forum for both the corporate debtors and their personal guarantors would help the NCLT "consider the whole picture, as it were, about the nature of the assets available, either during the corporate debtor's insolvency process, or even later". "This would facilitate the Committee of Creditors to frame realistic plans, keeping in mind the prospect of realising some part of the creditors' dues from personal guarantors," the judgment reasoned.

### **Clears** misconception

The court further corrected a misunderstanding among petitioners that approval of a resolution plan in respect of corporate debtors would also extinguish the liability of the personal guarantor. The petitioners, mostly personal guarantors to stressed companies, had argued that an approved resolution plan in respect of a corporate debtor amounts to extinction of all outstanding claims against that debtor. Consequently, the liability of the guarantor, which is co-extensive with that of the corporate debtor, would also be extinguished. "The release or discharge of a principal borrower from the debt by operation of law, or due to liquidation or insolvency proceeding, does not absolve the surety/guarantor of his or her liability, which arises out of an independent contract," Justice Bhat clarified. During the hearings, the government had justified the November 2019 notification extending bankruptcy proceedings to personal guarantors. *Attorney General K.K.* 

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*Venugopal argued that by roping in guarantors, there was a greater likelihood that they would "arrange" for the payment of the debt to the creditor bank in order to obtain a quick discharge.* 

### BENGAL WANTS UPPER HOUSE BACK: HOW STATES HAVE COUNCILS

Earlier this week, the Trinamool Congress government in West Bengal approved the setting up of a Legislative Council in the state. It was a promise made by the party in its election manifesto. West Bengal's Legislative Council was abolished 50 years ago by a coalition government of Left parties. Currently, six states — Bihar, Uttar Pradesh, Maharashtra, Andhra Pradesh, Telangana and Karnataka — have a Legislative Council. The setting up of a second chamber is not exclusively in the hands of the state government. The central government also has to pilot a Bill in Parliament. This issue could, therefore, lead to another potential flash point between the state and the Centre.

### How Councils came to be

Legislatures with two Houses (bicameral) have a long history in India. The Montagu-Chelmsford reforms led to the formation of the Council of State at the national level in 1919. Then the Government of India Act of 1935 set up bicameral legislatures in Indian provinces. It was under this law that a Legislative Council first started functioning in Bengal in 1937. During the framing of the Constitution, there was disagreement in the Constituent Assembly on having a second chamber in states. The arguments in support of Rajya Sabha — that a second chamber acts as a check on hasty legislation and brings diverse voices into legislatures — did not cut ice with many Constituent Assembly members when it came to the states. Prof K T Shah, from Bihar, said a second chamber in states "involve considerable outlay from the public exchequer on account of the salaries and allowances of Members and incidental charges. They only aid party bosses to distribute more patronage, and only help in obstructing or delaying the necessary legislation which the people have given their votes for". The framers of the Constitution provided that in the beginning, the states of Bihar, Bombay, Madras, Punjab, the United Provinces and West Bengal would have a Legislative *Council.* Then they gave states the option of abolishing an existing second chamber or setting up a new one by passing a resolution in their Legislative Assembly. The Constitution also gave the Legislative Assembly the power to overrule the Council if there was a disagreement between them on a law. The Constitution also capped the membership of the council to one-third of the popularly elected Legislative Assembly.

#### West Bengal's Council

The West Bengal Legislative Council remained in *existence till 1969*. But it was events in the second chamber two years prior that led to its abolition. The fourth general elections held in 1967 led to the Congress losing power in multiple states. In West Bengal, the United Front, a coalition of 14 parties, formed the government with Congress in the Opposition. *Chief Minister Ajoy Kumar Mukherjee led the government with Jyoti Basu as the Deputy CM. But the coalition did not last long, and Governor Dharam Vira dismissed the government after eight months.* P C Ghosh, an independent MLA who had earlier been Chief Minister, once again assumed the post with the support of the Congress. Different scenes played out in the two Houses of the West Bengal legislature. In the Assembly, the Speaker called the Governor's actions unconstitutional. But the Congress-dominated council passed a resolution expressing confidence in the Ghosh-led government. This resolution sounded the death knell for the Legislative Council. After midterm

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elections in 1969, the second United Front came to power. In the 32-point programme on which it had fought the elections, point number 31 was the abolition of the Legislative Council, which was one of the first things the government did when it came to power. Article 168 of the Constitution empowers the Legislative Assembly to create or abolish a Legislative Council by passing a resolution. The resolution has to be passed by two-thirds of the Assembly members. Then a Bill to this effect has to be passed by Parliament. The West Bengal Assembly passed this resolution in March 1969, and four months later, both Houses of Parliament approved a law to this effect. Punjab followed suit, abolishing its Legislative Council later that year.

### **Councils in other states**

However, having or not having a Legislative Council is a political issue. For example, in Tamil Nadu, creating a Council has been a contentious issue for the last three decades. The AIADMK-led government in 1986 abolished the state's second chamber. Since then, DMK has made attempts to re-establish the Council, and AIADMK has opposed such moves. The DMK's manifesto for the recently concluded elections again promises the setting up of a second chamber. The Congress made a similar promise in the 2018 Madhya Pradesh elections. In Andhra Pradesh, the Legislative Council was first set up in 1958, then abolished by the TDP in 1985 and re-established by the Congress in 2007. Last year, the Legislative Council dominated by the TDP referred three Capital Bills to a Select Committee, which led to the YSRCP-controlled Legislative Assembly passing a resolution to abolish the legislative council. However, passing a resolution in the Legislative Assembly is not enough to abolish or establish a Legislative Council. A Bill for such creation or dissolution has to be passed by Parliament. The Assam Assembly in 2010 and the Rajasthan Assembly in 2012 passed resolutions for setting up a Legislative Council in their respective states. Both Bills are pending in Rajya Sabha. And the Bill for abolishing the Andhra Pradesh Legislative Council has not yet been introduced in Parliament.

### CENTRE'S BUREAU

It is for good reason, perhaps, that the official motto of the Central Bureau of Investigation — "Industry, Impartiality and Integrity" — is little known. And the unflattering epithet awarded to it by the Supreme Court in 2013 — "caged parrot" — is so commonly cited that it has become a cliché. On May 17, India's premier investigative agency appeared to live up to its reputation all over again. It arrested four Trinamool Congress leaders — recently sworn-in state ministers Firhad Hakim and Subrata Mukherjee, along with Madan Mitra and Sovan Chatterjee — in the five-year-old Narada sting operation case. The Narada sting operation, carried out some time in 2014 by journalist Mathew Samuel and telecast in 2016 ahead of the Assembly election, showed top leaders of the Trinamool from Mukul Roy and Suvendu Adhikari (both are now with the BJP and Mr. Adhikari is the Leader of the Opposition in the Assembly) to Mr. Hakim, Saugata Roy, Sovan Chatterjee and Madan Mitra, accepting wads of money.

The political timing and partisanship of the CBI action is unmistakable as it steers conspicuously clear of the accused who switched sides from TMC to join BJP. The Narada matter should be investigated and the guilty brought to book. The Chief Minister's dharna at the CBI premises does little to serve her cause. *The arrested leaders have been purportedly caught on camera accepting or negotiating bribes in a sting operation*. However, the sanction granted by Governor Jagdeep Dhankhar for the prosecution of the four leaders, within five days of the poll results, raises **3**<sup>RD</sup> **FLOOR AND 4**<sup>TH</sup> **FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR** 





questions: Why has the CBI not applied for prosecution sanction against Mukul Roy, Accused No 1 in its FIR in the case, and among the first to switch over to BJP from TMC in 2017? Why is sanction to prosecute Suvendu Adhikari, who joined the BJP in December last year, still pending with the Lok Sabha Speaker's office? Adhikari was a Lok Sabha MP in 2014 when the Narada sting operation was recorded; those arrested on Monday face the same allegations as Adhikari and Roy. Dhankhar has made a partisan spectacle of himself ever since he took charge, helped, certainly, by the TMC often riding roughshod over protocol and publicly snubbing Raj Bhavan. With 77 seats in the new Assembly, the BJP should be able to play the role of a vigilant Opposition. But given that its hopes were hyped to 200-plus, it's been walking around wounded and sulking since May 2. The more it uses the Centre's stick to beat the state government with, the weaker it looks. The face-off in Kolkata also speaks of a larger and growing confrontation that the Centre needs to step back from. The manner in which investigative agencies are being used — and are being seen to be used — to settle scores by the Centre in the states does not augur well for a federal structure. The BJP needs to come to terms with the fact that while it remains the dominant force in New Delhi, there are strong regional political players that run governments in several states. It will have to find a way of engaging with them, and working with them. This pandemic has only reinforced that the Centre cannot afford to be at odds with the state simply because it is run by a different party, be it Shiv Sena-ruled Maharashtra, Left-ruled Kerala, DMK-ruled Tamil Nadu — or TMC-ruled West Bengal. And bullying doesn't work when those being bullied start to stand up.

OVERSTEPPING THE NORM (M.P. NATHANAEL - RETIRED INSPECTOR-GENERAL OF POLICE, CRPF)

The recent order by the Union Ministry of Home Affairs (MHA) for providing security cover to 77 MLAs of the Bharatiya Janata Party (BJP) who were elected earlier this month after the West Bengal Assembly poll is not only unprecedented but appears politically motivated. It is rare for such a blanket order for deployment of forces to protect individuals to be issued. While 16 of these MLAs already have security cover of different levels, 61 of them will now be under the X-category umbrella. In practice, decisions to provide security to persons under threat is taken by a committee in the MHA, which comprises officials from the Ministry, the Intelligence Bureau, Delhi Police and senior officials of the Central Armed Police Forces, that is, the Central Reserve Police Force (CRPF), the Central Industrial Security Force (CISF), the Indo-Tibetan Border Police (ITBP) and the National Security Guard (NSG). While the Intelligence Bureau prepares the list of persons under threat and the degree of threat, the committee decides on the force to be deployed depending upon the place where the person is located. The deployment is done after the recommendations of the committee are approved by the competent authority. In these meetings, the threat perception of each of the person to be secured is discussed one by one and not collectively for any group as such.

### A State subject

That the decision to deploy CAPF personnel for the 77 MLAs might have stemmed from political motivation can be inferred from the fact that the threat perception for each of the persons was not discussed. In the past, such deployment of central forces for the protection of individuals was done in Punjab and in Jammu and Kashmir, when these regions were rocked by unrest. Since militants tried to sabotage the process of elections, poll candidates were generally targeted. The Central

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government, therefore, took blanket decisions to provide security to every candidate till the elections got over. Law and order being a State subject, West Bengal is duty-bound to protect every citizen of the State, more so the MLAs. In the absence of the Central government's decision to deploy CAPFs, the West Bengal government should have shouldered the responsibility. But by deploying central forces, the Centre has sent a clear signal that it does not rely upon the State government to provide fool-proof security to the BJP MLAs. This is hardly a healthy sign for Centre-State relations. The Central government's distrust of officers who are considered close to a State's ruling dispensation does not bode well for police officers across the country. On the State governments devolves the onerous responsibility of maintaining law and order at all costs and it is their sacred duty to protect every MLA, irrespective of political affiliation. The number of protected persons has increased in recent years to such an extent that in 2019, as many as 66,043 police and CAPF personnel were deployed to protect 19,467 Ministers, Members of Parliament, judges and bureaucrats, against the sanctioned strength of 43,556 personnel, as per the Data on Police *Organisations.* The Prime Minister has a strength of over 3,000 CAPF personnel on deputation to Special Protection Group (SPG) under the SPG Act, protecting him round the clock. Constant deployment of CAPF personnel on protection duties impacts their training schedule. After the initial eight-week training for VIP protection, the personnel have to undergo a two-week refresher training periodically to hone their skills. To curb the tendency of demanding security personnel around themselves, leaders and prominent persons should be asked to bear the expenditure, as is being done for an industrialist who pays ₹16 lakh per month for the security cover provided to him. Similarly, Members of Parliament and leaders with criminal records should be charged a fee for the security personnel deployed to protect them. Having security cover has now become a status symbol and the growing clamour by people for personnel to escort them will be curbed to a large extent if they are made to pay for the security.

### CIRCUMVENTION

Wielding power at the Centre comes with great responsibility. A major responsibility in a federal country with strong centralising features is to maintain the balance, as well as mutual respect, between political structures at the central and State levels. In particular, it is an obligation of the *Centre to refrain from bypassing the elected leadership while dealing with States.* Two recent developments have raised concern that the Centre wants to give instructions to officials functioning under elected State regimes. Prime Minister Narendra Modi has held two virtual meetings with district magistrates and State officials to review the COVID-19 situation. Union Education Minister Ramesh Pokhriyal held a virtual meeting to discuss the National Education Policy, and related matters such as the conduct of Class XII examinations with State Secretaries in charge of education. While such meetings may help the Prime Minister or any Union Minister get some feedback from the field across India, it is quite unusual for leaders in the central political executive to bypass their counterparts in the States. The Tamil Nadu Minister for School Education, Anbil Mahesh Poyyamozhi, took the right stand by not deputing any official to represent the State in Mr. Pokhriyal's virtual interaction. The idea was not to boycott the meeting, but to say the Minister ought to have been included in a discussion on the NEP. The Prime Minister addressing district magistrates, or collectors, does have a precedent. Rajiv Gandhi addressed the heads of the district administration in Uttar Pradesh, when it was under Congress rule, on the issue of Panchayati Raj. The defence then was that such direct interactions were permissible under the Constitution, citing Articles 256 and 257. These provisions stipulate that the States are obliged to **3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR** 





comply with laws made by Parliament and also allow some directions from the Union government. If the Prime Minister belongs to one party, and the officials addressed are from a State run by another, there is bound to be resentment that the elected representatives of the State are being bypassed. In the present case, it is true that the Centre has a major role in the pandemic response. *The Disaster Management Act has been invoked to specify guidelines on lockdowns, restrictions and relaxations and to ensure smooth medical supplies. However, it would be in the larger interest of the country if events and discussions are held in such a way that the political structures at the State are not seen to be undermined.* There ought to be no scope for complaints, such as the one made by West Bengal Chief Minister Mamata Banerjee, that Chief Ministers felt humiliated when all of them were not allowed to speak to the PM in a virtual interaction.

### TAMIL NADU SKIPS 'OFFICIALS ONLY' MEETING WITH UNION HRD MINISTER

Representatives from the Tamil Nadu School Education Department chose not to participate in the virtual meeting organised for State education secretaries on Monday. Union HRD Minister Ramesh Pokhriyal 'Nishank' had convened the meeting with State Education Secretaries to discuss implementation of NEP 2020, the COVID-19 situation, and online education. However, he had called for the participation of the education secretary alone, and not State Ministers of Education. In a letter to the Union Minister on Sunday, School Education Minister Anbil Mahesh Poyyamozhi had said it would be appropriate only if the Education Minister participated along with officials in such a high-level meeting. He had said that he was ready to participate and share views on the NEP implementation. "Chief Minister M.K. Stalin had said that I should take part in it as the Minister and we subsequently wrote to the Centre. But there hasn't been any response, and we chose not to participate," Mr. Poyyamozhi told reporters at Tiruchi on Monday. "We are not looking to fight with them [Centre], but want to be able to participate and put forth our views on the NEP and other issues," he added. "Many of our suggestions which we had put forth when the draft NEP was released were not taken into consideration. There are many aspects that need further discussion including the three-language policy, and the NEP also does not say much about how it is going to help underprivileged students or about reservations," Mr. Poyyamozhi said. Stating that a centralised policy would be ineffective, the Minister said the specific needs of the State with regard to education were being ignored in the framing of such a policy. He said it was important to put forth Tamil Nadu's concerns about the NEP to the Centre through this meeting.

### CMS HUMILIATED AT MODI'S MEET: MAMATA

West Bengal Chief Minister Mamata Banerjee on Thursday took strong exception to Chief Ministers allegedly not being allowed to speak at a virtual meeting with Prime Minister Narendra Modi. "It was just a casual, super flop meeting. We, the CMs, felt insulted and humiliated," she told journalists at the Secretariat after the conclusion of Mr. Modi's meeting with 54 District Magistrates from 10 States in the presence of their Chief Ministers, including Ms. Banerjee. She said she thought she would be allowed to raise issues relating to the pandemic, but was shocked at not being allowed to speak. She said she had listed several points she wanted to raise. "It was one-way humiliation... No Chief Minister was allowed to speak. Only a few District Magistrates from the BJP-ruled States were allowed to speak."

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## WHY AND HOW OF CREATING A DISTRICT

On May 14, Punjab Chief Minister Captain Amarinder Singh declared Malerkotla the 23rd district of the State. This led to an angry response from Uttar Pradesh Chief Minister Yogi Adityanath who took to Twitter to say that the Punjab government's decision of declaring its only Muslim-majority town a district was "a reflection of the divisive policy of the Congress". Section 5 of the Punjab Land Revenue Act, 1887 says the "State government may, by notification, vary the limits and alter the numbers of tehsils, districts and divisions into which the State is divided".

#### How are new districts carved?

The power to create new districts or alter or abolish existing districts rests with the State governments. This can either be done through an executive order or by passing a law in the State Assembly. Many States prefer the executive route by simply issuing a notification in the official gazette.

#### How does it help?

States argue that smaller districts lead to better administration and governance. For example, in 2016, the Assam government issued a notification to upgrade the Majuli sub-division to Majuli district for "administrative expediency".

#### Are there any exceptions?

The State government has been vested with unfettered powers under Section 5 of the Punjab Land Revenue Act, 1887 to create new districts, says K.B.S. Siddhu, former financial commissioner (revenue) of Punjab. "This power is generally held temporarily in abeyance only during active census operations or during the delimitation exercise of Lok Sabha/Vidhan Sabha constituencies," Mr. Sidhu says.

## Does the Central government have a role to play here?

The Centre has no role to play in the alteration of districts or creation of new ones. States are free to decide. The Home Ministry comes into the picture when a State wants to change the name of a district or a railway station. The State government's request is sent to other departments and agencies such as the Ministry of Earth Sciences, Intelligence Bureau, Department of Posts, Geographical Survey of India Sciences and the Railway Ministry seeking clearance. A no-objection certificate may be issued after examining their replies.

#### What has been the trend?

According to the 2011 Census, there were 593 districts in the country. The Census results showed that between 2001-2011, as many as 46 districts were created by States. Though the 2021 Census is yet to happen, Know India, a website run by the Government of India, says currently there are 718 districts in the country. The surge in number is also due to bifurcation of Andhra Pradesh into A.P. and Telangana in 2014. Telangana at present has 33 districts and A.P. has 13 districts.

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#### ARTLESS AND HEARTLESS

The Government of India's Central Vista redevelopment project is highly questionable as a national priority at any time, and more so in the midst of a pandemic. The project includes the construction of a new Parliament building, and new residences for the Prime Minister and the Vice President. A new Parliament building is indeed required; and there is a strong case for reorganising the existing offices of the central government. However, the architecture and timelines of the redevelopment as it is happening now are less about the need and more about an *imperious obsession with grandeur.* The irony is that a colossus built amid the ruins of a pandemic could turn out to be a monument to the government's disregard for public good. *The misplaced* determination of the Centre to complete the project before the next Lok Sabha election in 2024 is characteristic of the showmanship that has befallen governance in India, but there is no justifiable urgency in razing to the ground a row of buildings and then rebuilding. Last week, 76 scholars, artists, writers, curators and museum professionals put the spotlight on a particularly concerning aspect of the project. The National Museum of India, the Indira Gandhi National Centre for the Arts (IGNCA), and the National Archives Annexe are set to be demolished to make way for new buildings. These experts have called for an immediate suspension of the project, and wide public consultations on the path ahead. There are valid concerns about the conservation of the collections housed at these centres. Relocation of the treasures at the National Museum, archival records at the National Archives and manuscript holdings at the IGNCA can be an extremely challenging task even during ordinary times. It is a complex operation that requires detailed planning and expertise. Such changes around premier institutions take place only after wide consultations in any part of the world; and certainly not in the opaque and cavalier manner as is being planned here. Artefacts at the National Museum still lack a complete inventory, the experts have pointed out, flagging the risk of loss or mishandling. The Central Vista redevelopment project is clearly being implemented in a hurry. *The government's intolerance towards any public scrutiny* of the project is such that even photography of the construction is now banned. The country is facing an unprecedented health crisis, the ripple effects of which are being felt in the economic, social and political spheres too. The government will lose nothing if it were to suspend the project, and take the Opposition and the public into confidence on the future course, in calmer times.

