



# CURRENT AFFAIRS FOR UPSC

17th to 23rd April 2022



## INTERNATIONAL

### THE U.K.-RWANDA ASYLUM PLAN

The story so far: Since 2018, there has been a marked rise in the number of refugees and asylum seekers that undertake dangerous crossings between Calais in France and Dover in England. The number of such persons rose from 297 in 2018, to 28,431 in 2021. Most such migrants and asylum seekers hail from war-torn countries like Sudan, Afghanistan, and Yemen, or developing countries like Iran and Iraq. For the Conservative Party government in Britain that has adopted a hardline stance on illegal immigration, these crossings constitute an immigration crisis. The Nationality and Borders Bill, 2021, which is still under consideration in the U.K., allows the British government to strip anyone's citizenship without notice under "exceptional circumstances". The Rwanda deal is the operationalisation of one objective in the Bill which is to "deter illegal entry into the United Kingdom, thereby breaking the business model of people smuggling networks and protecting the lives of those they endanger."

#### **What is the Rwanda Deal?**

The U.K. and Rwanda Migration and Economic Development Partnership or the Rwanda Deal is a Memorandum of Understanding (MoU) signed between the governments of the U.K. and Rwanda in April 2022. Under this deal, Rwanda will commit to taking in asylum seekers who arrive in the U.K. on or after January 1, 2022, using "illegally facilitated and unlawful cross border migration." Rwanda will function as the holding centre where asylum applicants will wait while the Rwandan government makes decisions about their asylum and resettlement petitions in Rwanda.

The rationale for the deal, according to the U.K. government, is to combat "people smugglers", who often charge exorbitant prices from vulnerable migrants to put them on unseaworthy boats from France to England that often lead to mass drownings. The U.K. contends that this solution to the migrant issue is humane and meant to target the gangs that run these illegal crossings. Rwanda will, on its part, accommodate anyone who is not a minor and does not have a criminal record. A migrant in the U.K. will be given five days' notice to pursue an appeals process, failing which they will be given a one-way ticket to Rwanda and will become the responsibility of the Rwandan government. The deal is "uncapped", i.e., there is no upper limit to how many migrants will be sent to Rwanda for the five years that the deal will remain in place. The MoU also does not have any specific language that outlines the economic right to work, access to healthcare or any financial support provided by the Rwandan government to relocated persons.

#### **What will the scheme cost the U.K.?**

The U.K. will pay Rwanda £120 million as part of an "economic transformation and integration fund" and will also bear the operational costs along with an, as yet undetermined, amount for each migrant. Currently, the U.K. pays £4.7 million per day to accommodate approximately 25,000 asylum seekers. At the end of 2021, this amounted to £430 million annually with a projected increase of £100 million in 2022. The Rwanda Deal is predicted to reduce these costs by outsourcing the hosting of such migrants to a third country.

Opposition critics disagree with these initial figures. Shadow Home Secretary Yvette Cooper from the Labour Party has stated that Australia paid 10 billion Australian dollars over time to offshore 3,127 migrants and the burden of such costs will eventually fall on the British taxpayer.



### **Will the Rwanda Deal solve the problem of illegal immigration?**

This deal will be implemented in a matter of weeks unless it is challenged and stayed by British courts. While Boris Johnson's government is undoubtedly bracing for such legal challenges, it remains unclear if the Rwanda Deal will solve the problem of unlawful crossings. Evidence from similar experiences indicates that such policies do not fully combat "people smuggling". Instead, they create a parallel problem. Australia had inked a similar off-shore processing deal with Papua New Guinea that was challenged through a class-action lawsuit. In 2017, the Papua New Guinea Supreme Court ruled that the processing centre on Manus Island was "illegal and unconstitutional" and ordered that Australia pay 70 million Australian dollars as compensation to the 2,000 people detained at this centre. Australia has a similar deal with Nauru, which today remains its only processing station. However, the Nauru Regional Processing Centre witnessed a riot in 2013, where allegations of sexual abuse against women and children and self-harm was reported amongst the inmates. In short, people who were already vulnerable when they attempted dangerous sea-crossings, became more exposed and vulnerable under detention.

Rwanda also has a less than remarkable human rights record. Government critics have been silenced or sentenced to prison. Further, Rwanda's offshoring deal with Israel was scrapped in 2019. Israel deported a reported 4,000 people from Eritrea and Sudan who arrived in Rwanda and left the country shortly after, sometimes being encouraged to do so. Many attempted to make dangerous crossings back into Europe. Those who stayed behind had difficulty finding employment. The Rwanda Deal is an instrument that will certainly generate revenue for the Rwandan government. However, it also unloads a British issue onto a less developed nation in an attempt to pander to the anti-immigrant sentiments in the U.K..

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### **HE EXTRADITION SAGA OF JULIAN ASSANGE**

The story so far: On April 20, the Westminster Magistrates' court in London formally issued an order to extradite Wikileaks founder Julian Assange to the U.S. The court sent the order to Home Secretary Priti Patel, who will decide whether to permit the extradition. According to reports, his lawyers have four weeks to make submissions to Ms. Patel. If she approves the extradition, Mr. Assange can also try to challenge it by judicial review. The 50-year-old Mr. Assange is wanted in the U.S. on criminal charges, including breaking the Espionage Act, after WikiLeaks published thousands of secret U.S. files in 2010.

#### **What did Mr. Assange do?**

On April 5, 2010, a 39-minute video was released by a website, called wikileaks.org, that showed gun-sight footage of two U.S. AH-64 Apache helicopters in action during the Iraqi insurgency against the U.S. occupation in 2007. The video showed the helicopter crew firing indiscriminately and killing civilians and two Reuters war correspondents. For nearly three years, Reuters had sought access to this video that would have shed light on the killing of its correspondents, via the U.S. Freedom of Information Act but had failed.

The release of the video by WikiLeaks was made possible by the leak of nearly 4,00,000 documents called the Iraq War Logs from the U.S. Department of Defense databases by the intelligence analyst



Bradley Manning (who later referred to herself as Chelsea), who acted as a whistle-blower. Ms. Manning had copied these files into a CD-ROM and uploaded them onto a WikiLeaks dropbox.

WikiLeaks promptly released the war logs which were published by a host of media organisations and exposed human rights abuses by occupation forces besides the increased fatality counts in Iraq. The War Logs' release was followed by the publication of several news stories based on thousands of leaked diplomatic cables that were also released by Ms. Manning, leading to significant public exposure of the ways, lifestyles and attitudes of the elite in various countries. The WikiLeaks model — using cryptographic tools to protect sources and allowing for anonymous “leaks” of sensitive information (that could also be in public interest) to be published — suddenly brought forth a new model of extensive investigative journalism into areas that were relatively shielded from the public eye.

Later, WikiLeaks also published then presidential candidate (and former Secretary of State) Hillary Clinton's aide John Podesta's emails before the 2016 presidential elections. While the WikiLeaks portal was maintained and sustained by hundreds of volunteers, the site was represented publicly by its founder and director, Julian Assange.

#### **What are the charges brought against Mr. Assange by the U.S. government?**

The Barack Obama administration began investigation of the Manning leaks, and Ms. Manning was convicted by court martial in July 2013 for violating the Espionage Act and underwent rigorous imprisonment before her sentence was commuted in January 2017 by the President. However, the administration concluded that it would not pursue criminal charges against Mr. Assange and WikiLeaks. This is because it would have been inconsistent with the First Amendment of the U.S. Constitution that guarantees freedom of the press, implying that the Obama administration looked at WikiLeaks' exposures as journalistic work.

The U.S. Justice Department under former President Donald Trump charged Mr. Assange with collaborating in a conspiracy with Ms. Manning to crack a password on a Defense Department network to publish classified documents and communications on WikiLeaks in a sealed indictment in April 2017. These charges were unsealed in 2019.

Later, the Trump administration further charged Mr. Assange with violating the Espionage Act of 1917 — he was indicted on 17 new charges related to the Act at the United States District Court for the Eastern District of Virginia. These charges carry a maximum sentence of 170 years in prison. In June 2020, the charges were further expanded for conspiracy with hacker groups.

#### **What was the trial in the U.K. about?**

Mr. Assange underwent trial in the U.K. on whether he should be extradited to the U.S. to face the charges. Before the trial began, he spent seven years in asylum in the small Ecuador Embassy in London, after refusing extradition to Sweden to face charges of rape, which were later dismissed by Swedish prosecutors. The then Ecuador President Rafael Correa had extended asylum to Mr. Assange, but he could not guarantee safe passage for travel as British authorities threatened arrest as soon as he left the Embassy premises. Mr. Assange had always indicated that extradition to Sweden was a ploy for him to be handed over to the U.S.

After then Ecuador President Lenin Moreno revoked his asylum and his citizenship (granted in 2018) on April 11, 2019, following Mr. Assange's disputes with Ecuador authorities, he underwent imprisonment for 50 weeks for bail violations during his refuge at the Ecuador Embassy in



London. A district judge, Vanessa Baraitser, ruled in January 2021 that he could not be extradited to the U.S. because of concerns about his mental health and the possibility of suicide in a U.S. prison with stringent incarceration conditions. However, bail was denied to Mr. Assange as he was assessed as a flight risk and U.S. prosecutors were allowed an appeal which they filed on January 15, 2021.

On December 10, 2021, the High Court ruled in favour of the U.S. following the Joe Biden administration's assurances on the terms of Mr. Assange's possible incarceration — that it would not hold him at the highest security prison facility (ADX Florence in Colorado which houses terrorists, drug traffickers, and high-profile criminals) and that if he were convicted, he could serve his sentence in his native Australia if he requested it.