#### CENTRE TO SET UP 'BBC-LIKE' CHANNEL TO PUSH INDIA VIEW

At a time when the Indian government has been facing severe criticism in the international media, the national public broadcaster Prasar Bharati has floated a tender for a consultant to come up with a plan to launch a channel with an international presence. According to Prasar Bharati officials, the tender is not a knee-jerk reaction and the idea has existed for a long time. The invitation for Expression of Interest was floated on May 13 for a consultancy service to come up with a detailed project report "on establishment of DD International". The EOI stated: "In view of the strategic objective to build a global presence for Doordarshan and to establish an international voice for India, it is envisaged to establish DD International". Further, it said that the EOI "is being issued for a Detailed Project Report (DPR) from reputed global consultants with experience in advising international broadcasters/media houses on projects of this nature". According to the tender, the objective is to "project India's point of view globally on contemporary issues of both global and domestic significance" and to "tell the India Story to a global audience". It also intends DD

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International to be the "authoritative global media source on India through credible, exhaustive and accurate global news service". From the tender, it appears that Prasar Bharati intends to set up bureaus "across the globe" and the consultant will have to identify locations, plan a roadmap, and also come up with plans for "24×7 world service streams" and "prioritising geography specific streams". Prasar Bharati also wants a strategy roadmap for "a Global News Service based on DD India content". *The tender comes at a time the government has come under fire for its handling of the second wave of the Covid-19 pandemic and for its vaccine policy in the international press. India has also not fared well on several international indices, including free speech*. Prasar Bharati CEO Shashi Shekhar Vempati told The Indian Express that the Prasar Bharati board granted its approval for the project in March. He had tweeted on March 25, "thanking" the board, "for several key decisions" including, a "key initiative approved by the Board today" to "develop a project blue-print for Doordarshan International".

## 40,300 REQUESTS FROM CENTRE, STATES FOR USER DATA IN JUL-DEC: FACEBOOK

Social networking major Facebook on Thursday said it had received as many as 40,300 requests from governments in India for some form of user data between July and December 2020. Of these, 37,865 were legal requests. Overall, in 52 per cent of the government requests, there was some data produced, Facebook said in its latest Transparency Report. During these six months, Facebook restricted access to content 944 times based on various government requests and local laws as applicable, compared to the 824 times content was restricted during January-June 2020. "We restricted access in India to 878 items in response to directions from the Ministry of Electronics and Information Technology for violating Section 69A of the Information Technology Act, 2000, including content against the security of the state and public order. Of these, 10 were restricted temporarily. We also restricted access to 54 items in compliance with court orders," the US-based social networking site said in the report. Facebook did not specify on whose directions it blocked content the rest of the 12 times. The states and Central government requested data of 62,754 users or accounts during this period and also made 4,400 requests for the preservation of data from 8,530 user accounts. The number of requests made in this quarter was nearly 13 per cent higher than the number of requests made by governments between January and June 2020. Apart from the usual requests made by the Indian government and its agencies, Facebook also restricted access to 12 pages and profiles which were supporters of Brazilian President Jair Bolsonaro, in India as well as globally. "While we respect the law in countries where we operate, we strongly oppose extraterritorial legal demands such as the one resulting in these restrictions, and have actively pursued all options to appeal the order," the company said. The number of requests made by the states and Central government in India has been on a steady rise since 2013. Between January and June 2013, the government had made roughly 3,250 requests, which multiplied more than tenfold at 35,600 requests in the corresponding period of 2020.

## FITFUL APPROACH

The Centre's recent notice to messaging service provider WhatsApp to withdraw its updated privacy policy is an avoidable intervention into what is a legitimate business decision. WhatsApp, early this year, updated its privacy policy, according to which users would no longer be able to stop the app from sharing data (such as location and number) with its parent Facebook unless they delete their accounts altogether. WhatsApp initially proposed a February 8 deadline. But an intense backlash **3**<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



against this decision, triggering an exodus of its users to rival platforms such as Signal, forced WhatsApp to push the update to May 15. Eventually, it decided not to enforce this as well, preferring to, as a spokesman told this newspaper, "follow up with reminders to people over the next several weeks". WhatsApp has over two billion users in the world, about half a billion of whom are in India, and who use it for free. Its privacy updates are designed to make the business interactions that take place on its platform easier while also personalising ads on Facebook. That is how it will have to make its money. In its affidavit in the Delhi High Court, WhatsApp has reportedly said that it is not forcing users to accept the updated privacy policy. They have an option — to delete their accounts. And if WhatsApp is ready to take the risk of users abandoning it, why should the government intervene in the process? The Ministry of Electronics and IT (MeitY) has sought a response from WhatsApp within seven days. In doing so, *MeitY has made a charge that WhatsApp* has discriminated against its Indian users. Its letter to WhatsApp reportedly states that given that Indians depend on it to communicate, "It is not just problematic but also irresponsible, for WhatsApp to leverage this position to impose unfair terms and conditions on Indian users, particularly those that discriminate against Indian users vis-à-vis users in Europe." First, it can be argued that there are enough alternatives to WhatsApp in the market. But more importantly, it has to be pointed out that Europe's citizens are protected by strong data laws that go by the name of General Data Protection Regulation or GDPR. Where is the Indian equivalent of such laws? When will they be implemented? These are questions that the government should answer. These questions become even more pertinent because WhatsApp has reportedly said in its affidavit that it is being singled out, and that its policy is not different from those of private apps such as Google, BigBasket, Koo, as well as public apps such as Aarogya Setu, Bhim, IRCTC, and others. A fitful approach to issues concerning the user may do more harm to India's approach to data protection and freedom than anything else.

## CENTRE WANTS 'MANIPULATED MEDIA' TAG OFF 'TOOLKIT' TWEETS

Hours after a tweet by Bharatiya Janata Party (BJP) national spokesperson Sambit Patra on the alleged "Congress toolkit" was labelled as "manipulated media", the Union government has asked Twitter to remove the tag for "tweets on toolkit to defame government's COVID-19 efforts" as the matter is pending investigation before a law enforcement agency. "The Ministry of Electronics and IT has written a strong communication to the global team of Twitter, registering its objection to the use of 'manipulated media' tag on certain tweets made by Indian political leaders with reference to a toolkit created to undermine, derail and demean the efforts of the government against the COVID-19 pandemic," a Ministry source said. "The government has asked Twitter to remove the tags affixed prejudicially to certain tweets in recent days in the interests of fairness and equity... Investigation will determine the veracity of the content, not Twitter," the source stated. On Thursday, the micro-blogging website flagged a May 18 tweet by Mr. Patra as 'manipulated media'. As per Twitter's policy, content may be labelled as 'manipulated media' or in some cases removed, if the company has a reason to believe that media, or the context in which media are presented, are "significantly and deceptively altered or manipulated".

#### 'Cong. stand validated'

"The Congress' stand has been validated by this Twitter action itself. What the Congress has been telling for the last so many days, so many years about BJP's false propaganda and spreading lies is

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actually validated by this single incident itself," Congress general secretary K.C. Venugopal said, addressing an online press conference. *"The action by Twitter proves forgery of the highest order... The world should see and realise how India's ruling party is playing fraud in the middle of a pandemic,"* the party's senior spokesperson, Pawan Khera, said.

## 24 ARRESTS IN DELHI OVER POSTERS

At least 25 first information reports (FIR) have been registered in connection with posters that surfaced across the capital questioning Prime Minister Narendra Modi on the vaccination policy. The police said at least 24 persons had been arrested in connection with the cases. Earlier this week, posters were found pasted on walls and boards with the message: "Modiji humare bachon ka vaccine videsh kyon bhej diya?" (Why did you send our children's vaccines abroad?), after which all the districts where the posters were found registered FIRs under relevant Sections of the Prevention of Defacement of Property Act, the Delhi Disaster Management Act and the Indian Penal Code. Some of the FIRs had Sections under the Press and Registration of Books Act, and Sections 269 (whoever unlawfully or negligently does any act which is, and which he knows or has reason to believe to be, likely to spread the infection of any disease dangerous to life) and Section 34 (common intention) of the Indian Penal Code. Information sought from each district stated that four FIRs had been registered in North West district; three each in North East, East, West and Outer districts; two each in South, Rohini and Central districts; and one each in North, South West, Dwarka, Shahdara, East and South East districts, respectively. Senior officers said four persons each had been arrested from Central and East districts; two persons each were arrested from North East, West, North West and South West districts; and one person each was arrested from the North and Dwarka districts, respectively. No arrests were made from South, Rohini, Outer, Shahdara and South East districts.

## In two districts

No posters apparently surfaced in two districts — New Delhi and Outer North — and no FIRs were registered here. Sources said most of those held were released on bail. They were interrogated on whether they were hired to paste the posters or if it was a voluntary decision. Technical investigation was also under way, they said, adding that posters and banners had been recovered from the possession of some of the accused.

# AS ADMINISTRATION CLAMPS DOWN, UNNAO'S POOR STRUGGLE TO CONDUCT FUNERALS

Having travelled 30 km from his village Parsanda with the body of his teenage niece in an open mini-truck without any fuel or wood for cremation, Bachu Lal was caught in a fix when *the cleaners* at the Baksar Ghat informed him he would not be allowed to bury the body following new directions from the administration. The ghat came under official spotlight earlier this week after visuals showed a large number of bodies believed to be of COVID-19 victims buried there, allegedly due to scarcity of cremation resources and rise in fatalities due to the infection — a claim yet to be officially acknowledged. Since the girl was unmarried, Bachu Lal's family, as per customs, had planned to bury the body instead of cremating it. Cremation with the proper rituals would cost the family around ₹6,000-8000, a sum they could ill afford amid the lockdown. A distraught Lal said just a

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month ago, the family had buried the body of a relative at the same site without any hindrances. Baksar Ghat is located in Unnao along the Ganga but is very close to the borders with Rae Bareli, Kanpur and Fatehpur districts. The administration recently launched a probe after an unknown number of bodies were allegedly found buried in the sand at two locations by the Ganga — one of them Baksar. At the ghat on Saturday, half-a-dozen bodies have already arrived for cremation though it is not even 10 in the morning. Three pyres have been lit. There is hardly any physical distancing as kin and friends of the dead prepare for their turn. *Beyond the cremation sheds, mounds in the sand are marked with saffron or white cloth. Clothes, broken objects and dirt are strewn on the uneven ground as dogs and crows scan the landscape for possible remains. Some dogs can be seen digging aggressively in sandbars in the river where a few bodies were recently buried after the main ghat ran out of space. It is difficult to estimate how many bodies may have been buried at the site but locals say the figure is above 200.* 

#### UNWARRANTED ARREST

The arrest of K. Raghu Ramakrishna Raju, an MP from Andhra Pradesh, on the grave charge of *sedition*, is yet another instance of the misuse of the provision relating to exciting "disaffection" against the government. The police in different States have been invoking sedition, an offence defined in Section 124A IPC, against critics of the establishment and prominent dissenters. It is not surprising that Mr. Raju, a vocal detractor of A.P. Chief Minister Y.S. Jagan Mohan Reddy, is sought to be prosecuted. However, his arrest is unwarranted, considering that he is being accused of only speech-based offences relating to his diatribe against his party leader and CM. It has predictably, and not without justification, invited charges of political vendetta. Even if one were to accept at face value the prosecution's claim that his speeches stoked hatred against communities — he had referred to alleged rampant conversion activities in the State — and attracted prosecution under Section 153-A or Section 505, was his arrest necessary? These offences attract a prison term of only three years and, under the Arnesh Kumar ruling (2014) of the Supreme Court, there is no need to arrest a person for an offence that invites a prison term of seven years and less. Further, even sedition, which allows a maximum sentence of life imprisonment, also prescribes an alternative jail term of three years. Mr. Raju has alleged ill-treatment while in CID custody. The Supreme Court has directed that he be examined at the Army hospital in Secunderabad in neighbouring Telangana. His bail petition is likely to be taken up later this week. It is unedifying to note that the CID has also named in the FIR, two television channels to which he gave interviews. While the legal process will take its course, it is once again time for a reflection on the need and relevance of the offence of sedition, a colonial-era provision used to imprison people for political writings in support of Indian independence, to remain on the statute book. That State governments and various police departments are known for the casual resort to prosecution under this section is a poor reflection of the understanding of the law among civil servants everywhere. It is now fairly well known that the section is attracted only if there is an imminent threat to public order or there is actual incitement to violence — ingredients that are invariably absent in most cases. In addition, it remains vaguely and too broadly defined (the term 'disaffection' is said to include 'disloyalty' and 'feelings of enmity'), warranting a total reconsideration. Recently, the Supreme Court decided to revisit the constitutionality of this section. While a judicial verdict will be welcome, it would be even more protective of free speech if the Centre abolished the provision.

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#### ABSURD, ARBITRARY

The prickliness to even a shadow of criticism is taking on absurd proportions in Manipur. The BJP government in the state has slapped the National Security Act (NSA) on journalist Kishorchandra Wangkhem and activist Erendro Leichombam for Facebook posts that point out that cow dung or urine cannot cure COVID-19, while commenting on the death of a state BJP leader from the virus. Stating that fact — and warning against the dangers of superstition and quackery — is far from being an offence, leave alone being "prejudicial to the security of the state and to the maintenance of public order". In the middle of a pandemic, to wield a draconian law on citizens for such minor provocations speaks of the government's paranoia — but also illustrates that state abuse of laws such as the NSA or the sedition law has now become a worrying habit. Both Wangkhem and *Leichombam have been part of such trials before.* The latter faced sedition charges for a Facebook post last year. In December 2018, Wangkhem was booked under the NSA for an allegedly abusive video against Chief Minister N Biren Singh. Despite an outcry, he spent four months in prison before the Manipur High Court struck down his detention. In April last year, several people were booked under the Disaster Management Act and a handful on sedition charges for criticism of the state government's handling of the Covid-19 outbreak. Bad ideas of governance travel well. This year, Uttar Pradesh has shown similar alacrity in clamping down on messengers of Covid bad news. The Indian state's weak capacity when it comes to the delivery of public goods like education and health stands brutally exposed by the second wave of this pandemic. But the political class's propensity for the "strong leader" syndrome grows by the day. It is also evident in the excessive use of force by the police — disproportionately on those without caste, class privileges — even to punish minor lockdown violations. But the extraordinary circumstances of a pandemic do not license an extraordinary heavy hand, nor the unchecked and wanton use of laws with sweeping powers. The N Biren Singh government must not make a mockery of law and democracy by using the NSA to send a signal to those who dissent against it. It must drop the charges against Wangkhem and Leichombam.

COW URINE PROTECTS FROM COVID, PLANTING TULSI, PEEPAL CAN PREVENT OXYGEN CRISIS: PRAGYA THAKUR

As Madhya Pradesh battles a crushing second wave of Covid-19 and rising cases of black fungus, Bhopal MP Sadhvi Pragya Singh Thakur has advised people to consumer gau mutra (cow-urine) of a desi (Indian) cow for its benefit in fighting lung infections, and plant trees like peepal and tulsi to prevent oxygen shortage. Pargya made the statement on Sunday while addressing a gathering at Sant Nagar, where she had come to donate 25 oxygen concentrators to Hedgewar hospital. Speaking at the event, Pragya blamed 'people of devious mindset' for damaging the environment and cutting trees, which, she said, has given rise to such a situation. "We should plant trees like Neem, Banyan, Tulsi, Peepal and other plants that give out oxygen 24 hours. Had we planted these trees, we wouldn't have faced these problems today. If someone is responsible for today's situation, then it is such people," said Thakur. And as 'repentance', she urged people to pledge to plant trees.

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## THE HURDLES IN ACCESSING FOREIGN COVID-19 AID

As India ran out of critical supplies for managing the severe second wave of the COVID-19 pandemic — from medical oxygen to medicines, hospital beds and even vaccines — *the Centre unveiled gradual measures over the past month to ease the imports of some items. Import duties and taxes were cut in some cases, while a new system was introduced for allowing foreign donors to route emergency relief to the pandemic's frontline victims.* However, there are some serious hiccups.

#### What steps have been taken to facilitate imports of relief supplies?

On April 24, the Finance Ministry announced it was dropping the basic customs duty on import of COVID-19 vaccines, and the basic customs duty as well as health cess on imports of medical grade oxygen and other equipment related to providing oxygen to patients, till July 31. Prior to this, the customs duty on the much-prescribed drug for India's COVID-19 patients, Remdesivir, and its active pharmaceutical ingredients had been waived. On April 30, the government dropped the import duties on diagnostic kits till October 31 to help ramp up testing efforts and allowed individuals to import oxygen concentrators for personal use through courier from e-commerce portals or global vendors. The customs department was told to clear them as 'gifts' till July 31.

## Have all critical COVID-19 imports been made temporarily tax-free?

No. Though customs duties have been slashed, such imports still attract the Goods and Services Tax (GST), specifically termed the Integrated GST (IGST). For hospitals, corporates or domestic entities that import such goods, 12% GST is payable on oxygen concentrators and related equipment, the same rate that is payable on domestic purchases. Vaccines attract a 5% GST. Imports of oxygen concentrators for personal use were taxed at 28%, but the government reduced this rate to 12% on May 1. So, even as special protocols have been put in place by the Shipping Ministry to ensure that vessels with COVID-19 relief material are unloaded on a priority basis and paperwork and cargo clearances are processed expeditiously by Customs and the Directorate General of Foreign Trade, GST payments are mandatory for the material to be released. Several shipments sent by foreign donors, including groups of NRIs, or procured online by resident Indians from abroad, were held up due to a lack of awareness of this. G. Bansal, who, with his IIT alumni friends in London, sourced 40-odd oxygen concentrators locally and couriered them to Delhi when the city was facing daily shortages of medical oxygen, said they had to raise more funds subsequently to facilitate the GST payments to get them released. "The money wasn't the issue, but this ended up delaying the use of those concentrators by at least three days," he said, adding that for subsequent relief efforts, he and his friends were factoring in the GST costs as w<mark>ell,</mark> which would dent the quantities of relief material they send. The same tax implications arise for all Indian entities trying to import such material, be it a domestic corporate or an NGO that raises funds to import such goods.

#### Has something been done to reduce the GST burden?

Yes, but there are problems. On May 3, the Finance Ministry granted a conditional 'ad-hoc' GST exemption for imports of all COVID-19 relief material, including vaccines, medical oxygen and Remdesivir vials, et al, till June 30. This was in response to representations from charitable organisations, corporates and entities outside India seeking exemption from paying IGST on the import of COVID-19 relief material, said the Ministry. To avail of this IGST exemption, the material

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has to be "received free of cost for free distribution anywhere in India for COVID relief". But domestic companies or charities importing these items by purchasing them, even if for free distribution in the country, cannot avail of this tax break. Moreover, entities that wish to import relief material for free distribution need a prior certification from State governments. So, global donors and their intended recipients for the donations would need to register with individual States where they wish to route relief material.

## Can any entity use this system to tie up with a global donor?

No entity in India is allowed to receive foreign aid or cash donations unless they have an approval to do so under the Foreign Contribution (Regulation) Act (FCRA). No exemption from the FCRA has been granted in the system laid out by the Finance Ministry. Moreover, FCRA-approved entities and NGOs need to have the same stated objective as the intended use of funds being donated. New rules introduced last September required such NGOs to open a bank account for receiving foreign funds at the State Bank of India's Parliament Street branch by April 1. Many have struggled to do this, with a petition in the Delhi High Court stating that only 16% of NGOs have managed to open an account. But there is an even bigger challenge — an NGO receiving foreign funds or material can no longer transfer foreign aid to any other person, which would make it difficult to pass on the relief material to patients or smaller NGOs or groups working on the ground.

## What next?

Nasscom has urged the Prime Minister to temporarily relax the FCRA norms, stressing that many countries and global firms are keen to help India. "However, the amended provisions of the FCRA 2020 are proving to be a deterrent. Given the humanitarian crisis, we would request the government to grant a temporary waiver to the FCRA Act and the 2020 amendments," said Nasscom. *Separate petitions concerning the restrictive FCRA provisions are being heard in the High Courts, and a Bench of the Delhi High Court has also asked the Finance Ministry to consider dropping GST levies on all oxygen concentrator imports as they can be linked to the Right to Life under Article 21 of the Constitution amid the COVID-19 pandemic. State governments are also expected to raise the issue of GST levies on COVID-19 supplies, including vaccines, at the GST Council meeting on May 28.* 

## PRIORITISING THE RIGHT TO LIFE

The majority of India's working population is today reeling from the impact of multiple crises: a health emergency more ferocious than any in independent India; massive job losses and dramatic declines in incomes from work; and significantly increased mass hunger and worsening nutrition.

## Many failures

The Supreme Court on May 13 directed the Centre and the State governments of Punjab, Haryana and Uttar Pradesh to provide free rations without insisting on ID proof to all migrant workers and to run kitchens providing free meals twice a day. The verdict was significant as this was the first time since the national lockdown last March that the apex court acknowledged a hunger crisis in the country that needed urgent state action. But it fell short of being path-breaking for three reasons: it did not extend the facility to the country as a whole; it did not extend the facility to

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cover cash payments by the state besides meals and ration; and it made the facility a state largesse rather than a right. Had it recognised a universal right to livelihood as the basis for its verdict, deriving from the right to life, all three lacunae would have been overcome. The most brazen violation of the right to life by the state at present is its vaccine policy. Being vaccinated against COVID-19 is essential for defending one's right to life; and since the state must respect everyone's right to life, it must make the vaccine equally available to all irrespective of the recipient's capacity to pay. This can be accomplished only if vaccination is free. In many other countries, including the most privatised medical systems like the U.S., vaccines are being distributed free to all the people. India is making people (aged 18-45 years) pay to be administered these vaccines in private clinics — an obscene and counterproductive strategy to deal with a pandemic. *This is the outcome of many* grave failures of the Indian government: it did not ensure adequate production through compulsory licensing of more producers; it did not order enough vaccines; it reneged on its responsibility to provide these vaccines to State governments; it introduced differential pricing, forcing State governments to compete with each other and with private clinics to buy vaccines; and it allowed price gouging by Bharat Biotech and Serum Institute of India. The lack of consideration for lives is matched by callousness about the loss of livelihood that has come about during the second wave. At least 90% of workers are informal, with no legal or social protection, denied adequate compensation over the past year of lockdowns, restrictions and economic distress. But there is hardly any public outcry about the plight of the nearly one billion people whose lives depend on informal activities, and policymakers, especially at the national level, have completely abandoned them. The consequences of inaction are going to be dire and long-lasting, not just for people experiencing untold suffering, but for the country and the future economic trajectory. A recent study called 'Hunger Watch' by a large collective of social groups found that even two months after the lockdown was lifted last year, two-third families reported eating less than they did before the lockdown, and a reduction in healthy food. For a quarter of the families surveyed, incomes had fallen by half. It also found that hunger was higher in urban India compared to rural. The recent knee-jerk lockdowns will stifle the attempts for revival.

#### A significant fiscal package

Even as the country confronts its greatest humanitarian crisis in half a century, India is one of the few countries in the world that has not come up with a significant fiscal package to counter the health and economic effects of the pandemic. It has remained fiscally conservative, and actual Central government spending over April 2020 to February 2021 shows a rise in non-interest expenditure only by 2.1% of GDP. This explains why India's economy has been performing so poorly compared to other countries that were more battered by the first wave of the pandemic, since most of them had significantly larger fiscal packages that were also directed towards providing income support to people. Finance Minister Nirmala Sitharaman speaks of government spending on the backlog of infrastructure projects as the means for a recovery. If instead she relied on cash transfers to the millions of the labouring poor, it would have shielded them from slipping deeper into hunger and joblessness and also spurred growth, because all of this would be spent for simple, domestically produced goods. Therefore, the 'multiplier' effects of this public expenditure would have been much higher than if spent on infrastructure projects. Free rations and meals, as mandated by the Supreme Court, though beneficial, have very little expansionary effect on the economy, since the bulk of the commodities required come from decumulation of existing stocks of foodgrains. Thus, both the need to provide relief and the imperative to revive the economy demand that a monthly cash transfer, of

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about ₹7,000 per family (the rough equivalent of minimum wages), be made to people, over and above the provision of free meals and rations. What the state needs to do urgently is to take a range of measures that prioritise the right to life, which also remains the surest way of initiating assured (and equitable) economic recovery today. Among them are enabling expanded production and central procurement of COVID-19 vaccines, and distribution to States for free immunisation to all; universal access to free foodgrains of 5 kg per month to all those who require it for the next six months; cash transfers of ₹7,000 per household for at least three months to those without regular formal employment; increased resources to the Integrated Child Development Services to enable revival and expansion of their programmes; making the MGNREGS purely demand-driven, with no ceilings on the number of days or the number of beneficiaries per household; and covering urban India with a parallel scheme that would also cater to the educated unemployed. Where, it would be asked, are the resources? In an economy with substantial unemployment, unutilised capacity and unused foodgrain stocks (about 80 million tonnes at present), resource mobilisation does not require curtailing anyone else's consumption. Even enlarging the fiscal deficit would cause no harm, except that it would gratuitously widen wealth inequalities and frighten globally mobile finance capital. To prevent both, a simple measure would be to introduce wealth taxation (though larger profit taxation will also suffice). These measures together would not cost more than an additional 3.5% of GDP, of which about 1% would flow back as extra tax revenue to Central and State governments, requiring 2.5% of GDP as fresh additional tax revenue. A 1.5% wealth tax levied on only the top 1% of households will be adequate to raise this amount. These figures are only illustrative. But when U.S. President Joe Biden and U.S. Secretary of the Treasury Janet Yellen are considering more radical measures, India should not shy away from measures that give substance and meaning to the term 'right to life' and the pledges of equality and fraternity in the Constitution.

## COUNTING THE COVID TOLL IN INDIA

Last year, in these columns, I wrote about the many challenges in estimating deaths due to COVID-19 in India (https://bit.ly/2Rs4hAZ). While the challenges remain, the need for estimating COVID-19 deaths globally and in India to understand the magnitude of the pandemic is still there. Since direct counting of COVID-deaths is problematic, the approach most commonly used is the "excess" death approach which attributes all deaths beyond what is considered "normal" for that area and time to COVID-19. It includes deaths directly caused by COVID-19 as well as deaths indirectly caused due to the impact on access to care for other diseases during the pandemic and the lockdown.

## Global estimates released

While official or unofficial estimates are available for some countries, two estimates have been released globally. Based on the World Mortality Dataset — the largest international dataset of allcause mortality encompassing 89 countries — researchers estimated excess mortality and reported that it exceeded the number of reported COVID-19 deaths in these countries by over 1.6 times. It also said that this ratio is likely to be conservative as undercounting is likely to be much higher in countries which are not part of this dataset. The Institute for Health Metrics and Evaluation (IHME), a global leader in this area, recently released its estimates that put the global toll of COVID-19 deaths by May 3, 2021 at 6.93 million, a figure that is more than two times higher than the reported number of deaths of 3.24 million. India accounted for about 10% of them at 6,54,395 (only second to the United States with an estimated 0.9 million) which is about three times higher than the reported

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official. The lower number of reported deaths does not imply undercounting, deliberate or otherwise. Even if there had been no underreporting of COVID deaths in a country, this ratio is likely to be above one as excess deaths include not only those that are directly caused by COVID-19 and likely to be reported but also those where deaths occurred due to other diseases, either due to a lack of care or as a consequence of COVID-19. It is very difficult to tease out these proportions. We might have a better sense if we look at cause-specific deaths. But that kind of data is still more difficult to get.

#### **WHO** classification

The World Health Organization classifies countries into three categories based on their data availability for COVID-19 excess death estimation. First are those countries that have good data available and excess death estimation is possible (most countries in the above mortality dataset). Second is the group of countries whose data, though not good, is acceptable for use through some process of harmonisation or adjustment for incompleteness leaving the third category of countries where the data on deaths are not available or usable, forcing the adoption of an indirect approach of using data from other countries or a multivariate approach using covariates to arrive at these estimates. India and China, which together constitute a third of the world population, are currently in category three, and unless we manage to provide some source of usable data, India will have to be content with an estimate generated by an external agency using an indirect approach.

## NO LEARNING FROM THE SPANISH FLU

In the beginning of COVID-19 last year, thousands of people around the world shared an image on social media depicting the three waves of the 1918 influenza pandemic, commonly known as the Spanish flu. The image had the headline, 'Humanity should never allow a repeat of the same mistake made in 1918, in the time of COVID-19'. The image read, "The most severe pandemic in history was the Spanish Flu of 1918. It lasted for 2 years, in 3 waves, with 500 million people infected and 50 million deaths. Most of the fatalities happened in the 2nd wave. The people felt so bad about the quarantine and social distancing measures that when they were first lifted, the people rejoiced in the streets with abandon. In the coming weeks, the 2nd wave occurred, with tens of millions dead." This post contained a mix of accurate and inaccurate information. The estimates are accurate and the second wave was indeed the most deadly. However, according to James Harris, a historian at Ohio State University, part of the reason why the flu spread like wildfire causing a second wave was because officials were unwilling to impose restrictions during wartime despite the existence of a new mutated strain.

## Lessons from the past

This shows that we haven't been able to learn from history to prevent millions of infections and deaths worldwide. One would believe that knowledge makes one wiser. But in reality, knowledge doesn't change behaviour. Knowing about the Spanish flu is very different from having to live through a similar pandemic. Knowing about masks being protective doesn't make people wear them. Knowing about social distancing doesn't make people practise it. In most countries, people got tired of lockdowns, wearing masks, staying at home and not socialising last year. Human beings are social animals after all. Social ostracisation has been shown to cause pain in the brain similar to putting up with physical pain. So, as the number of cases began to fall by the end of the first COVID-19 wave, governments and people around the world started to let their guard down.

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Amongst many businesses that were allowed to resume, for example, restaurants which were suspected to be one of the major centres for the spread of COVID-19 were given permission to open. Signs outside their establishments read 'No entry without mask', but once inside, visitors could remove their masks even while not eating. They talked, laughed, sneezed and coughed in indoor non-ventilated spaces. These visitors would have known about the dangers of this behaviour, some of them may have read about the Spanish flu. But awareness and action often lie at opposing ends.

#### Lifting restrictions

Each one of us has to contribute to break the chain of COVID-19 infections. However, the ultimate responsibility of managing the pandemic cannot lie with the masses in today's modern societies; it is the job of governments. But governments of most countries failed to learn from the Spanish flu because they failed to understand and predict human behaviour. In India, the government allowed election rallies and religious gatherings. It hesitated in imposing a lockdown despite the emergence of new strains of the virus. Leaders were often seen addressing crowds and conducting meetings without masks. Every politician wants to win over people and give them what they want (in this case, freedom from lockdowns). But declaring victory prematurely gave rise to policies that caused the second wave. India had the opportunity to learn from the mistakes of other countries which opened up too soon after the first wave. But it didn't. This has led to the huge spike in COVID-19 cases and deaths. Perhaps it was overconfidence in the government's ability to manage the pandemic or an underestimation of the ability of COVID-19 to cause infections and deaths in the second wave or both that led to the surge in infections. While vaccines weren't available during the Spanish flu, we have the benefit of curbing COVID-19 by vaccinating people now.

## THE FAULT LINE OF POOR HEALTH INFRASTRUCTURE

As the second wave of the COVID-19 pandemic ravages India, many bitter home truths and fault lines have been starkly exposed. One of these is the abysmally poor state of the country's health infrastructure. World Bank data (https://bit.ly/3u4cHfg) reveal that India had 85.7 physicians per 1,00,000 people in 2017 (in contrast to 98 in Pakistan, 58 in Bangladesh, 100 in Sri Lanka and 241 in Japan), 53 beds per 1,00,000 people (in contrast to 63 in Pakistan, 79.5 in Bangladesh, 415 in Sri Lanka and 1,298 in Japan), and 172.7 nurses and midwives per 1,00,000 people (in contrast to 220 in Sri Lanka, 40 in Bangladesh, 70 in Pakistan, and 1,220 in Japan).

#### Stagnant expenditure

This situation is a direct result of the appallingly low public health expenditure. The latest data narrative from the *Centre for Economic Data and Analysis (CEDA)*, Ashoka University, shows that this has been stagnant for years: 1% of GDP 2013-14 and 1.28% in 2017-18 (including expenditure by the Centre, all States and Union Territories) (https://bit.ly/3bw307Y). *Health is a State subject in India and State spending constitutes 68.6% of all the government health expenditure.* However, the Centre ends up being the key player in public health management because the main bodies with technical expertise are under central control. The States lack corresponding expert bodies such as the National Centre for Disease Control or the Indian Council of Medical Research. States also differ a great deal in terms of the fiscal space to deal with the novel coronavirus pandemic because of the wide variation in per capita health expenditure.

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#### **Inter-State variation**

CEDA has prepared an interactive graphic that allows users to see the inter-State variation in per capita health-care expenditure in 21 major States and how this has changed from 2010-11 to 2019-20 (https://bit.ly/3bw307Y). Kerala and Delhi have been close to the top in all the years. Bihar, Jharkhand and Uttar Pradesh, States that have been consistently towards the bottom of the *ranking in all years*, are struggling to cope with the pandemic, as a result of a deadly combination of dismal health infrastructure as well as myopic policy disregarding scientific evidence and expert advice. Odisha is noteworthy as it had the same per capita health expenditure as Uttar Pradesh in 2010, but now has more than double that of Uttar Pradesh. This is reflected in its relatively good COVID-19 management. Given the dreadfully low levels of public health provision, India has among the highest out-of-pocket (OOP) expenditures of all countries in the world, i.e. money that people spend on their own at the time they receive health care. The World Health Organization estimates that 62% of the total health expenditure in India is OOP, among the highest in the world. CEDA's analysis shows that some of the poorest States (Uttar Pradesh, Bihar, Madhya Pradesh, Jharkhand and Odisha) have a high ratio of OOP expenditures in total health expenditure. This regressive nature of OOP health expenditure has been highlighted in the past (https://bit.ly/33RpyXq). Essentially, this means that the poor in the poorest States, the most *vulnerable sections, are the worst victims of a health emergency.* The surreal and tragic visuals of bodies floating in the Ganga serve as a grim reminder that the poor have no dignity in life or in death. Families that have been stripped to the bone trying to save the lives of their loved ones cannot even afford a decent final farewell for them.

#### Government's role critical

The inter-State variation in health expenditure highlights the need for a coordinated national plan at the central level to fight the pandemic. The Centre already tightly controls major decisions, including additional resources raised specifically for pandemic relief, e.g. the Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund. The early declarations of victory over COVID-19 were very clearly credited to the central government. CEDA has shown that the first round of vaccinations, where the vaccines were procured by the Centre and distributed to the States, was marked by considerable inter-State variation, which was neither explained by the case load nor by the share of eligible (45+) population (https://bit.ly/3bx9Gh5). Now that the disease is ravaging the country and the need for a coordinated strategy on essential supplies of oxygen and vaccines is acute, the central government has shifted most of the responsibilities on to the States, including that of procuring vaccines from the international market. This is inefficient, as the Centre can bargain for a good price from vaccine manufacturers in its capacity as a single large buyer (like the European Union did for its member states) and benefit from the economies of scale in transportation of vaccines into the country. Once the vaccines arrive in India, these could be distributed across States equitably in a needs-based and transparent manner. Another benefit of central coordination is that distribution of constrained resources (medical supplies, financial resources) can internalise the existing disparities in health infrastructure across States. A decentralised management, on the other hand, exacerbates the existing inequities, as better-off States can outcompete others in procuring resources. This is evident in the vaccine procurement with various States floating separate global tenders.

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## A policy brief

In April 2020, CEDA came out with a policy brief, where among other measures, it recommended the creation of a "Pandemic Preparedness Unit" (PPU) by the central government, which would streamline disease surveillance and reporting systems; coordinate public health management and policy responses across all levels of government; formulate policies to mitigate economic and social costs, and communicate effectively about the health crisis (https://bit.ly/2RV4ywh). We had not foreseen the ferocity of the second wave; but knowing how deadly this is, our suggestion acquires even greater urgency. *Indians were already "one illness away" from falling into poverty (https://bit.ly/3oxXvWq). Families devastated by the loss of lives and livelihoods as a result of this pandemic will feel the distress for decades to come.* The central government needs to deploy all available resources to support the health and livelihood expenses of COVID-19-ravaged families immediately. As and when we emerge on the other side of the pandemic, bolstering public health-care systems has to be the topmost priority for all governments: the Centre as well as States.

## A COLLAGE OF LAWS THAT LEAVES THE WORKER OUT IN THE COLD

As COVID-19 destroys lives and livelihoods, an unprepared government has rendered low-paid, informal workers, who constitute 91% of the workforce, totally hapless, pushing them further into poverty. Imagine if these same informal workers had social security (including free basic curative care in public clinics and hospitals, the elderly had old age pensions, the dying had death/disability insurance or life insurance). Imagine also that they had at least a minimum income guarantee, which prevented them from falling into debt; debt is currently exploding among the poor as their incomes collapsed.

#### Gaps in the code

India's Parliament in September 2020 passed a Social Security Code (SS Code 2020; https://bit.ly/3bVsU0f). Does this law even attempt to provide these, let alone guarantee them? That is what we examine here. We shall set aside the issue of free basic curative health care, since the SS Code does not have that in its scope. Fair enough, but has the Government of India ensured that at least in a year of a nation-wide pandemic, the health Budget for FY 2021-22 is higher than the pathetic just over 1% of GDP that it has been for decades (making all past central/State governments complicit)? If we leave out the allocation for the COVID-19 vaccine (still mostly unused), then the FY22 health Budget is actually lower. The SS Code 2020 merges existing social security laws and attempts to include informal workers within the ambit of social security administration. However, an examination of the code reveals that universalisation of social security remains an unfulfilled aspiration. The SS Code 2020 amalgamates and rationalises the provisions of eight existing central labour laws. Of these acts, employees provident fund, employees state insurance (ESI), maternity benefit, gratuity are entirely for organised sector workers. This has remained so even in the new scheme of things. For employees' state insurance, the existing employee threshold has been withdrawn and now the central government can extend ESI benefits to any organisation irrespective of the number of workers employed therein. However, there are areas of ambiguity and overlapping too.

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#### Hurdles for informal workers

However, is the Code going to provide universal social security to the 91% workers in the informal sector? It proposes that both the central and State governments will formulate schemes for unorganised workers. The legal framework as proposed in the Code and Rules, implies that the basic onus lies on informal workers registering as beneficiaries. Registration is a prerequisite for universal coverage. To avail social security, an informal worker must register herself on the specified online portal to be developed by the central government. Similar provisions are already there in existing social security schemes run by State governments under the Unorganized Workers' Social Security Act, 2008. Still, a large number of informal workers are outside the ambit of any social security even after 13 years. The absence of definite and unambiguous provisions in the present code would further complicate achievement of universal registration. Also, experience shows that there is an awful lack of awareness among informal workers regarding social security schemes. Online registration places a further challenge as most informal workers lack digital literacy and connectivity (already demonstrated by a similar registration requirement for COVID-19 vaccines under CoWIN, the government app). Informal workers also find it difficult to furnish all documentary papers required as part of the registration process. Most informal workers are footloose casual workers (26% of all workers) and self-employed (46% of all). They move from one place to another in search of livelihoods. Furnishing proof of livelihood and income details in the absence of tangible employer-employee relations is very difficult. Such requirements deter informal workers from completing the registration and they continue to remain outside the social security ambit.

#### Inter-State cooperation must

Further, as unorganised workers are spread across the length and breadth of India, inter-State arrangement and cooperation becomes imperative. The code does not provide for such eventualities. Ideally, the central government should conceptualise a basic structure, which if successful, should be adopted by States after necessary customisation. Without such a basic structure, implications of this code would be too varied across States to be administered. Providing holistic social security cover for the unorganised workforce in a simple and effective manner is something lost in the Centre-State labyrinth and jurisdictional or institutional overlap. The unorganised workforce is all encompassing, minus the minuscule regular workers of organised sectors. This identity should be primal and all unorganised workers should have basic social security coverage, irrespective of labour market classifications. The code fails to undertake such inclusion in a meaningful way.

#### **Key benefits**

Maternity benefit: Under the SS Code, the provision of maternity benefit has not been made universal. Maternity benefit is presently applicable for establishments employing 10 workers or more. The definition of 'Establishment' in the proposed code did not include the unorganised sector. Hence, women engaged in the unorganised sector would remain outside the purview of maternity benefit. This obsession with thresholds of the number of workers employed was the bane of earlier labour laws too. Employees Provident Fund: The SS Code maintains that the Employees' Provident Fund Scheme will remain applicable, as before, to every establishment in which 20 or more employees are employed. Thus, for informal sector workers, access to

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employees' provident fund remains unfulfilled too in the new code. Payment of gratuity: Gratuity shall be payable to eligible employees by every shop or establishment in which 10 or more employees are employed, or were employed, on any day of the preceding 12 months. But although payment of gratuity was expanded in the new Code, it still remains inaccessible for a vast majority of informal workers.

## Lost opportunity

The provision of social security could be used to formalise the workforce to a certain extent. Employers could have been made to own up to the responsibility of providing social security to their workers. The state has a responsibility but the primary responsibility still lies with employers since they are taking advantage of workers' productivity. Financial constraints are there for the state too; but all the code does is to state that it will design schemes for informal workers as and when it deems fit. In the end, this code remains a collage of existing pieces of legislation without that interweaving thread of integration. It has promise but cannot meet those expectations. At a time when India chairs a BRICS meeting in Delhi (preparatory to a Summit) that is focused on issues of labour, especially informality, it fails to even recognise that India is ageing without social security, and the demographic dividend of the young workforce that could support the ageing ends in 15 years. This is a dreadful failure on the part of the state in a time of dire crisis for the nation.

## IT IS GETTING FROM BAD TO WORSE FOR WOMEN WORKERS

The COVID-19 pandemic has destroyed millions of livelihoods and led to a sudden and large increase in poverty and *a massive disruption of the labour market in India. Women workers, in particular, have borne a disproportionate burden.* As the country meets the challenge of the second wave of the pandemic, it is crucial to learn lessons from the first wave to chart the policy path ahead.

#### A widening gap

Even prior to 2020, the gender employment gap was large. Only 18% of working-age women were employed as compared to 75% of men. Reasons include a lack of good jobs, restrictive social norms, and the burden of household work. Our recently released report, 'State of Working India 2021: One Year of Covid-19' (https://bit.ly/2RmW29p) shows that the pandemic has worsened the situation. The nationwide lockdown hit women much harder than men. Data from the Centre for Monitoring Indian Economy Pvt. Ltd. show that 61% of male workers were unaffected during the lockdown while only 19% of women experienced this kind of security. Even by the end of the year, 47% of employed women who had lost jobs during the lockdown, had not returned to work. The equivalent number for men was only 7%. Men who did lose work were able to regain it, even if it was at the cost of increased precarity or lower earnings, because they had the option of moving into fallback employment arrangements. Thus, 33% of formal salaried men moved into self employment and 9% into daily wage work between late 2019 and late 2020. In contrast, women had far fewer options only 4% and 3% of formal salaried women moved into self employment and daily wage work, respectively. Nearly half of the women workers, irrespective of whether they were salaried, casual, or self-employed, withdrew from the workforce, as compared to only 11% of men. Even as new entrants to the workforce, women workers had poorer options compared to men. Women were

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more likely to enter as daily wage workers while men found avenues for self-employment. Daily wage work is typically far less remunerative than self employment as on average, between September to October 2020, *a daily wage worker earned about* ₹7,965 compared to a self-employed worker who earned nearly twice that at ₹12,955. So, not only did women enter into more precarious work, it was also likely to be at very low earnings compared to men. Women tended to lose work disproportionately irrespective of the industry in which they were employed. For instance, the share of women in job losses in education was three times their share in that industry. So, while around 20 out of 100 workers in education were women, amongst those who lost work, about 70 out of 100 were women. Similarly, in the health sector, 40 out of 100 workers were women, while of the 100 in this sector who lost work, 80 were women.