Mr. Assange appealed against the verdict in the British Supreme Court, but on March 14, the Court refused permission to appeal. Meanwhile, the American Civil Liberties Union petitioned the U.S. Government to drop the charges. In a statement, Ben Wizner, director of the ACLU Speech, Privacy and Technology Project, had said, "Bringing criminal charges against a publisher for the publication of truthful information establishes a dangerous precedent that can be used to target all news organisations that hold the government accountable by publishing its secrets. Any prosecution by the United States of Mr. Assange would be unprecedented and unconstitutional, and would open the door to criminal investigations of other news organisations. The Government needs to immediately drop its charges against him."

#### CHANGED SITUATION

When the Taliban captured Kabul in August 2021, then Pakistani Prime Minister Imran Khan said Afghans had "broken the shackles of slavery". Even while the Taliban's victory gave some geopolitical advantage to Pakistan, it also enhanced Islamabad's security challenges. And Pakistan's growing frustration with the response of the new Afghan rulers to these challenges burst into the open during the weekend when Pakistani missiles struck inside Afghanistan, targeting the Tehreek-e-Taliban Pakistan (TTP). During the American presence in Afghanistan, Pakistan had adopted a dual approach — fight the TTP, better known as the Pakistan Taliban, and support the Afghan Taliban. Its backing was crucial in the Afghan Taliban's return to Kabul. But the fact that an insurgency founded by a group of Deobandi madrasa students forced the U.S., the world's most powerful military, to withdraw from Afghanistan was a morale booster for the TTP. The Afghan Taliban and the TTP may be two organisations, but they are ideological brothers — both have their roots in Deobandi Islam, both share the same worldview, and have similar objectives for different geographies. If the Afghan Taliban wanted to re-establish their Islamic Emirate in Afghanistan, the TTP wants to bring down the Pakistani state and establish its Islamic rule.

Pakistan supported the Afghan Taliban for geopolitical reasons. The Generals saw the Taliban as insurance against growing Indian influence in a U.S.-backed Islamic Republic of Afghanistan. But the problem with the wheel of jihad, which the Pakistanis helped unleash inside Afghanistan, is that it could also roll back across the border. Both countries share a porous 2,500-km land border that divides the tribal areas of the region (also a fertile ground for the Taliban's ideology). Earlier, Pakistan used to share intelligence with the U.S. forces in Afghanistan which carried out attacks against the TTP. Now, Pakistan has to depend on the Taliban to crack down on the TTP. Their relationship has also changed. If the Taliban were dependent on Pakistan for their survival during the insurgency, they are now the rulers of Afghanistan; what they need is support and recognition for their regime. This change in approach was visible in the Taliban's warning that they would

**3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR**

“retaliate” if Pakistan carries out more cross-border strikes. None of these developments suggests that there would be a complete breakdown in the relationship between Pakistan and the Taliban, which dates back to the Taliban’s founding in the early 1990s. But the TTP factor would remain a key fault-line. The Taliban are not ready to disown the TTP and they have also made it clear that they would not remain a Pakistani proxy forever. This poses fresh security and geopolitical challenges to the Pakistani establishment which welcomed the Taliban’s triumph in Afghanistan just eight months ago.



# DreamIAS



## NATION

### SRI LANKAN LESSONS FOR INDIA

Sri Lanka has been in the news so much of late that its current woes are the stuff of popular knowledge. Everyone can see the extreme deprivation caused to its people due to the absence of their staple food at an affordable price in the market and the shortage of petrol at the pump. Those with even a modicum of knowledge of economics can trace it back to the dwindling foreign exchange reserves which are needed not only to import food but also to service external debt. They would even comprehend the default on this debt that has now taken place. But Sri Lanka's foreign exchange crisis is only the symptom of a larger malaise which needs to be understood. How is it that a country fails to produce sufficiently even the most basic of foodstuff, such as rice and milk powder? That is less easy to comprehend.

Since the end of colonial rule, Sri Lanka's political arrangements have been an amalgam of nationalism in politics and welfarism in economics. Ethno-nationalism was stoked to forge a nation state in terms of a Sinhala identity, the beginnings of which had emerged in the fifties. It is recognisable in the official "Sinhala Only" language policy introduced at the time. Though this may have been diluted subsequently, it empowered ethnic chauvinism and left the sizeable Tamil-speaking population insecure.

#### **Linguistic disenfranchisement**

The origins of the linguistic disenfranchisement of the Tamils owed partly to the appeasement of the Buddhist clergy, which is almost exclusively Sinhala. It not only caused the alienation of the Tamil-speaking population but led to the formation of the Tamil Tigers, a terrorist organisation, and a civil war. The Tamil Tigers were finally vanquished, but it took over two-and-a-half decades for the Sri Lankan state to achieve this. In the meanwhile, there was an exodus of Tamils, the better-off leaving for the West and, those who could escape, heading for Tamil Nadu.