#### Growing domestic work

With schools closed and almost everyone limited to the confines of their homes, household responsibilities increased for women. Married women and women from larger households were less likely to return to work, suggesting that the burden of care may be a reason for poor employment recovery. But even for those women who managed to remain employed, this came alongside a massive increase in the burden of household work. The India Working Survey 2020 found that among employed men, the number of hours spent on paid work remained more or less unchanged after the pandemic. But for women, the number of hours spent in domestic work increased manifold. In February-March, about 10%-20% of women reported spending between two to four hours on domestic work. This share had increased to about 50% by September. This increase in hours came without any accompanying relief in the hours spent on paid work.

#### The course to take

The long-standing question of women's participation in India's economy has become more urgent with the pandemic disproportionately impacting women's paid work and increasing the burden of unpaid care work. The following measures are needed now: expansion of the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) and the introduction of an urban employment guarantee targeted to women as soon as the most severe forms of mobility restrictions *are lifted.* We further propose co-ordinated efforts by States to facilitate employment of women while also addressing immediate needs through the setting up of community kitchens, prioritising the opening of schools and anganwadi centres, and engagement with self-help groups for the production of personal protective equipment kits. Further, a COVID-19 hardship allowance of at least ₹5,000 per month for six months should be announced for 2.5 million accredited social health activists and Anganwadi workers, most of whom are women. But this is not enough. The National Employment Policy, currently in the works, should systematically address the constraints around the participation of the women's workforce, both with respect to the availability of work and household *responsibilities.* The pandemic has shown the necessity of adequate public investment in social infrastructure. The time is right to imagine a bold universal basic services programme that not only fills existing vacancies in the social sector but also expands public investments in health, education, child and elderly care, and so on, to be prepared for future shocks. This can help bring women into the workforce not only by directly creating employment for them but also by alleviating some of their domestic work burdens, while also overcoming nutritional and educational deficits that we are likely to be confronted with as we emerge from this crisis.

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## WHAT'S A WAVE IN A PANDEMIC, AND IS INDIA LIKELY TO FACE A THIRD WAVE OF COVID-19?

Having failed to adequately prepare for the second wave of coronavirus infections, officials and health authorities are now routinely warning people of the possibility of a third wave. It started earlier this month with the Principal Scientific Advisor K VijayRaghavan calling the third wave "inevitable" even though its timing could not be predicted. VijayRaghavan added a caveat two days later, saying a third wave could be avoided through "strong measures", but several others have issued similar warnings in the last couple of weeks. Local administrations and some hospitals have already begun ramping up their infrastructure in anticipation of a fresh surge in cases after a few months.

## What is a wave in an epidemic?

There is no textbook definition of what constitutes a wave in an epidemic. The term is used generically to describe the rising and declining trends of infections over a prolonged period of time. The growth curve resembles the shape of a wave. Historically, the term wave used to refer to the seasonality of the disease. Several viral infections are seasonal in nature, and they recur after fixed time intervals. Infections rise and then come down, only to rise again after some time. Smaller regions within a country, a state or a city, for example, would have their own waves. Delhi, for example, has so far experienced four waves. There are three very distinct peaks in its growth curve even before the current wave, while in states like Rajasthan or Madhya Pradesh, the growth curves had a much more diffused look until February, lacking a sharp peak. It would be difficult to identify distinct waves in such a situation.

#### Will the third wave be stronger?

There has been some speculation about the third wave being even stronger than the second. However, this is not something that can be predicted. Usually, it is expected that every fresh wave would be weaker than the previous one. That is because the virus, when it emerges, has a relatively free run, considering that the entire population is susceptible. During its subsequent runs, there would be far lower number of susceptible people because some of them would have gained immunity. This logic, however, has been turned on its head in India's case. When the number of cases began declining in India after mid-September last year, only a very small fraction of the population had got infected. There was no reason for the disease spread to have slowed down, considering that such a large proportion of the population was still susceptible. The reasons for the five-month continuous decline in cases in India is still not very well understood. And since the second wave was expected to be weaker than the first, many were fooled into believing that the pandemic was nearing *its end.* With the lessons learnt in a very painful manner, there are now suggestions that the third wave might be even stronger. But that might not be the case. A far greater number of people have been infected during the second wave than the first. With the positivity rate almost four times that of the first wave, the unconfirmed infections — those who were never tested — is also expected to be large. In addition, vaccination would also induce immunity in a large proportion of the population. So, there would be a significantly lower number of susceptible people in the population after the second wave. However, gene mutations in the virus can alter these calculations. The virus can

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mutate in ways that make it escape the immune responses developed in the already infected people, or those vaccinated.

## But is it inevitable?

The third wave is a distinct possibility. It is likely to come, although the scale or timing is not something that can be predicted. But it is not inevitable. As mentioned, VijayRaghavan, the Principal Scientific Advisor, also modified his remarks, clarifying that it could possibly be avoided if people continue to take strong measures. It's also possible that this time, the fresh wave will be indeed much smaller than the previous one, so that it inflicts much less pain and can be managed more efficiently. A lot would depend on how people heed these warnings. They can become paranoid about an incoming disaster, or get numb to repeated warnings. The second wave has taught us that it is far better to remain paranoid and cautious than be hopeful in a situation like this.

## TESTING AND THE IMPORTANCE OF LOW POSITIVITY RATE

Early detection and isolation of potentially infectious individuals are the keys to successfully fighting a viral pandemic. The importance of diagnostic testing to facilitate this cannot be overemphasised. A widely deployed and efficient testing strategy can go a long way in limiting the spread of new cases as it significantly reduces the chance of individuals with undetected virus exposure from roaming freely among unexposed individuals.

#### **Specialised kits**

Depending on the type of diagnostic test used, testing can turn out to be expensive in terms of machinery, manpower and other resources especially when these are at a limited supply. COVID-19 testing required specialised testing kits that were not easily available in January 2020 at the beginning of the pandemic in India . Although the World Health Organization (WHO) had declared coronavirus outbreak a Public Health Emergency of International Concern on January 30, 2020 and India had also reported its first case of COVID-19 on the same day, until about the second half of March 2020, India's COVID-19 testing was largely confined to symptomatic airport travellers and contacts with known sources. India went into a complete nationwide and staggered lockdown starting March 25, 2020. However, our testing strategy for SARS-CoV-2 was still being evolved. A closer look at the different revised testing guidelines from the Indian Council of Medical Research (ICMR) throughout the period of the pandemic shows the scope of testing got gradually expanded to include different population subgroups only as new incidences of novel coronavirus infection were reported from those groups. *Instead of using it as a pre-emptive strategy, our testing strategy* appeared to be a game of catch-up with the spread of the virus. Naturally, the virus always outsmarted this testing strategy. A complete lockdown is widely perceived as a tool to expand resources including ramping up testing infrastructure along with other healthcare infrastructure instead of being a solution in itself. However, an analysis of the progression of India's COVID-19 cases and testing reveals that the growth of testing lagged behind that of cases during the prepeak phase of both the first and the second wave. The second wave saw daily new cases growing three-to-four times higher than the growth of tests.

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#### Vastly underprepared

Although the second wave came more than a year from the onset of the first wave, it appears that India's testing infrastructure remained highly insufficient and vastly underprepared. This becomes obvious when we see that average daily new cases recorded during the second wave grew more than four-fold compared to that during the peak of the first wave, while the daily average testing grew only by 60% during the same time. At the end of the first wave of COVID-19, in early February 2021, India was doing about 63 tests per detected case while the daily testing has decreased to 4.5 tests per each detected case during recent times. Even at the peak of the first wave, India was doing about 11.4 tests per detected case. The average daily test positivity rate was only 8.5% at the peak of the first wave, whereas, the average positivity rate reached 22.8% a few days ago when India was reporting close to 400,000 daily new cases. The WHO, on the other hand, recommends raising daily testing enough to bring the test positivity rates below 5% level.

## **Glaring statistic**

Yet another glaring statistic points to the serious deficiency of testing during the current wave of this pandemic. India reported a total of 108 lakhs COVID-19 cases with the help of 20.3 crore tests, during the first wave that lasted about 375 days. However, for the second wave so far, in 95 days, India already reported 130 lakh new cases by conducting only 10.6 crore tests. At about 229 tests per 1000 people, India's testing remains below that of 112 other countries. There has been wide variation in testing across states in India too, ranging from a low of only 76 tests per 1,000 people in Nagaland to 1,314 tests per 1,000 people in Lakshadweep. Among the larger states, Madhya Pradesh, West Bengal, Rajasthan, and Uttar Pradesh carried out the lowest number of tests per 1,000 people while Delhi, Jammu & Kashmir, Kerala and Karnataka did the highest. In recent days, however, several states including Karnataka, Kerala, Andhra Pradesh, Rajasthan, Punjab, Jammu & Kashmir, Himachal Pradesh, Chandigarh and Arunachal Pradesh have been decreasing their daily new tests even as their test positivity rates are still rising. If the tests are reduced while the cases are still rising, it will manifest in an increased test positivity rate. While the reduced number of reported cases may be inadvertently interpreted as a peak of the present wave, the pandemic will continue unabated whether we detect more cases or not. The downside to this would be an unnecessarily prolonged pandemic straining our healthcare system and the economy even further while putting more lives at risk.

#### Combined capacity

Dr. Balram Bhargava, the chief of ICMR in a press conference on May 11, stated *India has a daily* capacity of doing 16 lakh RT-PCR tests and 17 lakh Rapid Antigen Tests which indicate a combined capacity of 33 lakh tests per day. Yet, it is unfortunate that India has not done even 20 lakhs of daily testing on any day from the beginning of this pandemic. For a country of 140 crore people, it is grossly inadequate. It is high time India makes use of its full testing capacity and augments this capacity even further to effectively fight this pandemic. The growth of testing should far outpace the growth of the cases in order to be ahead of the epidemic curve rather than chasing it.

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## THE BASICS OF AN EFFECTIVE VACCINE POLICY

Over a year after the SARS-CoV-2 struck the world, it is now clear that the virus is not going away any time soon and breaking the chain of transmission seems unlikely. *The best policy against COVID-19, thus, appears to be to ensure that the infection is mild in most people, and that in those in whom the disease might be more severe, it can be pushed towards a milder form by vaccination. Therefore, it is important to vaccinate as many people as possible.* Unfortunately, the number of vaccine doses available is limited at present. *Technicalities of vaccine production make it likely that indigenous manufacturers will require three to six months from now to increase capacity significantly. The whole virion vaccine from the National Institute of Virology, Pune, currently being manufactured by Bharat Biotech, is produced in facilities where biological safety requirements are essential and will take time to be upscaled. The mRNA vaccine technology is new. Though the Moderna vaccine based on science from HDT in the United States, it is unrealistic to expect Indian manufacturers to be able to embrace this new technology without handholding through the process.* 

#### **Difficult choices**

Import of vaccines in quantities that can make a difference will be possible perhaps from August, when wealthy nations would have made substantial progress in the immunisation of their populations. *India is thus faced with the unpleasant reality of having to decide the priority in which it is going to vaccinate its population, i.e., the order in which the different groups should be vaccinated. However, it can take comfort in the fact that all countries were forced to make this decision, and nowhere in the world has it been possible to vaccinate the entire population at one go. The experience of vaccine hesitancy should not distract us from the goal of inoculating as many people as quickly as possible. The speed with which the vaccines were developed, the introduction of new technology, reports of a few serious adverse events, the decision of certain wealthy countries to halt using the AstraZeneca shot due to concerns over blood clots and because they had other vaccines, contributed to doubts about the safety of vaccines in India. <i>But it is now clear that vaccines are highly effective and the risks are extremely low. Indeed, vaccines are the only way that we can stay ahead of the virus. It is, hence, important to draw in behavioural scientists to address vaccine hesitancy and ensure that the population is covered.* 

#### Careful planning

Should we vaccinate the most vulnerable, i.e., those who are most likely to succumb to the disease if they get infected, or should we vaccinate the population which contributes the most to the economy? This is a stark and perhaps unpalatable way to delineate the choice, but it is a factual position. Should we first vaccinate the elderly who are at high risk of serious illness and death, or should we vaccinate the working population so that we can open workplaces and revive the economy? Wealthy countries with small populations went with the first option, but India must design a vaccine policy carefully because breaking the chain of transmission is not an option currently. Repeated lockdowns do not break the chain of transmission of the infection. They only slow the spread of the virus for a period, and when they are lifted, as they must be, the virus surfaces again.

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#### Transparent decision-making

The ethical and humane choice would be to vaccinate the most vulnerable first. If this is impractical, then *the choice would be to vaccinate some combination of the elderly vulnerable and the working population in every tranche. This should be worked out using data and the basis of the decision should be made public.* Opaque decision-making leads to a loss of trust in governance and social discord.

#### Access to all

Leaving the vaccination policy to market forces is neither ethical nor practical. Allowing all adults to access the vaccine at the same time introduces ethical distortions, which no humane society should face. Those with the resources to get vaccinated early are the least vulnerable because they also have the ability to protect themselves. Attempts to make vaccination more accessible through technology, as is being done with the Co-WIN app, are failing at the moment. Many States have declared that they will bear the cost for all their citizens, but this is a decision that they should not have been forced to make; the approach also does not address the dilemma of who will get the vaccine and in which order, given the very limited supply. Governments are elected to represent the will of the people. In a civilised society, when a life-saving resource is in short supply, the government must take it upon itself to both enhance the supply and formulate a policy to allocate the resource. In India, the Centre should desist from being opaque in its decisions, abdicating its responsibility, transferring expenses to State governments, and allowing market forces to decide on vaccine access for a substantial part of the population. Given our current circumstances, the State governments are struggling to find a way forward amid the scramble for vaccines. There are many options for distribution, and as a society, we ought to make decisions that are based on science and fairness. The logical basis of the decision should be explained.

#### EXTENDING SAFETY

Pursuing a policy of spreading the interval between two doses of vaccine, the Centre has now outlined more scenarios of second dose deferment. While lactating women are now encouraged to get vaccinated, those who have recovered from an infection ought to be getting vaccinated three months hence — the recommendation earlier was four to eight weeks. Those inoculated but who have tested positive should defer their second dose by three months after clinical recovery from COVID-19. The recommendations follow from earlier ones that advise increasing the interval from 12-16 weeks for Covishield, the more widely available vaccine. But there are two underlying principles behind these recommendations, the first being a vaccine shortage. Until early April, India had a very different scheme for its vaccination roll-out, appearing to take stock of availability as well as prioritising those at greater disease risk. It was the ferocity of the second wave that caused the government to panic and 'free up' vaccine supply applying a 'to each his own' approach. While this benefits a fraction of the privileged, it has not improved access as seen by the stagnation in daily inoculations and a fall in second dose recipient numbers. The second principle is that the timing of the second dose for an optimal boost to the immune system is not clear. A general policy for childhood vaccines in India is a four to eight-week interval. However, clinical trials of the AstraZeneca vaccine in the U.K (18-55 years) showed that binding antibodies (the ones that actually block viruses) were nearly twice as high in those who got their shots 12 or more weeks apart than in doses had within six weeks. The vaccine also appeared to be more protective in those above 18 with **3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR** 





a longer dose interval. While antibody levels are a key marker of protection, they are not the only ones. Cell-based immunity, whereby the immune system confers long-lived immunity, counts too. Given that SARS-CoV-2 has been around for less than 20 months, there is uncertainty about the duration of protection. *There are also documented cases of breakthrough infections as well as deaths even after a second dose. Though they fall within expected statistical boundaries so far, it is only more inoculations from now that will shed greater clarity on the degree of protection. Put together, these recommendations do buy policy makers time to stagger doses until more vaccines become available from August.* On the other hand, the toll from India's second wave continues to surpass similar daily figures from the U.S. and Brazil. Given that many Indians have still not been exposed to the virus and newer threatening variants abound, there is no reason to be complacent that people will be protected from future waves. The aim of vaccines is to prevent severe disease and death and all policy recommendations must be geared towards that goal. There is no room for knee-jerk reactions that can compromise this objective.

## VACCINATION LAG IN RURAL INDIA POINTS TO A LOOMING CRISIS

Even as the second COVID-19 wave shows signs of easing, the spread of cases in rural areas and the relatively lower vaccination numbers there points to a burgeoning crisis. During the first wave (which peaked in September 2020), the COVID-19 cases started piling up in urban areas initially and spread to rural areas (including semi-rural ones) constituting 65% of all cases. The second wave also followed a similar pattern. The split was 52%-48% in urban/semi-urban vs rural/semi-rural areas in March 2021 and by mid-May, the estimated case load split was 65% in rural/semi-rural areas vs 35% in urban/semi-urban areas. These percentages are also skewed due to the lack of adequate testing facilities in many parts of rural India. Adding more cause for concern is the fact that the rise in registered cases has not seen a concomitant increase in vaccination in rural areas. While more than 60% of cases were from the rural and semi-rural districts, only an estimated 12%-15% of inhabitants have received at least one dose of the COVID-19 vaccine by May 14. In contrast, an estimated 30% of residents in urban and 19% in semi-urban areas have received at least one shot. In terms of being fully vaccinated (both doses), only an estimated 2.6% of rural residents received them by May 14, even as an estimated 7.7% of urban dwellers had received both doses.

#### Vaccination helps

Data from some States show that the daily confirmed cases have decreased among the vaccinated higher age groups, while the infections among the non-vaccinated continue to rise during the second wave. Experts have also said that vaccines effectively prevent severe disease even if a vaccinated individual gets infected. *The lower vaccination numbers in semi-rural and rural areas suggest that the impact of the pandemic will be more severe there, as is being reported anecdotally from ground reports in several parts of north India, in particular.* Even the reported cases from rural India are an under-estimate because of the lack of adequate testing facilities. *The latest available district-wise data from all States reveals a high rural-urban disparity in testing levels. In urban districts of Mumbai, Bengaluru and Chennai, cumulatively, more than 500 tests have been conducted for every 1,000 inhabitants.* This is a conservative estimate as the figures are based on the 2011 population. Also, this figure would have increased further in the second wave. Whereas in the rural districts of Gadchiroli (Maharashtra), Tirupathur (Tamil Nadu) and Chamarajanagara (Karnataka), less than 50 tests have been conducted cumulatively for every 1,000 inhabitants.

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#### A FEW CLOTTING EVENTS AFTER COVISHIELD JAB

Adverse Event Following Immunisation data in India showed that there is a minuscule but definitive risk of thromboembolic events after administration of the AstraZeneca-Oxford vaccine (Covishield in India). A statement by the Health Ministry on Monday noted that the reporting rate of these events in India is around 0.61/million doses, much lower than the four cases/million reported by the United Kingdom's regulator Medical and Health Regulatory Authority. Germany has reported 10 events per million doses. There were no potential thromboembolic events reported following administration of Covaxin vaccine. Bleeding and clotting cases following COVID-19 vaccination in India are minuscule and in line with the expected number of diagnoses of these conditions in the country, a report submitted by the National AEFI to the Health Ministry noted. The Ministry said that after alerts were raised in some countries on post-vaccination "embolic and thrombotic events" on March 11, 2021 particularly with AstraZeneca-Oxford vaccine [Covishield in India], a decision was taken to conduct an urgent, in-depth analysis of the adverse events (AE) in India in the light of the global concerns. The committee noted that as of April 3, 2021, 75,435,381 vaccine doses had been administered (Covishield: 68,650,819; Covaxin: 6,784,562). Of these, 65,944,106 were first doses and 9,491,275 second dose. Since the COVID-19 vaccination drive was initiated, more than 23,000 adverse events were reported through the CoWIN platform from 684 districts. Of these, only 700 cases (of the 9.3 cases /million doses administered) were reported to be serious and severe in nature. "The committee has completed an in-depth case review of 498 serious and severe events, of which 26 cases have been reported to be potential thromboembolic (formation of a clot in a blood vessel that might also break loose and carried by the blood stream to plug another vessel) events, following the administration of Covishield vaccine, with a reporting rate of 0.61 cases/ *million doses," said the* release. It added that it is important to know that thromboembolic events keep occurring in the general population as background and scientific literature suggests that this risk is almost 70% less in persons of South and South East Asian descent in comparison to those from European descent. Meanwhile the Health Ministry has separately issued advisories to Healthcare Workers and Vaccine Beneficiaries to encourage people to be aware of suspected thromboembolic symptoms occurring within 20 days after receiving any COVID-19 vaccine (particularly Covishield) and report preferably to the health facility where vaccine was administered.

## NEW NAMING SYSTEM FOR VIRUS VARIANTS

The World Health Organization (WHO) would unveil a system of naming of coronavirus variants drawn from the way tropical storms are named, WHO Chief Scientist Soumya Swaminathan says.