With the Tamils having had a significant presence in the professions, the country experienced a loss of expertise in almost all spheres. The impact of a loss of technical expertise for an economy is slow and often indiscernible but sure to affect it adversely, which we see happening in India. The civil war is also likely to have held back investment. While all uncertainty stalls investment, private investors would be particularly reluctant to commit their money in a time of near anarchy. A state pursuing a civil war can hardly make up for this through public investment, as it is bound to be severely fund-constrained due to its military operations. Nor would it have had much time to address stress points that arise from time to time in any market economy, let alone plan for economic development. In diverse ways, then, social strife can hamper the development of the productive forces of a country and its economic growth gets affected.

So here we have the first cautionary tale from Sri Lanka for India. Sri Lanka's woes are economic on the surface but stem from social strife that have been exacerbated by majoritarian identity politics fanned by the State. Identity politics between social groups is a recipe for economic disaster. It would not be off the mark to suggest that the Modi government's inability to even restore, let alone raise, the investment rate in India is partly related to the socio-political tension that has come in its wake. The strife between the Centre and the States and antagonism between religious communities are sure ways to deter investment even if there is some improvement in the ease of doing business. The exit of some high-net-worth Indians from the country and the outflow of foreign direct investment are examples of this. Inflow of foreign direct investment to



India has been high since 2014 but has been unable to make up for the depressed domestic private investment.

#### Political, economic lessons

If the first lesson from Lanka is about how politics can affect the economy, the second is about how flawed economic policy can affect an economy's prospects. The country first came into the world's reckoning in the 1950s when its economic policy was lauded for welfare programmes that included subsidised rice. But not everyone was impressed at the time. In his autobiography *Home and the World*, Amartya Sen narrates how the Cambridge economist Joan Robinson had described this as a case of "wanting to taste the fruit before growing it". Mr. Sen implies that he was not convinced by this view but his supervisor appears to have been endowed with some remarkable foresight. Now, the grande dame of economics in her time, could hardly have been against the idea of welfare per se living as she was in the U.K., the world's pre-eminent welfare state. She was very likely decrying welfarism, which make the distribution of consumer goods the centrepiece of economic policy. In any case, she has been proved right.

In Sri Lanka, distributism seems to have run ahead of what could be guaranteed from domestic sources. This newspaper has previously reported on the slogan "Produce or perish" from the country's past political hustings. It would serve as smart advice not only for the three Sri Lankan economists now tasked to take their country out of the crisis but also to the political class of India. As India's economy has grown, many of the States have stepped up their welfare spending. Some have distributed bicycles for girls and others television sets to families. While no form of welfare need be precluded in principle, the public finances are subject to an accounting constraint. When revenues are limited, free bicycles and televisions sets crowd out spending on measures that increase an economy's productive capacity, which includes its endowment of schools, hospitals and the infrastructure needed for production. There is also an ethical issue to be faced. When welfarism is financed by borrowing rather than taxes, future generations pay for our consumption.

A third lesson from Sri Lanka is to not treat openness to the world economy as a panacea. In the 1970s, in a switch from avowedly socialist economic policies, Sri Lanka liberalised trade and capital flows. It is a moot question how this policy reorientation may have worked had a civil war lasting decades not intervened but the reliance on world markets that it led to has not helped the country. A celebrated theorem in economics, the theory of comparative advantage, encourages a country to specialise in its production and to rely on foreign trade for goods that it does not produce. This assumes that there will be a continuing demand for the country's product. Sri Lanka's case shows us why it can be damaging for a country to rely on trade for its essential consumption goods. By comparison, the States of India that face deficit of food are saved by being part of the Indian Union. Unlike Sri Lanka, they need not earn foreign exchange to receive food from the national granary, Kerala being the prime example of this arrangement. Sri Lanka's first task would be to urgently revive its food producing sector. As for India it must learn from its neighbour's misfortunes and step up domestic production across sectors, from oilseeds to renewable energy and defence equipment.

#### DIFFERENT NARRATIVES

The Maldives government's decision to ban the 'India Out' protests shows how the campaign, which started as an online protest by critics of the Ibrahim Solih administration, has grown into a polarising political issue in the Indian Ocean island nation with which India has deep ties. The





campaign, which remained a fringe protest in the initial years, gained currency late last year after former President Abdulla Yameen took it over. Mr. Yameen, who served two years in jail after losing power in 2018, wanted a strong political narrative to make a comeback, particularly as the country heads to its presidential election in 2023. Critics termed the Solih administration “a puppet of New Delhi”, accusing it of allowing an Indian military presence, thereby compromising the country’s sovereignty — an allegation the government has repeatedly denied. Mr. Yameen has organised several political rallies, openly attacking the government’s ties with India. When Mr. Yameen was in power, he was largely seen as a friend of China. His government’s ultimatum to India to withdraw two of its helicopters from two atolls had triggered tensions. But relations between the two countries improved remarkably after Mr. Solih’s Maldivian Democratic Party (MDP) came to power in 2018.