"The new naming system should go live soon — yes, it will be names like hurricanes. This is so as not to stigmatise and disincentivise countries from making their sequencing results public. It will also be easier for the lay public to remember rather than these complicated lineage numbers," she said in an email to The Hindu. The WHO and health and science agencies across the world, for instance the Indian Council of Medical Research, the United States' Centres for Disease Control and the Public Health England refer to viruses and their variants by formal lineage names, which are a combination of letters and names that point to the relationships between different variants. To the trained eye, variants such as B.1.1.7 and B.1.617 suggest that they have certain mutations in common and as well clues to their evolutionary history.

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## **Geographical tag**

However, because virus names and their associated diseases have frequently been named after geographical places where outbreaks were first reported or samples first isolated — *such as the West Nile virus or Ebola. B.1.1.7 started to be known as the 'U.K. variant' and B.1.351 as the 'South African' variant. India's Health Ministry, in the aftermath of B.1.617 that was popularly called the 'Indian variant', issued a press release decrying the media's use of the name. The dilemma of having names that don't stigmatise places but also are amenable to popular use has to an extent been solved by the system of naming hurricanes, or tropical cyclones. The World Meteorological Organisation leaves it to countries that surround a particular ocean basin to come up with names.* 

## DRDO'S DRUG LAUNCHED FOR EMERGENCY USE

The first batch of the adjunct COVID therapy drug, 2-deoxy-D-glucose (2-DG) — developed by the Defence Research and Development Organisation (DRDO) along with Dr Reddy's Laboratories (DRL), Hyderabad — was on Monday released for emergency use. Defence Minister Rajnath Singh formally handed over the drug to Health Minister Harsh Vardhan. "One box each of the sachets of the drug were handed over to Dr. Randeep Guleria, Director All India Institute of Medical Sciences (AIIMS) and Lt. Gen. Sunil Kant of Armed Forces Medical Services (AFMS). More will be handed over to different hospitals across the country for emergency use," a Defence Ministry statement said. An anti-COVID-19 therapeutic application of the drug 2-DG has been developed by Institute of Nuclear Medicine and Allied Sciences (INMAS), a DRDO lab along with DRL. DRL will increase the production of the drug which is expected to be made available to all hospitals by the first week of June, said K. Satish Reddy, Chairman DRL. The drug is a good example of DRDO and private partnership, which will help patients in overcoming oxygen dependency by around 40%, Mr. Singh said, speaking at the event. Dr. Harsh Vardhan said 2-DG was the first therapeutic drug for COVID which India has developed indigenously. "Scientists have been working on the molecule for long and over the last one year clinical trials were conducted extensively in various hospitals across the country," said Dr. G. Satheesh Reddy, Chairman DRDO.

## DELETE AND CONTROL

The Indian Council of Medical Research (ICMR) has finally dropped its espousal of convalescent plasma therapy (CPT) as treatment for moderate COVID-19 in its latest guidelines. In its guidelines of April 22, CPT was already on its last legs, with the advisory recommending that it is advisable only in early moderate disease, or within seven days of symptoms. These updates flow from periodic reviews of medicines and treatment protocol by a task force of doctors and experts of the ICMR. Practising doctors are not legally bound to follow these recommendations to the T but are expected to circumscribe their treatments within the guidelines. Last year, the ICMR, in one of the definitive clinical trials in the world, demonstrated that CPT neither saved lives nor improved patient outcomes but was equivocal about it in public. This gave leeway to some States, particularly the Delhi government, which openly disavowed the ICMR's findings, encouraging several doctors to put the onus on hapless caregivers to source such plasma from those who had recovered from the illness. The clamour for plasma had birthed its own kind of ecosystem. There were apps designed to connect donors to recipients, an inevitable black market, and, if the plasma did not seem to be working, the tendency was to blame the quality of plasma rather than recognise the futility of the treatment.

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Last week, it took a letter by a clutch of concerned public health professionals to India's Principal Scientific Adviser as well as results from a trial, published in The Lancet, spanning around 11,000 patients — that again found no benefit — to demote CPT. *Further evidence is emerging that CPT may be contributing to the evolution of coronavirus mutations that, together, may have been the final nail in the coffin. However, this is not the end of the road for treatments with limited scientific basis finding a mention in the ICMR guidelines. Hydroxychloroquine and the anti-parasitic drug, ivermectin, continue to find a place for the treatment of mild disease despite a specific mention of "low certainty of evidence". There is an argument that doctors, battling a disease that has so far defied a predictable treatment regime, cannot always observe the necessary clinical equipoise. Unlike doctors on the frontline, a collective of experts such as the ICMR taskforce, has the comfort and the distance to dispassionately assess evidence and be very specific with its recommendations. Publicising these at regular intervals serves to educate the public about the evolving nature of treatment and be better prepared as future patients and caregivers. This will work better towards easing the pressure on doctors as well as in improving trust in systems that are designed to offer the best possible expertise.* 

#### ICMR DROPS PLASMA THERAPY FROM COVID TREATMENT NORMS

The use of convalescent plasma has been dropped from the recommended treatment guidelines for COVID-19, according to a late Monday advisory from the Indian Council of Medical Research (ICMR). The National Task Force of the ICMR, along with experts from the Health Ministry, periodically updates guidelines on recommended modes of treatment. Registered doctors anywhere, however, are not bound by the task force recommend- ations. Though a trial by the ICMR on 400 patients last year — called the PLACID trial — had found no significant benefit from the use of plasma, it continued to find a place in the recommended guidelines. Some experts have said the use of such plasma may have even played a role in facilitating new worrisome mutations to the virus. The most recent study published in the British medical journal The Lancet on May 14 reported that in a double blinded trial involving about 5,000 patients who got the treatment in the U.K., again no benefit was found in reducing mortality, or on improving patient outcomes. The ICMR guidelines still recommend Ivermerctin and hydroxychloroquine for mild disease but has underlined "low certainty of evidence".

#### AI BEGINS ZEOLITE CARGO SERVICE

National carrier Air India (AI) has begun the first of its "zeolite cargo flights", with the Central government having commenced the process of importing zeolite from across the world for use in medical oxygen plants. The government has appointed the Defence Research and Development Organisation (DRDO) as the charterer for these consignments. Under the Prime Minister's Citizen Assistance and Relief in Emergency Situations (PM CARES) Fund, the DRDO is to set up these medical oxygen plants. An April 28 Press Information Bureau (PIB) release said the medical oxygen plant technology being developed by the DRDO would now help in supplementing oxygen supplies for COVID-19 patients, with the transfer of technology having been made to Tata Advanced Systems Ltd., Bengaluru, and Trident Pneumatics Pvt. Ltd., Coimbatore. The technology uses the pressure swing adsorption process and molecular sieve zeolite in oxygen generation.

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## **On-site generation**

The release said the technology would be especially useful in urban, remote and rural settings with the on-site generation of medical oxygen in a cost-effective manner. The airline said the first set of seven chartered flights, from Rome to Bengaluru, would start from May 15-18. Two aircraft, with 35 tonnes of the substance, would land on Sunday, at 4.45 a.m. (Delhi-Frankfurt-Rome-Bengaluru, AI 1152; 13 tonnes) and 6.45 a.m. These would be followed by eight charter flights, from Korea to Bengaluru between May 19-22. There would be uplifts, too, from the U.S. on its scheduled flights from Newark Liberty airport between May 20 and 25. The airline has planned these flights from Brussels, Tokyo and the U.S. again later.

## MUCORMYCOSIS IN COVID-19 PATIENTS

Hospitals across the country have started to report a number of cases of mucormycosis, an invasive fungal infection affecting patients who have recently recovered from COVID-19. In common parlance, it also goes by the name 'black fungus', a direct reference to the *blackening that is characteristic of the disease*.

#### What is mucormycosis?

Mucormycosis is an aggressive and invasive fungal infection caused by a group of molds called mucormycetes. *It can affect various organs but is currently manifesting as an invasive rhino-orbito-cerebral disease, crawling through the sinus and working its way to the brain, affecting the ear, nose, throat, and mouth.* While it is not contagious, it can cause a lot of damage internally and can be fatal if not detected early. *While mucormycosis is an old disease, what is perhaps new and concerning is the sudden increase in the invasive form of the sinus variant, which involves the orbit, and at times the brain, leading to blindness, stroke or death*, according to Dr. Mohan Kameswaran, Chief Surgeon and Director at the Madras ENT Research Foundation, Chennai.

#### How prevalent is the disease?

The Centers for Disease Control and Prevention, U.S., calls it a serious but rare disease. Without population-based estimates, it is difficult to determine the exact incidence and prevalence of mucormycosis in the Indian population, but a computational model-based method by Arunaloke Chakrabarti et al., in a journal, estimated a prevalence of 0.14 cases per 1000 individuals in India.

#### What causes the disease?

Diabetes mellitus is the most common underlying cause, followed by haematological malignancies and solid-organ transplants, according to a comparative study of several papers on the incidence of mucormycosis in India, published in a recent issue of Microorganisms. Diabetes mellitus was reported in 54% to 76% of cases, according to a report. What seems to be triggering mucormycosis in patients post COVID-19 is, Dr. Kameswaran said, "an indiscriminate use of a high dose of steroids in COVID-19 patients, sometimes even in minimally symptomatic patients". This leads to spikes in the sugar level among diabetics, which, in turn, renders them vulnerable. Dr. V. Mohan, senior diabetologist, Dr. Mohan's Diabetes Specialities Centre, said steroids in some COVID-19 patients might be a life-saver, and therefore, they become a double-edged sword. Rational use of steroids is necessary, and constant monitoring of sugar levels and resorting to insulin use to control these levels **3**<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR





*if required, is essential, he added.* Dr. Kameswaran said the *use of monoclonal agents like Tocilizumab may be a factor, too.* He added that while the fungi are present in the environment, the *use of nasal prongs and other devices for oxygen delivery and possible breach of sterile conditions can possibly lead to cross-infection and hospital-acquired infection.* "The question of COVID- 19 infection itself predisposing to invasive fungal disease would need further studies but cannot be ruled out at this stage," he added.

## Does the disease cause any distinct symptoms?

Dr. Nisar Sonam Poonam, associate consultant at the Department of Orbit and Occuloplasty at Sankara Nethralaya, Chennai, said the signs to watch out for are a *stuffy nose, bloody, blackish, or brown discharge from the nose, blackish discolouration of the skin, swelling or numbness around the cheek, one-sided facial pain, toothache or jaw pain, drooping of the eyelids or eyelid swelling, double vision, redness of eyes, and sudden decrease in vision.* The main line of treatment is an anti-fungal drug called *amphotericin B*, which is given over an extended period of time under the strict observation of a physician. *Surgery to remove the fungus growth might also be warranted*.

#### How can mucormycosis be prevented?

Following appropriate treatment protocols as recommended by the World Health Organization for COVID-19, including *rational use of steroids and monoclonal antibodies only when they can help a patient*, is important, said Dr. Kameswaran. *It is important to keep blood sugar levels under control and ensure that appropriate calibration of oral drugs or insulin is done from time to time,* stressed. Dr. Mohan. Further, recognising the symptoms and seeking treatment early if there are two or three symptoms at a time is key. *Like most illnesses, if detected early, mucormycosis can be cured.* 

The Union government has asked the States to declare mucormycosis, the fungal infection being reported in COVID-19 patients, an epidemic. In a letter to the States, Health and Family Welfare Ministry Joint Secretary Lav Agarwal said declaring the black fungus infection seen in COVID-19 patients an epidemic would lead to health facilities screening for it and reporting all such cases to the government.

*Rajasthan, Telangana and Tamil Nadu have declared it an epidemic*. Maharashtra Health Minister Rajesh Tope said black fungus had claimed 90 lives in the State so far. Eight people had died of the infection in Haryana, which has reported 316 cases. Rajasthan has 100 patients, while Tamil Nadu has reported nine cases.

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## **BUSINESS & ECONOMICS**

## WHO-ILO STUDY LINKS LONG WORK HOURS TO MORE DEATHS

Long working hours led to 7.45 lakh deaths from stroke and ischemic heart disease in 2016, a 29% increase since 2000, according to the latest estimates by the World Health Organization (WHO) and the International Labour Organization (ILO) published in Environment International. While the figures are for 2016, the analysis comes as the Covid-19 pandemic shines a spotlight on managing working hours. The pandemic is accelerating developments that could feed the trend towards increased working time. The number of people working long hours is increasing and this trend puts even more people at risk of work-related disability and early death. In a first global analysis of the loss of life and health associated with working long hours, WHO and ILO estimate that in 2016, 3.98 lakh people died from stroke and 3.47 lakh from heart disease as a result of having worked at least 55 hours a week. Between 2000 and 2016, the number of deaths from heart disease due to working long hours increased by 42%, and from stroke by 19%. This work-related disease burden is particularly significant in men (72% of deaths occurred among males), people living in the Western Pacific and South-East Asia regions, and middle-aged or older workers. Most of the deaths recorded were among people dying aged 60-79 years, who had worked for 55 hours or more per week between the ages of 45 and 74 years. With working long hours now known to be responsible for about one-third of the total estimated work-related burden of disease, it is established as the risk factor with the largest occupational disease burden. The study concludes that working 55 or more hours per week is associated with an estimated 35% higher risk of a stroke and a 17% higher risk of dying from ischemic heart disease, compared to working 35-40 hours a week. "Working 55 hours or more per week is a serious health hazard," said Dr Maria Neira, Director, Department of Environment, Climate Change and Health, at the WHO. Covid-19 has significantly changed the way many people work. Teleworking has become the norm in many industries, often blurring the boundaries between home and work. In addition, many businesses have scaled back or shut down operations to save money, and people who are still on the payroll end up working longer hours. Two systematic reviews and meta-analyses of the latest evidence were conducted for this study. Data from 37 studies on ischemic heart disease covering more than 7.68 lakh participants, and 22 studies on stroke covering more than 8.39 lakh participants were synthesized. The study covered global, regional and national levels, and was based on data from more than 2,300 surveys collected in 154 countries from 1970-2018.

## WHY DID THE CRYPTOCURRENCY MARKET CRASH, AND WHAT LIES AHEAD?

The cryptocurrency market Wednesday saw a big correction with prices of major currencies, including Bitcoin, Ethereum, BNB and others crashing as much as 30% within 24 hours. This came in the backdrop of Chinese regulators Tuesday announcing a crackdown on cryptocurrencies.

#### What has China announced?

China has barred financial institutions and payment companies from providing any services related to cryptocurrency transactions. This means that banks and online payments channels must not offer clients any service involving cryptocurrency, such as registration, trading, clearing and settlement. China had issued such a ban in 2017 as well, but compared with the previous ban,

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the new rules have expanded the scope of prohibited services, and surmise that "virtual currencies are not supported by any real value".

## What happened in the cryptocurrency markets?

According to crypto-trading platform Binance, as of 7pm IST Wednesday, Bitcoin — the most wellknown cryptocurrency — was trading nearly 21% lower than its price 24 hours earlier at \$34,693.1. Another popular cryptocurrency Ethereum was down 25% at \$2,453.15 while Binance Coin or BNB was down almost 31% at \$353.12.

## Is China's announcement the only reason behind this crash?

While the Chinese announcement was the straw that broke the camel's back, Bitcoin and Ethereum were on a decline since last week when Tesla CEO Elon Musk announced that the electric carmaker won't be accepting Bitcoin as payment — a reversal of an earlier decision.

## What's next?

A crackdown by one of the world's biggest economy notwithstanding, those in the ecosystem have termed this decline as a short-term correction. "A nearly 40% dip in the bitcoin price from its all-time high looks dramatic but is normal in many volatile markets, including crypto, especially after such a large rally. Such corrections are mainly due to short-term traders taking profits. Long-term value investors might call these lower prices a buying opportunity, as MicroStrategy just did," Avinash Shekhar, Co-CEO of ZebPay, an India-based crypto exchange, said.

## AVOIDING BREAKDOWN

After a gap of over seven months, the GST Council will now meet on May 28, Finance Minister Nirmala Sitharaman announced last Saturday. That the Council, expected to meet every quarter, has taken possibly the longest pause in its functioning does not set a good precedent. Given the acrimony that transpired in its last few meetings over how the States' GST compensation dues for the pandemic-induced lockdown-dented 2020-21 were to be met, the long break makes Centre-State equations even more awkward. States later reluctantly agreed to the Centre's proposal to raise ₹1.1 lakh crore of GST recompense dues through special market borrowings, after the Finance Ministry backed off from insisting that States raise these loans directly. In the intervening period, the economy almost surged back to normalcy before being hobbled again by the second wave of infections. And unlike the first wave, there is a greater onus on the States now to figure out everything from what mobility restrictions to put in place, to vaccination sequencing, and the bigger headache of sourcing enough vaccines from within or outside India. A Council meeting before or after the Union Budget could have helped soothe States' frayed nerves. Having ignored the call by several States for a Council meet all these months, citing the Assembly polls, the Centre will now also have to contend with a slight change in equations. The elan of re-elected State governments apart, a large State such as Tamil Nadu can no longer be expected to toe the Centre's line. There is much big ticket pending work on the Council's plate, but from the States' perspective, it would be necessary to get clarity on the modalities for receiving the ₹63,000 crore GST compensation still due to them, along with this year's dues, in a timely manner. Cash flow visibility would help them gear up better, be it for vaccines or subsequent COVID-19 waves. Even more

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pressing is the demand to drop GST on material to battle the pandemic, including the 12% tax on oxygen concentrators, 5% on vaccines, and on relief supplies from abroad. Ms. Sitharaman responded with a tweet storm to a missive on the issue from the West Bengal CM to the PM. This suggests an irascible approach on an issue that more States are raising. Tax experts believe solutions are possible to reduce the GST burden. The Centre had dropped the GST on sanitary napkins after strongly defending the tax, with one stated worry being cheap imports. In the case of vaccines and critical supplies, the more the imports, the merrier it is now. That the GST revenue will be shared with the States may be factually correct, but surely, neither the States nor the Centre are eyeing COVID-19 expenses as a fat source of revenue. An accommodative approach from the Centre could ensure India's fiscal federalism framework does not suffer an irretrievable breakdown at this calamitous juncture.

## RECORD WPI INFLATION: SUPPLY CHAIN ISSUES, STIFFER PRICES MAY HIT RETAIL

Wholesale price index-based inflation surged to an all-time high of 10.49 per cent in April due to a low base effect amid rising food and commodity prices. Buildup of pricing pressure amid supply chain disruptions against the second wave of the Covid-19 pandemic also contributed to the rise in inflation at wholesale level. Going ahead, both wholesale and retail inflation are expected to rise further. Retail inflation, which had eased to a three-month low of 4.29 per cent in April from 5.52 per cent in March mainly due to lower food prices, is expected to pick up as the impact of wholesale inflation will pass through in terms of higher prices at the level of consumers. The spread of the virus in the hinterland is expected to lead to more supply chain disruptions at the primary mandi level which may dampen the multiplier impact of a good harvest this year following forecast of a normal monsoon, raising the spectre of high food inflation. The low base of April last year, when WPI inflation was (-) 1.57 per cent, also contributed to the spike in April 2021. WPI inflation was 7.39 per cent in March 2021. Economists said the 4.9 per cent inflation in food articles was at a sixmonth high and data shows a greater impact of supply chain disruptions at the wholesale level. Further, the rise in prices of commodities such as minerals, edible oil, crude oil, coal, fertilisers, plastic, basic metals, electrical/electronic items, auto and auto components — having a weight of about 44 per cent in the WPI — too contributed to the rise in inflation.

Inflation in food articles in April was 4.92 per cent as prices of protein-rich items like egg, meat and fish hardened. Inflation in this basket was 3.24 per cent in March 2021. This was led by 10.88 per cent inflation in 'egg, meat and fish' basket during April, 10.74 per cent in pulses and 27.43 per cent in fruits. Inflation in the fuel and power basket was 20.94 per cent in April, while in manufactured products it was 9.01 per cent. Navar said headline WPI inflation is expected to rise further to 13-13.5 per cent in the current month before commencing a downtrend, whereas the core WPI inflation may continue to rise over the next three prints to a peak of around 10.5 per cent. This would not leave much space for rate cuts from the Reserve Bank of India (RBI), even though the monetary stance is expected to remain accommodative.