President Solih adopted an ‘India first’ foreign policy. In the past four years, India has emerged as the Maldives’s main security and economic partner, committing \$1.4 billion towards its ‘socio-economic development needs’. In February 2021, it signed the Uthuru Thila Falhu (UTH) harbour development deal with Male to develop the National Defence Force Coast Guard Harbour. The Yameen camp stepped up its attack on the government after this deal. India has historically played an important role in the Maldives as a friendly big neighbour. But China’s rise in the Indian Ocean region has raised the strategic profile of this small, import-dependent island-nation of 5,50,000 people, where both countries vied for influence. Now, while Mr. Yameen is trying to regain his lost support by shoring up Maldivian nationalism and anti-India sentiments, the MDP is trying to counter it with another nationalist narrative. It argues that ties with India, the closest big neighbour of the Maldives, is important for the country’s security, including food security. While these two narratives would clash in the coming election, India, being the centre of the political wrangling, would find itself in a difficult situation. Victory is not guaranteed for the MDP, which faces anti-incumbency problems and differences between Mr. Solih and the powerful former President Mohamed Nasheed. If it loses, India risks losing the influence it has built over the last few years. The challenge before India is to build closer ties with all political factions of the Maldives while helping the country meet its economic and security requirements.

## LIVING BRIDGES

In modern diplomacy, optics may not always reflect the substance of the negotiations between leaders. But the public bonhomie that marked talks between Prime Minister Narendra Modi and his British counterpart, Boris Johnson, is in tune with the expansive ambition that marks bilateral engagement and the rapid progress on a range of issues including trade, defence, advanced technologies, clean energy, climate change, and regional collaboration. Modi noted the special personal contribution of Johnson to the modernisation of bilateral relations. Johnson called the Indian PM a “khaas dost” or a dear friend.

Persistent prickliness marked the post colonial ties between the two governments until recently. But in the 75th year of independence, the unprecedented comfort level between the top leaders underlines the growing convergence of interests between Delhi and London and a serious political commitment to translate the shared interests into concrete outcomes. In the run-up to Johnson’s twice postponed visit, the international chatter was all about the differences on the war in Ukraine sinking the British PM’s visit. While the two leaders briefed each other on their respective views on the crisis, Indian officials say there was no pressure from Britain. In the joint press conference, Johnson did not refer to Ukraine; nor did he criticise India in his separate presser. While Modi did not condemn the Russian invasion, he reiterated India’s call for an immediate ceasefire and



underlined its emphasis on respect for the principles of territorial integrity and sovereignty of nations.

The two leaders had more on their plate than Ukraine. At the top of the agenda is the effort to conclude an agreement on Enhanced Trade Partnership (ETP). Johnson wants to get the deal done by Diwali and Modi promised that India will demonstrate the same speed and urgency that it did in concluding recent free trade agreements with the UAE and Australia in recent months. Complementing the political push for a historic trade liberalisation agreement is the decision by the two leaders to deepen bilateral defence and security cooperation. While India welcomed Britain's Indo-Pacific tilt, Britain has announced the decision to ease the transfer of defence equipment and technology for India. The two sides are also determined to begin joint research, development and production of advanced weapons and related technologies. Modi and Johnson also issued a statement on strengthening their partnership in the cyber domain to deliver results on governance, deterrence, resilience and capacity building. Beyond defence, security and advanced technologies, they announced plans to boost cooperation on mitigating climate change and promoting clean energy.

Tying all these initiatives across a broad spectrum is the determination to strengthen the "living bridge" between the two nations — marked not only by a large Indian diaspora in Britain but also the immense possibilities for collaboration between various sectors of the two civil societies. These possibilities never disappeared in the immediate decades after India's independence from Britain 75 years ago; but they could not be harnessed because of major political differences between the two nations. But in the unfolding era of strategic convergence, the massive bridge between India and Britain is coming alive.

#### RETIREMENT SPREE IN SC MAY AFFECT EFFORTS TO SCALE DOWN PENDENCY

But the retirements come at a time when the court is in the process of steadying itself after particularly brutal waves of the pandemic. Even as the virus refuses to leave for good, the court continues to grapple with pendency.

The Supreme Court's statistics show that 70,362 cases are pending with it as on April 1, 2022, though over 19% of them are not ready to be placed before a Bench for judicial hearing as they have not completed the required preliminaries. While 52,110 are admission matters, 18,522 are regular hearing cases. The number of Constitution Bench cases (both main and connected matters) totals 422.

#### Flurry of action

Chief Justice of India N.V. Ramana has been heard, time and again, telling lawyers in open court about the challenges of listing every case early.

The Supreme Court has only recently resumed full physical hearings after two years of virtual system. The court is juggling Benches, judges are sitting in different combinations on Special Benches to quickly hear and dispose of pending matters, including death penalty cases. The court is seeing a flurry of action. Seven impending retirements in seven months may slow the recovery at a crucial time. Adding to this is the fact that there are already two vacancies. The working judicial strength is 32 against the sanctioned strength of 34.

**CJ's term ends in Aug.**



The row of monthly retirements will start from the very month the court goes into its summer recess.