## FLASHING LIGHTS

The RBI's latest monthly bulletin has just confirmed what many economists and anecdotal evidence have been pointing to — a sharp backslide in economic momentum. *In an article on the State of the Economy, RBI officials including Deputy Governor Michael Debabrata Patra have flagged* 

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the 'demand shock' inflicted by the ferocious second wave of the COVID-19 pandemic. Specifically, they have cited the loss of mobility, impact on discretionary spending and increase in unemployment as clear signs that demand is in the doldrums. Several high-frequency indicators for April have captured the reversal in momentum. GST e-way bills, an indicator of the health of domestic trade, contracted 17.5% month-on-month, while automobile fuel consumption, commercial vehicle sales and domestic air passenger traffic all shrank from the preceding month. And the previously relatively unscathed rural economy too saw demand begin to dry up as new infections spread wider and deeper into the countryside, a trend reflected in a 33.5% contraction in the dispatches of two wheelers and a palpable weakening in demand for tractors. Also, unemployment, which hit a four-month high of 8% in April as per a survey by the Centre for Monitoring Indian Economy, was at 9.5% on May 18 based on a 30-day moving average. Crucially, rural unemployment captured by the moving average has risen to 8.6%, and this at a time when the pandemic's grip and higher spending on health are likely to be pushing up precarity among households in the hinterland. Looking ahead, the critical risk to the economy even as it tries to recover from the last fiscal year's crippling contraction is posed by the speed at which the virus continues to spread in the country. With the pace of vaccinations having slowed nationwide, more so in rural and semi-rural areas, the agriculture sector is likely to face challenges in the coming months when sowing for the kharif crop will need to be done. The reports on the infections and deaths linked to the disease from the villages and towns portray a grim picture and it is hard to see rural demand for anything other than the barest of essentials including food and medicines reviving any time soon. Add to this the rising cost of transport fuels, and the sharp increases in commodity prices, cutting across agricultural and industrial raw-materials segments and one sees 'a worsening of domestic cost conditions' as the RBI officials warn. Accelerating inflation threatens the economy's overall consumptive capacity and policy makers need to be wary of the real danger of stagflation. The shrinking fiscal space notwithstanding, authorities need to spend more on an expedited nationwide vaccine roll-out and must seriously consider direct cash transfers to boost demand.

## E-WAY BILL INTEGRATED WITH FASTAG, RFID

In a move which will help curb tax evasion, GST authorities will now be able to track real-time data of commercial vehicle (CV) movement on highways by integration of the e-way bill (EWB) system with FASTag and RFID. Under the Goods and Services Tax (GST) regime, EWBs are mandatory for inter-state transportation of goods valued over Rs 50,000 from April 2018, with the exemption to precious items such as gold. On an average, 25 lakh goods vehicle movements from more than 800 tolls are reported on a daily basis to the e-way bill system. The integration of e-way bill, RFID and FASTag will enable tax officers to undertake live vigilance in respect of EWB compliances by businesses and will aid in preventing revenue leakage by real-time identification of *cases of recycling and/or non-generation of EWBs.* Tax officers can now access reports on vehicles that have passed the selected tolls without EWBs in the past few minutes. Also, vehicles carrying critical commodities specific to the state and having passed the selected toll can be viewed. Any suspicious vehicles and vehicles of EWBs generated by suspicious taxpayer GSTINs, that have passed the selected toll on a near real-time basis, can also be viewed in this report. The officers can use these reports while conducting vigilance and make the vigilance activity more effective. Also, the officers of the audit and enforcement wing can use these reports to identify fraudulent transactions like bill trading, recycling of EWBs.

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## RULES FOR INSURANCE FIRMS' CONTROL TWEAKED AFTER FDI CEILING RAISED TO 74%

Indian promoters of insurance joint ventures with foreign partners will no longer be able to nominate a majority of the board members, as per the new rules notified under the Insurance Act. This follows the recent amendments to enhance the foreign direct investment (FDI) limit in the sector to 74% from 49%. However, a majority of board members, key management persons (KMP) need to be resident Indian citizens, as should at least one of the three top positions — the chairperson of the board, the MD and CEO.

#### Applies to all JVs

This new norm will apply to all insurers, irrespective of the stake held by the foreign partner, said legal experts. The Finance Ministry has also specified further conditions on the composition of the board for firms where foreign investors' stake exceeds 49%. *"In an Indian insurance company having foreign investment exceeding 49%, not less than 50% of its directors shall be independent directors, unless the chairperson of its board is an independent director, in which case at least one-third of its board shall comprise independent directors," state the <i>Indian Insurance Companies (Foreign Investment) Amendment Rules, 2021, notified by the Finance Ministry.* 

#### WHY IT MAKES SENSE TO INVEST IN SOVEREIGN GOLD BONDS

The Reserve Bank of India (RBI) has announced a plan to sell sovereign gold bonds (SGBs) — government securities denominated in grams of gold — in six phases until September 3. This offers a good option to investors who can look forward to appreciation in gold prices at the end of the eight-year bond tenure.

There's a *discount of Rs 50 per gram to investors applying online*, and the payment against the application is made through digital mode. *Gold bonds bear interest at a fixed rate of 2.50% per annum on the amount of initial investment which will be credited semi-annually*. Bonds are sold through offices or branches of nationalised banks, private banks, foreign banks, designated post offices, Stock Holding Corporation of India Ltd. and the authorised stock exchanges either directly or through their agents.

#### What will investors get on redemption?

Investors gain from appreciation in gold prices as redemption of bonds will be based on the then prevailing prices. If gold prices treble after eight years, the investor will get the higher prices plus the 2.5% interest. If gold prices fall, which is unlikely, investors' returns will fall accordingly. The investor does not lose in terms of the units of gold which he has paid for. On maturity, the gold bonds will be redeemed in Indian rupees and the redemption price will be based on a simple average of closing price of gold of 999 purity of the previous 3 business days from the date of repayment, published by IBJA. Although the tenure of the bond is 8 years, early encashment/redemption of the bond is allowed after the fifth year, on coupon payment dates. The bond will be tradable on exchanges, if held in demat form. It can also be transferred to any other eligible investor.

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#### Will prices rise, and should you invest in gold?

While higher US bond yields and strengthening of the dollar put pressure on gold, leading to a fall in prices since the beginning of the calendar year, the bond yields have cooled over the last one month and the dollar too has weakened from 1.173 to a Euro on March 31 to 1.219 now. As such, gold demand and prices have picked up. Experts say that the prevailing uncertainty around rising coronavirus cases and geopolitical tensions will also push gold prices up.

## Why should an investor buy gold bonds rather than physical gold?

The quantity of gold the investor pays for is protected, since he receives the ongoing market price at the time of redemption/premature redemption. The bonds offer *a superior alternative to physical gold*. The risks and costs of storage are eliminated. Investors are assured of the market value at the time of maturity, and periodical interest. Bonds are free from issues like jewellery making charges and purity. The bonds are held in RBI books or in demat form, eliminating the risk of loss of scrip etc.

## What are the minimum and maximum limits for investment?

The bonds are issued in denominations of 1 gram of gold and in multiples thereof. The minimum investment will be 1 gram, with a maximum limit of subscription of 4 kg for individuals, 4 kg for Hindu Undivided Family (HUF) and 20 kg for trusts and similar entities notified by the government from time to time per fiscal year (April–March).

## Can these securities be used as collateral for loans?

They can be used as collateral for loans from banks, financial Institutions and non-banking financial companies (NBFC). The loan-to-value ratio will be the same as applicable to ordinary gold loans prescribed by RBI from time to time. Granting loans against SGBs would be subject to the decision of the bank/financing agency, and cannot be inferred as a matter of right.

#### What are the tax implications?

Interest on the bonds will be taxable as per the provisions of the Income-Tax Act, 1961 (43 of 1961). The capital gains tax arising on redemption of SGB to an individual has been exempted. Indexation benefits will be provided to long-term capital gains arising to any person on transfer of bonds. TDS is not applicable on the bonds, but it is the responsibility of the holder to comply with tax laws.

## CURRENCY WITH PUBLIC JUMPS TO RS 28.39 LAKH CRORE; WHY IS IT RISING?

As public rushed to withdraw cash for their daily needs and to meet any medical exigency amid the lockdown and curfews across states, the currency with public rose and hit an all-time high in the fortnight ending May 7, 2021. According to data released by the Reserve Bank of India (RBI), in the fortnight ending May 7, 2021, the currency with the public rose by Rs 35,464 crore to hit an all-time high of Rs 28.39 lakh crore. Over the last 14 months, since coronavirus started spreading in India since March 2020, currency with the public has grown by over Rs 5.3 lakh crore.

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## How much has it grown?

While the currency with the public has been rising over the last 14-month period, since the pandemic broke out, its pace slowed after July 2020, in one with decline of cases. It however gathered momentum in February 2021 as the cases started rising. Between March 1, 2021 and May 7, 2021 the currency with the public has risen by Rs 1.04 lakh crore to hit an all-time high of Rs 28.39 lakh crore in the fortnight ended May 7, 2021. Earlier, in the period between March 1, 2020 and June 19, 2020, the currency with public had risen sharply by Rs 3.07 lakh crore from Rs 22.55 lakh crore in the fortnight ended Feb 28 to Rs 25.62 lakh crore in the fortnight ended June 19, 2020. Between March and June 2020, people withdrew cash heavily from bank branches and ATMs in the wake of lockdown as dependence on cash transactions rose. In comparison, in the period between July and September 2020, the rise in currency with public was Rs 22,305 crore and that between December and January was only Rs 33,500 crore. In the festive months of October and November, however, the currency with public had risen by Rs 88,300 crore. Since the government announced demonetisation on November 8, 2016, the currency with public has risen by 10.4 lakh crore or 58 per cent. As on November 4, 2016, the currency with public stood at Rs 17.97 lakh crore.

## Why is it rising?

Traditionally, it has been seen that *an uncertain environment* leads to increase in cash holding by public. As the second wave of coronavirus pandemic started spreading and daily fresh cases rose exponentially from around 1 lakh in first week of April to upwards of 4 lakh in the first week of May, general public grew apprehensive about announcement of stringent lockdown by the central government to control the spread of Covid-19. If that was one reason for people rushing to withdraw cash, *many individuals are withdrawing cash to meet any urgent cash requirements in case of a health emergency in the current times.* While state governments initially started with night curfews and weekend lockdowns, the rise in cases forced them to extend the lockdowns and make it more stringent forcing people to hold cash to meet their daily needs. *Some bankers say that in many cases as people have lost jobs or have seen a cut in their salaries, they are dipping into their savings in banks to meet their monthly expense and that is also leading to rise in currency with public.* 

#### Is it expected to rise further?

As the pandemic continues to impact lives and create uncertainty, economists feel that there could be further rise in cash holdings. Some say that at least over the next couple of months, the cash holdings may remain at an elevated levels as people want to keep cash with them for any medical emergency or any other contingency that may arise. RBI data shows that the currency with public has been rising steadily over the years. *While one of the reasons, the government cited, for the demonetisation was to make India a less cash society, the cash holding has increased by 58 per cent since then.* 

## FDI HITS ALL-TIME HIGH IN FY21; FOREX RESERVES JUMP OVER \$100 BN

Net foreign direct investment (FDI) into the country hit a fresh high of \$43.366 billion in the year ended March 2021 as it crossed the previous high of \$43.013 billion that it had reach last fiscal. In a Covid-hit year, the FDI witnessed a big thrust from stake sale by Reliance Industries (RIL) group companies, which raised around \$35 billion during the fiscal year. According to data released by

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the Reserve Bank of India (RBI), while the direct investment to India in FY21 stood at \$54.665 billion, FDI by India amounted to \$11.299 billion, thereby resulting into a net FDI of \$43.336 billion. The FDI flows in India were hugely augmented by stake sale by RIL group companies to Facebook, Google and a number of other global investors. The group sold stake in Jio Platforms and Reliance Retail and raised over \$35 billion during the year, thereby contributing to more than 64 per cent of the total FDI received by India during the year. Beside the FDI, even the foreign portfolio investments jumped significantly. In the year ended March 2021, the FPI inflows into debt and equities amounted to \$36.18 billion. It was only second to net FPI flows of \$45.6 billion received in *fiscal 2014-15.* FPI inflows into equities, however, hit a new high of \$37 billion during the year. The strong inflow of FDI and foreign portfolio investor (FPI) money ensured that the forex reserves *jumped significantly.* In the financial year ended March 2021, the foreign exchange — or forex reserves jumped by over \$100 billion and amounted to \$576.8 billion as on week-ended April 2, 2021. Four states — Maharashtra, Gujarat, Karnataka and NCT of Delhi — accounted for nearly 90 per cent of the FDI inflows received during the year, with Maharashtra receiving nearly over 46.67 per cent of the flows, followed by Gujarat at 24.38 per cent, according to government data for first nine months of the previous financial year. Flows have been driven both by pockets of growth in the Indian economy as well as record amount of liquidity being injected by global central banks, which is chasing promising assets across the world. IT, pharma, telecom and digital economy sectors attracted most of the flows. Industry executives expect the trend to continue despite the raging Covid-19, as FDI investors typically have a multi-year view on their investments. Production-linked incentive scheme offered by the government for several sunrise sectors, potential growth in digital economy segments, as well as privatisation plans of the Central government are being seen as the pull factors for foreign investors. Apart from FDI, FPI flows have also surged into the economy, compared to sharp outflows seen in immediate months after the Covid-19 hit the economy last March. "FY 2020-21 was a bullish year for stock markets, supported by stimulus measures, surplus liquidity and record FPI flows. FY 2020-21 witnessed a record FPI inflow of USD 36.2 billion, the highest in a decade after 2014-15," according to the Ministry of Finance's Monthly Economic Report for April.

# RBI TO PAY ₹99,122 CR. SURPLUS TO CENTRE

The Reserve Bank of India's board approved a significantly higher-than-expected surplus transfer to the government on Friday but it may not be enough to cushion the damage from a crippling second wave of the novel coronavirus. The RBI announced a surplus transfer of ₹99,122 crore for the 9-month period from July 2020 to March 2021, the central bank said in a statement. The bank will move to an April to March accounting year from 2021/22, from a July to June year.

# COVID to hit tax revenue

The higher-than-expected dividend or surplus transfer to the government comes as the government is expecting a sharp sequential fall in tax collections due to the severe second wave of COVID-19 which has forced lockdowns in several States. "This surplus likely reflects the central bank's higher income from their open market operations as well as receipts from FX sales, with its transfer to the government's coffers providing some cushion to the pandemic-driven shortfall in revenues," said Radhika Rao, an economist with DBS. *The government had budgeted to receive a surplus of about* \$50,000 crore from the RBI to be accounted for in the budget estimates for

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2021/22, while in the previous full accounting year, the RBI had transferred ₹57,128 crore as surplus. Barring 2018/19, this is the highest ever transfer by the RBI in an accounting period. In FY19, ₹1.76 lakh crore was transferred to the government which included a one-time transfer of extra reserves. The government is likely to find it challenging to meet its privatisation and disinvestment target

of \$24 billion while goods and services tax (GST) revenues are also likely to fall, a government official said.

# 'Provide a buffer'

Aditi Nayar, chief economist at rating agency ICRA, said the considerably higher surplus transfer would provide a buffer to absorb losses from indirect tax revenues anticipated in May and June this year. "Moreover, high commodity prices at a time when demand and pricing power are subdued, would dent the margins of corporates in many sectors, compressing the growth in direct tax collections," she said. *The RBI also decided to maintain a Contingency Risk Buffer at 5.50% in line with recommendations of the Bimal Jalan Committee report.* 

# FINMIN GRANTS 'INFRASTRUCTURE' STATUS FOR CONVENTION CENTRES

The Finance Ministry has granted 'Infrastructure' status for exhibition and convention centres, a move that is expected to ease bank financing for such projects. 'Exhibition-cum-Convention Centre is included in the Harmonised Master List of Infrastructure sub-sectors by insertion of a new item in the category of Social and Commercial Infrastructure,' the Department of Economic Affairs said. However, the benefits would only be available for projects with a minimum built-up floor area of 1,00,000 sq. m. of exclusive exhibition space or convention space or both combined. As of now, the major projects under way in the sector are backed by the government – the International Exhibitioncum-Convention Centres at Dwarka and Pragati Maidan in the capital. The infrastructure tag does not involve significant tax breaks but would help such projects get easier financing from banks, said experts. However, restrictions on size may be a dampener. "India doesn't have large convention centres or single halls with capacities to hold 7,000 to 10,000 people, unlike countries like Thailand that is a major global MICE destination," said Abhaya Agarwal, partner, infrastructure practice at EY India. Becoming a MICE (Meetings, Incentives, Conferences and Exhibitions) destination can generate significant revenue with several global firms active in India but it will take time to become a preferred destination. Last August, the government had granted infrastructure status to affordable rental housing projects.

# AMID SURGE, HEALTH INSURANCE CLAIMS SHOOT TO RS 22,955 CRORE

Amid the second surge, with the number of infections rising rapidly across the country, claims made under health insurance for Covid have shot to Rs 22,955 crore with 14.82 lakh customers submitting hospital bills as on May 14. However, insurance companies have settled only claims of 12.33 lakh customers for about Rs 11,794 crore so far, according to figures compiled by General Insurance Council. The claims of over 2.5 lakh customers involving Rs 11,161 crore are yet to be cleared, the figures show. These are claims made by customers for Covid treatment under all insurance schemes, including two specifically for Covid, since April 2020. Among states, Maharashtra leads with 5.35 lakh people submitting claims worth Rs 6,896 crore as of May 14, followed by Gujarat, Karnataka and Delhi (see chart). These five states account for 65 per cent of the total claims. While

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the average Covid claim amount was Rs 154,808 as of March 2021, the average amount settled worked out to Rs 95,622 per person on an all-India basis. Among states, Telangana topped in amounts settled with a person getting Rs 125,260 for hospitalisation and treatment, followed by Delhi with Rs 121,540 per person. With cases and claims spiking, complaints have emerged of some insurance companies refusing to renew or offer new Covid policies to customers, prompting the Insurance Regulatory and Development Authority of India (IRDAI) to step in. "It has come to the notice of the Authority that some of the insurers are not offering Corona Kavach and Corona Rakshak Policies to the customers, and some insurers are not renewing such policies," the IRDAI said in a letter to insurance companies. "In the wake of rising infection rates due to the second wave of the Covid-19, the insurable public require appropriate health insurance coverage and it is not correct to deny such coverage to the customers in this crucial time," it said. All insurers are advised to ensure that wherever corona-specific standard products have been filed and approved by the Authority, it should be offered to the customers according to the insurer's underwriting policy, it said. "Similarly, where the underlying corona-specific product enables the insured to renew the policy as specified in the IRDAI circular, insurers are advised to renew such policies subject to the underwriting policy of respective insurers," the Authority said. Industry sources told The Indian Express that insurers have "seen a spurt in claims" under Covid policies. "They don't want to take a hit in their books. Some insurers, including public sector firms, have been refusing to offer policies to customers as the Covid pandemic flares," they said. Corona Kavach and Corona Rakshak were launched by insurers under IRDAI's guidance. Corona Kavach is an affordable policy that covers medical expenses incurred on hospitalisation due to diagnosis of Covid. The cost of treatment towards any co-morbid condition, including those pre-existing, along with treatment for Covid, will be covered by the policy, according to the IRDAI. State governments have also started fixing the rates of various medical items used for Covid treatment. The Kerala government recently fixed the rate for a PPE kit at Rs 273, N95 mask at Rs 22, oxygen mask at Rs 54, surgical gown at Rs 65, apron at Rs 12 and fingertip pulse oximeter at Rs 1,500. The IRDAI has ruled out a steep hike in premium in health insurance policies despite a rapid rise in claims by policyholders. Meanwhile, total premium collection under the health insurance category by insurers amounted to Rs 58,572 crore as of March 2021, a rise of 13.3 per cent when compared to the last year. New India Assurance collected

Rs 10,736 crore followed by Star Health Insurance at Rs 9,204 crore, according to the Council's data.

# WHY DOES SEBI WANT TO RECLASSIFY PROMOTERS?

With the concept of promoters slowly losing its relevance in India Inc, the Securities and Exchange Board of India (Sebi) has proposed doing away with the classification of 'promoter' concept and moving to 'person in control' system and scrapping the 'promoter group'. The markets regulator is expected to come out with the new regime soon, paving the way for a major change in the way the promoters and over 4,700 listed corporates function in the country.

#### What has Sebi proposed?

The regulator has proposed the shifting of the concept of 'promoter' to 'person in control'. Sebi's ICDR Regulations define a "promoter" as a person who has been named as such in the offer document or in the annual return of the issuer or a person who has control over the issuer (directly or indirectly) or in whose advice, directions or instructions the board of directors of the issuer is accustomed to act. Thus, the definition of promoter is wide-ranging and goes beyond persons in control of the issuer.

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The concept of promoter is used in a number of regulations issued by Sebi and other regulatory authorities.

# Why is Sebi moving towards the new system?

The regulator said this shift is necessitated by the changing investor landscape in India where concentration of ownership and controlling rights do not vest completely in the hands of the promoters or promoter group because of the emergence of new shareholders such as private equity and institutional investors. The investor focus on the quality of board and management has increased, thereby reducing the relevance of the concept of promoter, Sebi said in a consultation paper last week. Governance practices have become the keyword in boardrooms and boards have become more professional with the arrival of independent directors and the structure of board composition. Besides, there are various committees in the board, including audit and remuneration, for transparent functioning of the affairs of a listed company. Increasingly, there is focus on better corporate governance with the responsibilities and liabilities shifting to the board of directors and management. Shareholders now look to the board of directors and management to protect their rights and add value, while discharging their duties. This increased focus on quality of board and management has also reduced the relevance of the concept of promoter.

# Why is the system of 'promoter group' being scrapped?

The definition of the 'promoter group' focuses on capturing holdings by a common group of individuals or persons and often results in capturing unrelated companies with common financial investors, Sebi says. Capturing the details of holdings by financial investors while being a challenging task, may not result in any meaningful information to investors. Further, post listing, it is more relevant to identify and disclose related parties and related party transactions. Accordingly, this deletion should rationalise the disclosure burden and bring it in line with the post listing disclosure requirements. Further, the Companies Act, 2013 has incorporated a definition of promoter in Section 2 (69). However, it does not define a promoter group. The definition for promoter group has been provided in Regulation 2(pp) of the ICDR 2018 of the Sebi.