Justice Vineet Saran will retire on May 10 and Justice L. Nageswara Rao and Justice A.M. Khanwilkar on June 7 and July 29, respectively. Chief Justice Ramana will retire on August 26.

Justice Indira Banerjee will exit office on September 23 — reducing the number of women judges from four to three — followed by Justice Hemant Gupta on October 16.

Justice U.U. Lalit, who is expected as per the seniority norm to be appointed Chief Justice after Justice Ramana's retirement, will retire on November 8.

Justice D.Y. Chandrachud, the only constant in the months of change and number four in the collegium, is in line to take over as CJI from Justice Lalit for a full two-year term till November 10, 2024.

If no new appointments are made till the retirement of Justice Lalit on November 8, the year may see nine vacancies in the court.

Normally, no new appointments are made in the final months of an incumbent Chief Justice's tenure. Justice Ramana's successor, Justice Lalit, has a little over two months as top judge.

So, either Chief Justice Ramana's especially successful Collegium, which scripted the prospective appointment of India's first woman Chief Justice in Justice B.V. Nagarathna, has to fill up vacancies as they come or the job may fall on Justice Lalit to act quickly or the court may wait till Justice Chandrachud settles in with his new Collegium.

Justices Sanjay Kishan Kaul, S. Abdul Nazeer and, initially, Indira Banerjee, and after her retirement, Justice K.M. Joseph, would become Collegium members in the course of the year.

Justice M.R. Shah would also follow them into the Collegium. Justice Kaul is retiring on December 25, 2023.

Justice Nazeer would be part of the powerful body of judges till January 4 next year. Justice Joseph would continue in the collegium till his retirement on June 16, 2023. Justice Shah retires on May 15, 2023.

## VICTIMS' SAY

In cancelling the bail granted by the Allahabad High Court to Ashish Mishra, son of Union Minister Ajay Mishra, and an accused in the Lakhimpur-Kheri murder case, the Supreme Court has reaffirmed the basic principles that govern bail jurisprudence. The High Court's failure to hear the objections of the victims of the Lakhimpur-Kheri violence, in which eight people, including four farmers and a journalist, died during a protest organised by farmers against the Union Minister, is a key reason for setting aside the bail order, but it has also been criticised for "taking a myopic view" of the evidence and going into the merits of the case. It is settled law that while granting bail, courts only ought to take a preliminary view as to involvement of the accused in the offence, its nature and gravity, and the severity of the punishment if there is a conviction; besides the possible effect of giving bail to the accused, such as the scope for tampering with evidence, intimidating witnesses, influencing the outcome or the possibility of the accused fleeing justice. The Supreme Court has rightly pointed out that the High Court had needlessly gone into the nature of the evidence relating to the incident, in which a vehicle was driven into the crowd, and stressed



the absence of any firearm injury among the victims. The apex court's conclusion that irrelevant material was considered for grant of bail, while ignoring established parameters, is unexceptionable.

The more significant aspect of the order is the emphasis it places on the right of victims to be heard at every stage of criminal proceedings. The Court has recorded its disappointment with the High Court for not acknowledging this right. The victims' right is not limited to filing an appeal in the event of the acquittal of the accused, but extends to being heard even in the bail stage. By describing the rights of a victim of a crime as "substantive, enforceable and another facet of human rights," the Court has advanced the cause of victimology as a part of criminal law. As a result of both changes in the law and emerging jurisprudence, victims are now in a position to get compensation as well as the status of a participant in the prosecution of offenders. The verdict should lead to greater participation by victims in the criminal process and thus help the cause of justice. The cancellation of Mr. Mishra's bail is also an indirect indictment of the Uttar Pradesh government, which did not file an appeal against the grant of bail, despite a recommendation to that effect by a judge monitoring the probe. The Supreme Court had declined to hand over the case to the CBI, reposing its trust in a Special Investigation Team of the State police. While the accused will get another chance to apply for bail as the matter has been remanded to the High Court, the SIT must do nothing to undermine the Court's faith.

#### SCS, STS, OBCS IN CENTRAL GOVT: WHAT DATA ON POSTS AND VACANCIES SHOW

Last week, the Department of Personnel and Training (DoPT) wrote to all Union ministries and departments reminding them about "collection of quantifiable data regarding inadequacy of representation of Scheduled Caste and Scheduled Tribes". Its circular cited an ongoing case in the Supreme Court. A look at the existing data on representation of various social categories:

##### **What is the DoPT circular about?**

It has asked Union ministries and departments to "ensure that the reservation rosters are strictly maintained... any promotion order issued shall be subject to further orders that may be passed by the Supreme Court". The circular has cited a Supreme Court judgment of January 28 that set out "conditions that are to be satisfied by the Government for the purpose of implementation of the policy of reservation in promotions". These include "collection of quantifiable data regarding inadequacy of representation of Scheduled Caste and Scheduled Tribes" and "application of this data to each cadre separately". The DoPT has asked all ministries and departments to ensure that these conditions "are complied with before implementing the policy of reservation in promotions and carrying out any promotions based thereon". Central employees and social categories

##### **What are the data on representation of various social categories among central government employees?**

Jitendra Singh, MoS for Personnel, Public Grievances and Pensions, has tabled data in Parliament on a number of times this year.