# Is the promoter landscape changing?

The investor landscape in India is now changing. Unlike the past, the concentration of ownership and controlling rights do not vest completely in the hands of the promoters or the promoter group. There has been a significant increase in the number of private equity and institutional investors who invest in companies and take up substantial shareholding, and in some cases, control. Such private equity and institutional investors invest in unlisted companies and continue to hold shares post listing, many times being the largest public shareholders, having special rights on the listed company, such as the right to nominate directors, Sebi says.

# WHY IS CAIRN ENERGY SUING AIR INDIA?

British oil company Cairn Energy Plc is suing Air India in New York to seize its assets to enforce the \$1.2 billion arbitration award it won against the Indian government in a retrospective tax dispute.

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#### What is the Cairn Energy-Air India dispute about?

In December last year, a three-member international arbitral tribunal had ruled in a 568-page unanimous verdict that the Indian government was "in breach of the guarantee of fair and equitable treatment" which was against the India-UK bilateral treaty and that the breach caused a loss to the British energy company. It awarded Cairn \$1.2 billion in compensation that India was liable to pay. To enforce this award, Cairn moved a court in the South District of New York against Air India. Meanwhile, India has also challenged the arbitration award in Netherlands.

#### Why are the challenges in different jurisdictions?

Since the arbitration award was delivered in Hague, India has moved an appeal in Netherlands. Cairn, on the other hand, has chosen New York to sue India because it has located substantial assets that it can recover the compensation from in that jurisdiction. Specifically, Air India's United States operations are headquartered in this district, at 570 Lexington Avenue, New York, New York, 10022. Cairn also told the court it has "initiated proceedings in numerous other locations around the world seeking recognition and enforcement of the award."

#### Why is Cairn Energy suing Air India?

*Cairn's main argument is that Air India is the "alter ego" of India, and that it should be held jointly and severally responsible for India's debts, including those arising from a judgment. As the national carrier, Air India is wholly owned and extensively controlled by the Indian government. Cairn cited a 1983 US Supreme Court verdict to argue that a principal-agent relationship exists between them.* The court will have to determine the level of economic control of Air India by the government; whether Air India's profits go to the government; the degree to which government officials manage the entity or otherwise have a hand in its daily affairs, among others.

#### What is the retrospective tax demand?

The arbitration was initiated by Cairn, similar to what Vodafone did for a breach relating to India's 2012 retrospective amendments to tax laws. In 2006, Cairn Energy made a bid to consolidate its Indian assets under a holding company — Cairn India Limited. As part of that internal rearrangement, Cairn UK transferred shares of Cairn India Holdings to Cairn India, essentially transferring shares in non-Indian companies to an Indian holding company. Subsequently, Cairn India then divested roughly 30 per cent of its shares through an Initial Public Offering. Between 2009 and 2011, mining conglomerate Vedanta Plc acquired most of Cairn Energy but Cairn UK was not allowed to transfer its 9.8 per cent stake in Cairn India to Vedanta. Tax authorities in India said in the 2006 transactions, the share transfers attracted capital gains tax of over Rs 6,000 crore by Cairn UK. In 2012, following the Supreme Court ruling that a similar series of transactions involving Vodafone did not attract capital gains as the transaction did not amount to transfer of a capital asset within the meaning of Section 2(14) of the Income Tax Act, the government amended the law retrospectively. The 2012 amendment clarified that "an asset or a capital asset being any share or interest in a company or entity registered or incorporated outside India shall be deemed to be and shall always be deemed to have been situated in India, if the share or interest derives, directly or indirectly, its value substantially from the assets located in India". This retrospective taxation, Cairn argued, was in breach of the UK-India Bilateral Investment Treaty which had a standard clause that obligated India to treat investment from UK in a "fair and equitable manner". **3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR** 



# (M)HOW FERTILISER SUBSIDY WORKS

The Centre is working on a plan to restrict the number of fertiliser bags that individual farmers can buy during any cropping season. What are the implications, including for its fertiliser subsidy bill?

#### What is fertiliser subsidy?

Farmers buy fertilisers at MRPs (maximum retail price) below their normal supply-and-demandbased market rates or what it costs to produce/import them. The MRP of neem-coated urea, for instance, is fixed by the government at Rs 5,922.22 per tonne, whereas its average cost-plus price payable to domestic manufacturers and importers comes to around Rs 17,000 and Rs 23,000 per tonne, respectively. The difference, which varies according to plant-wise production cost and import price, is footed by the Centre as subsidy. The MRPs of non-urea fertilisers are decontrolled or fixed by the companies. The Centre, however, pays a flat per-tonne subsidy on these nutrients to ensure they are priced at "reasonable levels". The per-tonne subsidy is currently Rs 10,231 for diammonium phosphate (DAP), Rs 6,070 for muriate of potash (MOP) and Rs 8,380 for the popular '10:26:26' complex fertiliser, with their corresponding average MRPs at Rs 24,000, Rs 17,500 and Rs 23,500 per tonne, respectively. Decontrolled fertilisers, thus, retail way above urea, while they also attract lower subsidy.

#### How is the subsidy paid and who gets it?

The subsidy goes to fertiliser companies, although its ultimate beneficiary is the farmer who pays MRPs less than the market-determined rates. Companies, until recently, were paid after their bagged material had been dispatched and received at a district's railhead point or approved godown. From March 2018, a new so-called direct benefit transfer (DBT) system was introduced, wherein subsidy payment to the companies would happen only after actual sales to farmers by retailers. Each retailer — there are over 2.3 lakh of them across India — now has a point-of-sale (PoS) machine linked to the Department of Fertilisers' e-Urvarak DBT portal. Anybody buying subsidised fertilisers is required to furnish his/her Aadhaar unique identity or Kisan Credit Card number. The quantities of the individual fertilisers purchased, along with the buyer's name and biometric authentication, have to be captured on the PoS device. Only upon the sale getting registered on the e-Urvarak platform can a company claim subsidy, with these being processed on a weekly basis and payments remitted electronically to its bank account.

#### What was the new payment system's underlying purpose?

The main motive is to curb diversion. This is natural with any under-priced product, more so in urea, whose basic MRP (excluding taxes and neem-coating cost) has been raised by hardly 11% from Rs 4,830 to Rs 5,360 per tonne since April 2010. *The same period* — *from when all other fertilisers were decontrolled* — *has seen the per-tonne MRP of DAP rise from Rs 9,350 to Rs 24,000, while similarly going up for MOP (Rs 4,455 to Rs 17,500) and '10:26:26' (Rs 7,197 to Rs 23,500).* Being super-subsidised, urea is always prone to diversion for non-agricultural use — as a binder by plywood/particle board makers, cheap protein source by animal feed manufacturers or adulterant by milk vendors — apart from being smuggled to Nepal and Bangladesh. The scope for leakage was more in the earlier system, right from the point of dispatch till the retailer end. With

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DBT, pilferage happens only at the retailer level, as there is no subsidy payment till sales are made through POS machines and subject to the buyers' biometric authentication.

# What is the next step being proposed?

At present, the Centre is following a "no denial" policy. Anybody, non-farmers included, can purchase any quantity of fertilisers through the PoS machines. That obviously allows for bulk buying by unintended beneficiaries, who are not genuine or deserving farmers. While there is a limit of 100 bags that an individual can purchase at one time, it does not stop anyone from buying any number of times. One plan under discussion is to cap the total number of subsidised fertiliser bags that any person can buy during an entire kharif or rabi cropping season. This, it is expected, would end even retail-level diversion and purchases by large buyers masquerading as farmers.

# What is the fertiliser requirement of a typical farmer?

It depends on the crop. *A farmer growing irrigated wheat or paddy may use about three 45-kg bags of urea, one 50-kg bag of DAP and half-a-bag (25 kg) of MOP per acre*. A total of 100 bags would easily cover the seasonal requirement of a 20-acre farmer. And that could possibly be a reasonable cap to impose; those wanting more can well afford to pay the unsubsidised rates for the extra bags.

# How much subsidy does a farmer really get per acre?

For three bags urea, one bag DAP and half-a-bag MOP per acre, the farmer would spend a total of Rs 2,437 at existing MRPs. The corresponding subsidy value – at an average of Rs 13,000 per tonne (Rs 585/bag) for urea, Rs 511.55/bag for DAP and Rs 303.5/bag for MOP – will add up to Rs 2,418.3 per acre. But then, farmers are also taxed on other inputs. Take diesel, where the incidence of excise and value added tax is Rs 42.19 on a litre retailing at Rs 70.46 in Delhi. On 30 litres of average per-acre consumption for paddy or wheat, that will be nearly Rs 1,266. So, for every Re 1 spent on fertiliser subsidy, more than half is recovered as diesel tax. In addition, farmers pay goods and service tax (GST) on inputs, ranging from 12% on tractors, agricultural implements, pumps and drip/sprinkler irrigation systems to 18% on crop protection chemicals. Fertiliser itself is taxed at 5%. And since there's no GST on farm produce, they cannot claim any input tax credit on their sales, unlike other businessmen.

# What's the way forward?

The time has come to seriously consider paying farmers a flat per-acre cash subsidy that they can use to purchase any fertiliser. The amount could vary, depending on the number of crops grown and whether the land is irrigated or not. This is, perhaps, the only sustainable solution to prevent diversion and also encourage judicious application of fertilisers, with the right nutrient (macro and micro) combination based on proper soil testing and crop-specific requirements.

# HOW RICE AND WHEAT EXPORTS HIT RECORD HIGH

Last fiscal – the year ended March 31, 2021 – a record 92 million tonnes (mt) of rice and wheat was distributed from the central pool. That included 60.32 mt under the National Food Security Act and other regular welfare schemes, besides 31.52 mt under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY), Atmanirbhar Bharat Package (for returning migrant labourers) and

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assorted programmes launched in the wake of the Covid-19-induced lockdown. Just for comparison, offtake of the two cereals averaged just 62.69 mt during the previous five years, while amounting to 62.19 mt in 2019-20. The total grain channelled through the public distribution system (PDS) in 2020-21 was, in other words, nearly 50% higher than in normal years. But it wasn't only PDS offtake. 2020-21 also saw exports of 19.81 mt valued at \$9.36 billion (Rs 69,331.45 crore). While rice exports were an all-time-high – 13.09 mt non-basmati (Rs 35,448.24 crore) and 4.63 mt basmati (Rs 29,849.40 crore) - the 2.09 mt (Rs 4,033.81 crore) for wheat was also the highest since 2014-15. These twin records – of the country exporting close to 20 mt of grain and also distributing 92 mt under schemes such as NFSA (entitling 80 crore-plus persons to 5 kg each of wheat or rice per month at Rs 2 and Rs 3/kg, respectively) and PMGKAY (additional 5 kg monthly allocation for April-November 2020, free of cost) – is a remarkable story of surplus production and stocks in public warehouses. Among other things, it ensured no mass starvation or food riots in India's worst pandemic. And even after the unprecedented offtake, rice and wheat stocks in the central pool, at 77.23 mt on April 1, 2021, stood above not only the required minimum buffer of 21.04 mt, but also the corresponding year-ago level of 73.85 mt. Exports, on the other hand, have been surging mainly on the back of international prices. The UN Food and Agricultural Organization's global cereal price index is currently ruling at its highest since May 2014, when the Narendra Modi government came to power. The increase in world prices —wheat futures are trading at \$259.87 per tonne at the Chicago Board of Trade exchange, as against \$184.54 a year ago and \$218.07 six months ago — has made exports from India a viable proposition. Indian wheat is being offered at \$280-285 per tonne free-on-board (i.e. after loading at the port of origin). That's fairly competitive vis-à-vis Australia (\$290-300), EU and US (\$300-320) or even Russia/Ukraine (\$270-280) – especially for supplying to Bangladesh, Nepal, Sri Lanka, UAE and other West and Southeast Asian markets. The \$280/tonne rate works out to over Rs 2,050 per quintal, which is more than the government's minimum support price (MSP) of Rs 1,975. Wheat sourced from Gujarat, Madhya Pradesh or Rajasthan at below MSP - say, Rs 18,000 per tonne – can easily be exported today from Kandla and Mundra even after adding Rs 1,500-2,000 towards cost of bagging, cleaning, transport, port handling and loading. The possibilities for it can also be seen from the fact that wheat from Shahjahanpur, Gonda or Prayagraj in Uttar Pradesh and Bihar is now being delivered by rail wagons in Bengaluru at Rs 2,050-2,100 per quintal. Flour millers are getting a 1.5% cash discount on top of that. The same wheat is selling at Rs 1,600-1,650/quintal in central/eastern UP and Bihar, where hardly any MSP-based procurement takes place. Below-MSP sourcing for exports would be all the more in the case of rice. At the MSP of Rs 1,868/quintal for common paddy, the equivalent price of milled rice will be around Rs 28,000 or \$382 per tonne (paddy yields roughly two-thirds rice, with the milling and other operational costs recovered from sale of bran and husk). This is more than the \$360/tonne and \$385/tonne rates at which white non-basmati rice with 25% and 5% broken grains content, respectively is being shipped from Andhra Pradesh's Kakinada and Vizag ports. Indian white rice is, again, very competitive relative to Thailand's (\$485-495 per tonne free-on-board for 25% and 5% brokens), Vietnam's (\$470-495) and Pakistan's (\$380-440). While the hardening of global prices has definitely helped, the competitiveness of Indian rice and wheat has also been enabled by two other factors. The first, as already alluded to, has to do with grain being available at sub-MSP. Indian farmers have produced an estimated 109.24 mt of wheat this time. Government agencies, as on May 13, had bought 36.14 mt of this crop in the ongoing marketing season. Almost 90% of it has been from just three states: Punjab (13.21 mt), MP (10.63 mt) and Haryana (8.27 mt). That has allowed enough scope for below-MSP purchases in Uttar Pradesh, Bihar or even Gujarat 3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR





and Maharashtra for supplying to domestic millers as well as exporters. But a still more attractive source of export competitiveness could be recycled/leaked grain from the PDS. Given the massive quantities that were offered free/near-free under PMGKAY/NFSA during 2020-21 (55.78 mt of rice and 36.06 mt of wheat), it shouldn't surprise if a not-insignificant part got diverted to the open market or even exports. With international prices continuing to rule high – and the Modi government allocating an extra 5 kg of free grain to NFSA beneficiaries for May and June, on the same pattern as PMGKAY last year – the prospects for exports look good in the coming months too. And in contrast to the 1943 famines, this is unlikely to lead to any food scarcity or spiralling prices back home.



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# **LIFE & SCIENCE**

#### MARS LANDING GIVES CHINA'S SPACE PROGRAMME A LEG-UP

China landed a spacecraft on Mars carrying its first Mars rover in a big boost to its space ambitions, the country's space agency said on Saturday. China had in July last year launched its first Mars mission, called Tianwen-1, meaning Questions to Heaven, carrying a lander and rover. Tianwen-1 had been in orbit since February, and on Saturday, a lander descended successfully on to the surface of the red planet carrying a rover named **Zhurong, named after a god of fire** for a planet known in Chinese as the planet of fire. Only the Soviet Union and the U.S. had previously carried out a successful landing on Mars. China's official media described "nine minutes of terror" during the descent — the hardest part of the mission. The descent "was extremely complicated with no ground control, and had to be performed by the spacecraft autonomously," Geng Yan, an official at the China National Space Administration (CNSA) Lunar Exploration and Space Program Center, was quoted as saying by state media. "Each step had only one chance, and the actions were closely linked. If there had been any flaw, the landing would have failed," he said. The rover will provide "first-hand materials for rese<mark>arch on the planet's space environm</mark>ent, surface topography, and soil structure", the CNSA said. China's leadership sees the space programme as an important part of China's ambitions to close the technological gulf with the U.S. President Xi Jinping on Saturday described the Mars landing as "an important step in China's interstellar exploration" and said it had "left a Chinese mark on Mars for the first time" and was "another landmark progress in China's space industry development". China had previously tried to launch a Mars orbiter along with Russia in 2011, but that failed to enter orbit. This attempt, on its own, hit the target. China's Mars mission, along with lunar mission and space station, is key to its space programme. In 2019, the fourth lunar probe, Chang'e-4, carried out the world's first landing on the far side of the moon. The Mars mission was launched the following year. China is also investing heavily in its manned space programme, as plans accelerate for its first space station, set to be functional by the end of next year and only the second space station after the International Space Station. Last month, a Long March-5B Y2 rocket carried out the first of three components for *the space station, called the Tianhe or* Heavenly Harmony module. Thomas Zurbuchen, of NASA's Science Mission Directorate, congratulated China. "Together with the global science community," he said, "I look forward to the important contributions this mission will make to humanity's understanding of the Red Planet."

#### WORLD'S LARGEST ICEBERG BREAKS OFF FROM ANTARCTICA

A huge ice block has broken off from western Antarctica into the Weddell Sea, becoming the largest iceberg in the world and earning the name A-76. It is the latest in a series of large ice blocks to dislodge in a region acutely vulnerable to climate change, although scientists said in this case it appeared to be part of a natural polar cycle. Slightly larger than the Spanish island of Majorca, A-76 had been monitored by scientists since May 13 when it began to separate from the Ronne Ice Shelf, according to the U.S. National Ice Centre. The iceberg, measuring around 170 km long and 25 km wide, with an area of 4,320 sq km is now floating in the Weddell Sea. It joins previous world's largest title holder A-23A — approximately 3,880 sq. km. in size — which has remained in the same area since 1986. A-76 was originally spotted by the British Antarctic Survey and the calving — the term used when an iceberg breaks off — was confirmed using images from the Copernicus

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satellite, the European Space Agency said. *Icebergs form when hunks of ice break off from ice shelves or glaciers and begin to float in open water.* 

# WHAT IS THE NEW TWITTER VERIFICATION PROCESS?

Microblogging site Twitter has reopened its verification application program for the public after a three-year hiatus to let people make submissions for their profiles to sport the coveted "blue tick". Alongside reopening applications, Twitter has also announced a change in the guidelines that dictate how profiles will get verified and a basic set of rules for how verified profiles should conduct themselves.

# What is the Twitter verification program?

Twitter allows certain categories of users to be verified on the portal. According to Twitter, the blue badge is one of the ways people can distinguish the authenticity of accounts that are of high public interest. *It gives people on Twitter more context about who they're having conversations with so they can determine if it's trustworthy*, "which our research has shown leads to healthier, more informed conversations".

#### How can one apply to get verified?

Over the next few weeks, everyone on Twitter will start to see the new verification application directly in the Account Settings tab. Once an application is submitted, the user can expect an emailed response from Twitter within a few days, but this could take up to a few weeks depending on how many open applications there are in the queue. If the application is approved, the user will see the blue tick automatically on their profile. *In case a request for verification is rejected, a user may reapply 30 days after receiving the decision from Twitter.* 

#### What is new with the relaunched verification program?

Along with the application launch, Twitter is also introducing new guidelines for verified accounts. To qualify for verification, Twitter accounts must belong to one of the six categories — Government; Companies/brands/organisations; news organisations and journalists; entertainment; sports and gaming; and activists/organisers/other influential individuals. However, Twitter said that it is planning to introduce more categories later this year, such as those for scientists, academics, and religious leaders. The social media platform said that users must also provide a profile name, a profile image, and either a confirmed email address or phone number. The account must also be active within the last six months and have a record of adherence to the Twitter Rules.

# Why did Twitter relaunch the verification program for the public?

Three years ago, Twitter had paused the program to review its policies on the basis of which verification status was granted to a user. Over time, Twitter had been seeking user feedback to amend its verification policy. Notably, earlier this year, the Centre had introduced guidelines to contain the misuse of social media platforms. Among various measures, the social media rules issued by the IT ministry called for platforms to look at offering a voluntary user verification mechanism to those who wish to verify their accounts. Such users will be provided an appropriate

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mechanism to verify their accounts and provided with a demonstrable and visible mark of verification, the rules had said.

# HOW APPLE VS EPIC GAMES SUIT COULD ALTER APP ECOSYSTEM

*Epic Games, the developer of popular video game Fortnite, has taken iPhone maker Apple to the court in a battle over the latter's App Store policies.* The outcome of this case, should Apple lose, could bring in sweeping changes to how the booming App Store functions, and even set legal precedents for Google's Play Store.

# What has happened so far?

Apple mandates apps installed on its mobile devices to be done from its App Store. It also mandates all in-app payments to go through its own payment processing system, wherein it charges a 30% fee to the developers. Last year, Epic Games intentionally broke this rule and established its own payment processing system on Fortnite's iPhone app. This led to Apple taking down the game from the App Store. Soon, Epic Games filed a lawsuit against Apple in the US District Court of Northern California terming the company anti-competitive.

# What is Epic Games seeking?

There are mainly three changes that Epic Games is seeking in the App Store policies. Firstly, it wants the ability to have an alternative payments processing system for in-app purchases. This could potentially mean billions of dollars in revenue being erased for Apple gained from the 30% fee it charges many developers. To add to this, Apple also prohibits developers from advertising to consumers a way to make payments from outside the device ecosystem, where, for example, they may get a better deal. Epic Games wants to be able to tell its users that there are alternate ways of paying for their purchases. And lastly, in its most radical demand, Epic Games wants users to have the ability to install apps by sidestepping the App Store.