A response he tabled in Rajya Sabha on March 17 covered 43 departments and government offices including Cabinet Secretariat, UPSC and Election Commission, but excluding the largest central government employers such as Railways and Department of Posts.

The total number of Group A to Group C employees (including safai karmacharis) works out to 5.12 lakh (see table). Of these, 17.70% are SC, 6.72% ST, 20.26% OBC (Other Backward Classes), and 0.02% EWS (Economically Weaker Sections). In Group-A, the highest tier among these, the



representation of SCs is just 12.86%, of STs 5.64% and of OBCs 16.88%. Reservation for these communities is 15%, 7.5% and 27% respectively.

#### HIGHER POSTS:

On February 2 in Lok Sabha, Jitendra Singh said that in among Secretaries and Special Secretaries, only six belong to SCs and STs, and, “no data regarding OBC is maintained.”

On March 31 in Rajya Sabha, he said: “Out of 91 Additional Secretaries, the number of officers belonging to SC/ST and OBC communities are 10 and 4 respectively and out of 245 Joint Secretaries, the number of officers belonging to SC/ST and OBC communities are 26 and 29 respectively in various Ministries/Departments under Central Staffing Scheme.”

### OUTRAGE WITHOUT BORDERS

The arrest of Gujarat independent legislator, Jignesh Mevani, by the Assam police is an egregious instance of the misuse of law to target a vocal critic of the Union government. There are several aspects about his arrest that ought to cause shock and revulsion to those who believe in law and democracy. Mr. Mevani’s tweets, subsequently withheld by Twitter, described Prime Minister Narendra Modi as a “Godse worshipper”, but also contained an appeal to him to call for peace in some areas of Gujarat that witnessed communal violence. It is clear that apart from being harsh criticism of the PM, there is nothing in it that can be seen as affecting public tranquillity or causing divisions in society. Not only have the police invoked the entire gamut of offences related to inflammatory speech, breach of peace and outraging of religious feelings, but provisions related to conspiracy and hacking of computers have also been added for good measure. While some of the criminal provisions in the FIR are questionable, it is astounding that the police in distant Kokrajhar, Assam, chose to act on a complaint by a political functionary against a legislator in Gujarat and travel all the way to take him into custody and jail him in Assam. Except for the fact that the allegedly offending remark was made online and is accessible on the Internet, there is nothing to confer jurisdiction on the Assam police.

The use of Section 295A of the IPC, which only applies to acts that outrage the religious feelings of a section, is particularly questionable because there is nothing in Mr. Mevani’s remarks that can be seen even remotely insulting towards any religious belief or practice. Further, it is quite notable that the police or ruling party functionaries in BJP-ruled Gujarat did not pursue the case there. It is almost as if his opinion contained a higher potential for breach of peace or disturbance to public tranquillity in Assam than in his home State. It is not clear on what basis the police in Kokrajhar accepted the complainant’s claim that the tweet could destroy the social fabric “in this part of the country”. There cannot be a better example of the misuse of the principle that anyone can set the criminal law in motion. There is something perverse about the manner in which the inter-State operation of criminal law allows any citizen to be held by the police from another State with such ease, even when the alleged offences attract short prison terms that do not warrant arrest. It is disconcerting that a judicial magistrate denied bail to Mr. Mevani and granted police custody in a matter that only involves interpretation of some words. Judicial officers ought to show greater independence by raising questions about territorial jurisdiction instead of accepting the prosecution claims in such cases without demur.



## THE DELHI MCA ACT DENUDES THE SPIRIT OF FEDERALISM

When the State Election Commission of Delhi had called a press conference at 5 p.m. on March 9, 2022, it was widely reported that the schedule for the elections to the three Municipal Corporations of Delhi would be declared. However, the State Election Commissioner (SEC), S.K. Srivastava, informed the media that it would be deferring the announcement following a letter from the Centre just earlier proposing the unification of the three municipal corporations.

### Large-scale usurpation

In less than a month, both Houses of Parliament passed the Delhi Municipal Corporation (Amendment) Act, 2022. In a move that appears to simply unify the trifurcated Delhi Municipal Corporations, the Central government has conferred upon itself various crucial powers to assume control over the Municipal Corporation of Delhi from the State government. The casualty of these changes introduced by the Central government is federalism.

The Central government's line is that the amendment has been passed as in Article 239AA of the Constitution, which is a provision that provides for special status to Delhi. The Union Home Minister, Amit Shah, stated in Parliament that the law is based on the power of Parliament under Article 239AA(3)(b) to make laws for the State of Delhi "on any matter". The law provides that the power to determine the number of wards, extent of each ward, reservation of seats, number of seats of the Corporation, etc. will now be vested in the Central government. The number of seats of councillors in the Municipal Corporations of Delhi is also to be decided now by the Central government. By exercising that very power, the number of councillors to the Municipal Corporations of Delhi has been reduced from 272 to 250.