# Are there broader implications to this case?

Yes. The app ecosystem is a booming revenue stream for platforms such as Apple and Google, which run the most prominent app stores. *Even in the European Union, Swedish music streaming app Spotify had filed a complaint against Apple for imposing unfair policies — and the bloc's regulators accused Apple of violating its antitrust law as a result of this.* Regulators in Brussels are also investigating other big US tech companies like Amazon and Google, amid a growing global movement to rein in their power. Even in India, apps have led a campaign against Google's Play Store policies of the fee it charges the developers to access its platform.

# HOW A US PIPELINE CAME UNDER CYBERATTACK, WHICH GROUP WAS BEHIND IT, AND HOW IT IMPACTS OIL PRICES

After a ransomware attack on a key US pipeline network led to a disruption in fuel supplies in the eastern part of the United States, the company owing the pipeline has reportedly paid a ransom of \$5 million to the cybercriminal group that launched the attack. The payment, according to multiple news reports, was made using Bitcoins. Colonial Pipeline Company, which transports about 45 per

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cent of all petrol and diesel consumed on the east coast of the US, was forced to shut down operations after the cyberattack on May 7. The shutdown led to the US federal government declaring a regional emergency to allow transportation of fuels through tanker trucks to tide over the impact of shortages. What kind of attack was this, which hacking group was behind it, and how did it impact oil prices?

# What is a ransomware attack?

A ransomware attack is a cyberattack using malware that encrypts the victim's files and requires users to pay a ransom to decrypt the files. Experts noted that with companies moving to real-time backups, hackers have, as in the case of the Colonial Pipeline attack, also added the element of downloading all the data on an enterprise network before encrypting it. The hackers can then threaten to leak the data if the ransom is not paid. The FBI has identified the ransomware used in the attack as a variant of ransomware created by the DarkSide group that has been in use since October 2020, according to Anne Neuberger, deputy national security advisor on cyber and emerging tech in a White House briefing. The company has reportedly paid a ransom amount of \$5 million in Bitcoin to retrieve its files. A White House official noted that it was the position of the federal government and of the FBI that " it is not in the interest of the private sector for companies to pay ransoms because it incentivises these actions". Neuberger indicated that Colonial Pipeline's systems may have been compromised as a result of security systems not being up to date. "In this case, the ransomware that was used is a known variant... So the first and most important thing is to ensure that systems are patched and that cybersecurity is maintained at the level needed in a given network," Neuberger said, adding that this was particularly important in the case of critical infrastructure networks.

# Who are the DarkSide group?

Experts have noted that while the DarkSide group is new, it is likely made up of veteran ransomware developers based in Russia. In a statement published online, the group has claimed that it is apolitical and is only concerned about making money and has claimed that it also donates some of its proceeds to charities. Neuberger noted that the group functioned on ransomware as a service model where "criminal affiliates conduct attacks and then share the proceeds with the ransomware developers". Cybersecurity firm Cybereason said that the DarkSide group appeared to have a code of conduct that prohibits attacks against hospitals, hospices, schools, universities, non-profit organizations, and government agencies. In a statement published online, the group seemed to shift the blame of the attack on one of its partners using its software. "Our goal is to make money, and not creating problems for society," said the group, adding that it would "check each company that our partners want to encrypt to avoid social consequences in the future".

#### How did this attack impact oil prices?

Oil prices rose in response to the attack on Colonial Pipeline with the price of Brent crude rising to \$69 per barrel on Monday. The price of Brent crude was \$68.7 at the end of trading on Friday. The Colonial Pipeline company has said that a full resumption of its operations could take a few days. The disruption led to a gas shortage across the east coast with customers facing long lines to purchase fuel and many pumps running out of petrol and diesel as panic buying led to customers purchasing larger quantities of fuel. The temporary shortage also led to an increase in

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pump prices in the US with the average national price of petrol rising to over \$3.0 per gallon, the highest level since 2014. Crude oil prices have risen over the past fortnight despite a surge in Covid-19 infections in Asia due to expectations of increasing crude oil demand from the US and Europe leading to further upward pressure on auto fuel prices.

# How can oil and gas companies deal with such attacks?

*Experts noted that there was a need to move towards fortifying approaches to prevent attacks including employing a zero-trust security framework in enterprise networks.* "A zero-trust approach means anything is suspected whenever any activity is done on the network, and every user, including the CEO, will have to be verified time and again," said a cybersecurity consultant who did not wish to be named. This expert added that other measures such as Cloud Access Security Brokers (CPAB), which act as intermediaries between users and cloud service providers, could "give teeth" to an overall cybersecurity strategy. The expert noted that India's oil and gas PSUs were making efforts to beef up security, and that organisations managing critical infrastructure such as pipelines and refineries were required by the government to implement certain security measures. The Ministry of Petroleum and Natural Gas did not respond to emailed requests for comment on the vulnerability of critical oil and gas infrastructure to cyber attacks.

# FOR ELEPHANT SEALS, IT IS HARD WORK TO STAY FAT

For elephant seals – one of the most distinctive of the 33 species that comprise the world's seal family – it is hard work to stay fat.

Scientists have conducted the most thorough study to date of the unique feeding behaviour of northern elephant seals, focusing on the females of the species during arduous two-month post-



breeding migrations in the northeastern Pacific Ocean. The seals were found to spend upwards of 20 hours every day – and sometimes a full 24 hours – in continuous deep-diving to feed on multitudes of small fish, rather than the larger prey favoured by other deep-diving marine mammals, to gain the body fat essential for successful reproduction and insulation in the frigid depths. They fed 1,000 to 2,000 times daily.

"It is not easy to get fat," said marine biologist Taiki Adachi of the University of St Andrews in Scotland, who led the study published this week in the journal Science Advances. The researchers tracked 48 female elephant seals from *Año Nuevo State Park in California*, site of an important breeding colony. They based their findings on data obtained from 2011 and 2018 using three small removable devices: one attached under the jaw that counted the number of times they fed and measured their depth; a satellite tracker attached atop the head that provided location information; and a "smart" video camera with an infra-red LED light flash, motion tracker and another depth sensor, also atop the head. *Male northern elephant seals may reach 4 metres length and weigh up to 2,000 kg. Females are substantially smaller, getting up to about 3 metres in length and 590 kg. The males feed only in coastal waters.* 

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#### **Different solution**

The female elephant seals, also large but not on the scale of a sperm whale, have devised a different solution - eating huge amounts of small fish. But it is laborious to catch enough small fish to meet the energy needs of such a large animal. "They continuously dive, for long periods of time – 20 minutes on average and about 100 minutes at maximum – and deep, 500 metres on average and about 1,500 metres at maximum – with only a few minutes breathing at the surface," Adachi said. "During the two-month migration, they never come back to the land. The sleeping hours in at-sea animals is not fully understood," Adachi added.

# NEW SKINK SPECIES FROM WESTERN GHATS

In September 2019, a group of *herpetologists gathered at Anaikatti hills in Coimbatore for the South Asian Reptile Red List Assessment organised by the International Union for Conservation of Nature (IUCN).* When Achyuthan Srikanthan from the Indian Institute of Science, Bengaluru, suggested an impromptu night visit to a nearby private farm, little did they know they would stumble upon a new species: an Asian gracile skink.

#### Slender and slight

Named Subdoluseps nilgiriensis, the reptile has a slender body of just about 7 cm and is sandy brown in colour. Based on genetic studies, the team writes the new species is closely related to Subdoluseps pruthi found in parts of the Eastern Ghats. "The new species was found in a dry deciduous area, showing that even the dry zones of our country are home to unrealised skink diversity. There is an urgent need to change the notion that high biodiversity can be found only in the wet and evergreen forests," says Aniruddha Datta Roy, corresponding author of the paper recently published in **Zootaxa**. He adds that most of the studies in Tamil Nadu are carried out only in the protected areas and focus only on megafauna such as tigers, elephants and other such. "We also need to study the little-known animal groups inside our forests. They are fundamental and indispensable components of our biodiversity," adds Prof. Roy from the National Institute of Science Education and Research, Bhubaneswar.

#### Secretive habits

Most skinks are diurnal and are usually secretive. Being elusive, not much is known about their natural and evolutionary history. "This species is only the third skink species discovered from mainland India in the last millennium. Such discoveries give us an understanding of how underestimated our reptile species diversity truly is," adds Prof. Roy. Skinks are non-venomous. They resemble snakes because of the often-inconspicuous limbs and the way they move on land. Such resemblance has led to confusion often resulting in humans killing this harmless creature. "We are yet to study the breeding and feeding habits of this new species. Other skinks are known to feed on insects such as termites, crickets and small spiders, and we assume our new species has a similar diet," adds Avrajjal Ghosh, one of the authors of the paper. Subdoluseps nilgiriensis is currently considered a vulnerable species as there are potential threats from seasonal forest fires, housing constructions and brick kiln industries in the area. Rapid urbanisation, which has increased the road networks in the area, has also threatened its small geographical range.

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#### WHAT IS MYLAB COVISELF, THE SELF-TESTING COVID-19 KIT

The Indian Council of Medical Research (ICMR) on Wednesday approved the country's first Covid-19 self-testing kit for home use. That essentially means anyone can collect their own nasal sample and test it for SARS-CoV-2.

#### How does a self-test kit help?

Many states are going through a second wave of infections, putting pressure on diagnostics laboratories. The RT-PCR test, considered the gold standard for Covid-19 testing, takes 3-4 days to give results, delaying hospitalisation and treatment. Self-test kits can potentially be a game-changer in Covid-19 management in India. These can cut queues in laboratories, reduce costs, dissipate the burden on existing manpower for sample collection from homes, and provide quick results (within 15 minutes), leading to prompt treatment and isolation. Such a self-test kit was first approved in the US last November. A rapid-result all-in-one test kit produced by Lucira Health was given emergency use authorisation. Similar kits have been approved in Europe and South Korea too.

#### What is the kit approved by ICMR?

*Called CoviSelf, it has been developed by MyLab Discovery Solutions, a Pune-based molecular company.* It uses a rapid antigen test, in which a nasal swab sample is tested for the virus and *gives results within 15 minutes. Taking the test takes hardly two minutes. This testing kit cost Rs 250, while RT-PCR test costs between Rs 400 to Rs 1,500 and a rapid antigen test in laboratory costs Rs 300-900 in different states. "For India, we will make millions of kits available at fraction of the cost of such kits in the US," said Dr Hasmukh Rawal, managing director in MyLab. The kit will be available in market by end of next week. MyLab's current production capacity is 70 lakh kits per week, and it plans to scale up to one crore kits per week in next fortnight. The kits will be available across at least seven lakh chemists and e-pharmacy portals in India, the company said. "This easy-to-use test combines with MyLab's AI-powered mobile app so that a user can know his/her positive status, submit the result to ICMR directly for traceability, and know what to do next in either result. We are sure this small step will be a big leap in mitigating the second and subsequent waves," said Sujit Jain, director, MyLab Discovery Solutions.* 

#### Who can use this test?

*ICMR has advised this test only for those who have symptoms or are high-risk contacts of positive patients and need to conduct a test at home.* If positive, the person will be considered Covid-19 positive and will not require RT-PCR as a confirmatory test. All government guidelines for isolation and high-risk contact tracing will be followed. *This test is synced with a mobile app, CoviSelf, which will help directly feed the positive case's report on the ICMR portal.* This test is not advised for general screening in public places of hawkers, show owners, or commuters. *If a person tests negative but has symptoms, he or she has to undergo RT-PCR test.* 

#### How do I test myself?

The kit comes with a pre-filled extraction tube, sterile nasal swab, a testing card, and biohazard bag. First download the CoviSelf app and enter all your details. The app will capture data on a **3**<sup>RD</sup> **FLOOR AND 4**<sup>TH</sup> **FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR** 





secure server connected with the ICMR portal, where all test reports are available to government. Before taking the test, sanitise your hands and clean the surface on which the kit is to be placed. Insert the swab into your nose 2-4 cm inside, or until it touches the back of nasal tract, and rub it well to collect the specimen. The swab is then swirled inside the extraction tube to mix with the liquid inside, the tube is tightly closed, and two drops from the extraction tube's outlet are spilled onto the testing card. The result comes within 15 minutes. *A person is positive for Covid-19 if two lines appear on the testing card — on marker 't' for testing line, and 'c' for quality control line. If the person is negative, a single line appears on marker 'c'. If the result takes more than 20 minutes to show, or if a line does not flash across marker 'c', then the test is invalid. Seal the tube and swab in the biohazard bag and dispose of it as biomedical waste.* 

# What are the arguments in favour of, and against, self-testing?

A person testing himself at home rather than visiting a hospital or lab, or calling a technician at home, reduces the risk of transmission to others. Swab collection in this case is fairly simple and quick, and reduces overall testing expenditure and the stress of booking appointment in labs. Selftesting will reduce the burden on laboratories that are currently working 24 hours up to full capacity with manpower that is already saturated. On the flip side, the reliability of results remains a major concern. The likelihood of the sample not being collected correctly, or the swab stick getting contaminated, is high. Also, rapid antigen tests come with a high chance of false negatives. If a Covid-infected person is asymptomatic and tests negative, the test may give a false sense of security. But by far the biggest concern is the difficulty in tracing positive patients. A person can feed a wrong address and details on the mobile app, making it impossible for health workers to carry out contact tracing. Alternatively, technical errors in the mobile app can hamper the entire testing and reporting process. While a rapid antigen test serves as a quick mass surveillance tool, overdependence on it for testing is not advisable. It should only supplement, not form, the bulk of testing.

#### How effective is self-testing?

Self-tests can be effective if the patient follows isolation norms, feeds correct data and is able to interpret the results accurately. According to the European Centre for Disease Prevention and Control, "the reliability of the test result depends on a few factors: the ability of the person taking the sample and performing the test to follow instructions, the viral load at the time of the sampling, and the disease prevalence in the population when the test is taken". The European CDC released a document in March, stating self-testing can complement but not replace traditional testing methods. "Shifting the responsibility of reporting test results from health professionals and laboratories to individuals *could lead to underreporting*, and make response measures such as contract tracing and quarantine of contacts even more challenging," the report said. But a preprint in MedRxiv by three US researchers from Harvard and Yale argued that home testing could actually help in pandemic control and warrants being considered as part of national containment strategy. Another article, in The New England Journal of Medicine last September, said simple, cheap rapid tests will accomplish the aim of mass surveillance even if their sensitivity to capture accurate results are inferior to other tests.

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# READING GOVT ADVISORY ON AIRBORNE TRANSMISSION

In a new advisory, the government has warned that the SARS-CoV-2 virus can be transported through air as well in the form of aerosols, and infect people up to 10 metres away. The warning, included in an updated general advisory on Covid-19 issued by the office of the Principal Scientific Advisor, is in line with the latest evidence that suggests that airborne transmission of the virus, especially in enclosed spaces, cannot be ruled out.

#### **Droplet vs aerosol**

The different modes of transmission of the virus has been the subject of intense discussion since the start of the pandemic. It was initially suggested that the virus spreads predominantly through large droplets that come out when a person is talking, sneezing or coughing. These droplets, because of their large size, were supposed to travel only short distances before falling on the ground. A person 6 feet (2 metres) away was considered safe from infection. Over the months, however, scientists have been finding increasing evidence of the virus travelling through aerosols as well. *Aerosols are small solid particles suspended in the air. Relatively light, aerosols can carry the virus to much larger distances. Also, they can remain suspended in the air for several minutes, or even hours, thereby greatly increasing the chance of the infecting a nearby person.* In an updated note on Covid-19 transmission, the US Centers for Disease Control and Prevention has said though the chances of an infection gets reduced significantly at distances greater than six feet, such incidences had been "repeatedly documented under certain preventable circumstances".

#### The new advisory

The Indian advisory has adopted a cautious approach, and warned that transmission through aerosols could happen even at a distance of 10 metres. *Droplets coming out from an infected person fall within a two-metre distance, while aerosols can be carried be carried in air up to ten metres,* it has said. It has said that *droplets and aerosol remain the main modes of transmission of the disease, although it has also warned of the possibility "surface transmission" — droplets falling on different surfaces, and getting picked up by people who touch these surfaces. The risk from surface transmission, considered very high in the initial months of the pandemic, is now believed to be greatly reduced. The CDC has said current evidence "strongly" suggested transmission from contaminated surfaces "does not contribute substantially to new infections".* 

#### What you should do

The advisory asks people to *keep their indoor spaces well-ventilated, by keeping doors and windows open, and using exhaust systems.* "In closed, unventilated indoor spaces, droplets and aerosols become quickly concentrated and greatly increase the risk of transmission to the people in the area," it says. *It stresses that the infection transmission risk was much lower in outdoor areas since the virus particles get easily dispersed.* It advises introducing outdoor air in offices, homes and larger public spaces, and measures to improve ventilation in these spaces in urban and rural areas alike. "Simple strategic placement of fans, open windows and doors, *even slightly open windows can introduce outdoor air and improve the air quality inside.* Introduction of cross ventilation and exhaust fans will be beneficial in curtailing the spread of the disease," it says.

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# GENOME SEQUENCING FINDS B.1.617 BECOMING DOMINANT VARIANT OF CONCERN IN INDIA: INSACOG SCIENTISTS

Over 20,000 samples of SARS-CoV-2 have been sequenced from across states, and the consortium has identified variants of concern in 8,000 samples with B.1.617 variant being the dominant one. Scientists across various institutions under Indian SARS-CoV-2 Genomics Consortium (INSACOG) have said the B.1.617.2 variant was beginning to take over as the dominant variant of concern in the country. INSACOG is the leading national consortium of top scientific institutions in the country involved in genome sequencing of the virus. Over 20,000 samples of SARS-CoV-2 have been sequenced from across states, and the consortium has identified variants of concern in 8,000 samples with B.1.617 variant being the dominant one. "The picture is still not uniform across states," Dr Sujit Singh, chief of National Centre for Disease Control told The Indian Express. "Somewhere it is B.1.617 and somewhere it is B.1.1.7. (UK variant). There are sub-lineages of B.1.617 and we are finding maximum of B.1.617.2," Dr Singh said. B.1.617 is the technical name of the variant first reported in India. It has three sub-lineages 1, 2 and 3 and B.1.617.2 has been designated a variant of concern in UK. World Health Organization (WHO) has also declared it to be a variant of global concern with chief scientist Dr Soumya Swaminathan stating that it might may be "dodging vaccine protections". At INSACOG, scientists are also studying whether the variants that are emerging are leading to severity of disease and trying to understand the reason behind breakthrough infections.

# MODERNA, PFIZER VACCINES WORK BETTER IN MEN

A researcher is raising awareness about an important subtlety in vaccines in use in the United States — the Moderna and Pfizer-BioNTech vaccines appear to work slightly better for males than for females. Researcher Morteza Mahmoudi of Michigan State University has published three peerreviewed papers calling attention to the role of sex in nanomedicine studies, both in general and as they relate to coronavirus vaccines. The latest paper was published on Thursday in Nature Communications. The Moderna and Pfizer vaccines use tiny orbs, or nanoparticles, to deliver their active ingredients to cells in our immune systems. Mahmoudi has been studying how and why nanomedicines can affect patients differently based on their sex. He believes this could be a factor with the vaccines.

In the case of the Moderna vaccine, clinical trials showed it was 95.4% effective at preventing Covid cases for males, compared with 93.1% for females. For the Pfizer-BioNTech vaccine, the numbers are 96.4% for males and 93.7% for females. Both vaccines use nanoparticles based on lipids. The pharma companies pack these tiny lipid-based particles with the vaccines' active ingredients and essentially use the nanoparticles as delivery vehicles. Working with researchers at Sapienza University of Rome, Mahmoudi designed an experiment to test whether lipid-based nanoparticles could be a reason behind the difference in vaccine efficacy for males and females. That study was published on May 13 in the journal Molecular Pharmacology. The study found natural killer cells from female donors. Based on this model system, then, it is plausible that immune systems of males and females would respond differently to the vaccine.

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# ASTRAZENECA DOSE FOLLOWED BY PFIZER SHOT SAFE, EFFECTIVE: EARLY FINDINGS OF SPANISH TRIAL

A Spanish study has found that a first dose of AstraZeneca's coronavirus vaccine, followed by a dose of Pfizer's vaccine, is highly safe and effective

In people who got both doses, IgG antibodies in the bloodstream was found to be 30-40 times higher than those who received only the one AstraZeneca dose. The presence of neutralising antibodies, too, rose seven times after a Pfizer dose, according to a Reuters report. For comparison, in those who receive two AstraZeneca doses, the presence of neutralising doses has been observed to double after the second shot. In participants who received both doses, side effects were mild, and related to injection site discomfort. The most common side effects were headaches (44% of all cases), malaise (41%), chills (25%), mild nausea (11%), mild cough (7%), and fever. The study comes amid acute vaccine shortages in various countries. With limited vaccine supplies, not all countries have the option to choose which kind of vaccine they can offer to the public. In India, as in many other countries, mixing of two different vaccines is not recommended in the national guidelines. India is administering two vaccines, Covaxin and Covishield, which is a version of AstraZeneca's vaccine. A similar study has been under way in the UK since February. The country's Vaccine Taskforce provided £7 million for a vaccine trial meant to study the effectiveness of alternating doses of vaccines. This study will assess eight different combinations of vaccines, which also include vaccines made by AstraZeneca and Pfizer.

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