The Central government has also taken over powers from the State to decide on matters such as 'salary and allowances, leave of absence of the Commissioner, the sanctioning of consolidation of loans by a corporation, and sanctioning suits for compensation against the Commissioner for the loss or waste or misapplication of municipal fund or property'. The large-scale usurpation of powers by the Central government has been done without any consultation with the Delhi government, and all the major stakeholders kept in the dark during the process.

### Dent in federal architecture

The Central government has consciously chosen to overlook Part IXA of the Constitution that specifically states that it will be the Legislature of the State that will be empowered to make laws concerning representation to the municipalities. The argument of the Centre that Article 239AA can be applied over and above Part IXA of the Constitution does not hold good as the latter is a specific law that will override the general law relating to Article 239AA. Further, Part IXA of the Constitution concerning municipalities was inserted into the Constitution through the Seventy-Fourth Constitutional Amendment Act of 1992 and it succeeded the Sixty-Ninth Amendment Act of 1991 that brought in Article 239AA. Therefore, it can be meaningfully concluded that if the intention of Parliament was to exclude Delhi from the purport of Part IXA, it would have specifically spelt so.

### No consultation

The Delhi Municipal Corporation was split into three regions, i.e., east, south and north, in 2011 after much deliberation and discussion at various levels. The split-up was first proposed in the 1987 Balakrishnan Committee Report which was bolstered in the 2001 Virendra Prakash



Committee Report. A seven-member Delhi Legislative Assembly Panel was set up in 2001 to study the recommendations and suggest modalities.

Since the recommendations had to be processed by the Central government, another committee was constituted under the chairmanship of Ashok Pradhan to study the issue. The proposal finally took shape in 2011 and the law to trifurcate was enacted. Although the plan to split up the Delhi Municipal Corporation was well thought-out and studied, the decision to reunify has been done at the behest of the Central government without any study or consultation.

Article 239AA has, from its very enactment, been subject to numerous litigations and its scope finally determined by the Supreme Court of India in the famous State of NCT of Delhi vs Union of India judgment pronounced in 2018.

#### **Potential for litigation**

The Court held, "The Constitution has mandated a federal balance wherein independence of a certain required degree is assured to the State Governments. As opposed to centralism, a balanced federal structure mandates that the Union does not usurp all powers and the States enjoy freedom without any unsolicited interference from the Central Government with respect to matters which exclusively fall within their domain." It was made clear in no uncertain terms that the aid and the advice of the State government of Delhi would bind the decision of the Lieutenant General in matters where the State government has the power to legislate. No doubt, the amendment to the Delhi Municipal Corporation Act, 1957 will lead to further litigation on the aspect of a sharing of powers between the State of NCT of Delhi and the Central government. The interference of the Centre in matters such as municipal issues strikes a blow against federalism and the celebrated Indian model of decentralisation.

### **DANGEROUS DECEPTIONS**

The bulldozer has now emerged as a dominant symbol of state-backed intimidation of Muslims in the country. After Khargone in Madhya Pradesh, Jahangirpuri in Delhi has seen the use of demolition of shops and houses seemingly as a punitive measure in the wake of a riot that followed a provocative religious procession. The Jahangirpuri demolitions, halted by an order of status quo passed by the Supreme Court, one which had to be reiterated as the drive went on for more than an hour after the order, represent an egregious violation of the rule of law. Even though described as part of a demolition process that had begun a few months ago, and done after prior notice, few would believe that the drive in Jahangirpuri had anything to do with 'encroachment', coming as it does in the wake of communal disturbances and in the middle of Ramzan. By intervening in time, the Court may have halted what could have been a series of demolitions of small businesses and households belonging to some of the poorest residents of the capital. CPI(M) leader Brinda Karat, who was present at the site, has highlighted the continuance of the demolition even after the court order was made known to the authorities. The Supreme Court should deal with this contumacious behaviour as part of the ongoing proceedings, in which its main concern, of course, ought to be to push back against the dangerously divisive and partisan manner in which authorities are responding to law and order issues.

There are aspects to the controversy that betray an emerging pattern of the use of state machinery to inflict misery on Muslims. One is the role of the ruling BJP, whose Delhi chief wrote to the North Delhi Municipal Corporation to carry out the demolition targeting 'rioters' who had allegedly thrown stones at a Hindu religious procession in the vicinity of a mosque. As the counsel



contended in the court, this wish seems to have been treated as a command, and police force mobilised within a day to carry it out. Another aspect is the attempt to conflate the legal consequences of rioting and communal violence with administrative measures to deal with encroachments in public spaces. The official line leans towards the theory of clearing encroachments even as the political message is that ‘rioters’ will be dealt with. It is of concern that the Aam Aadmi Party, which while blaming the BJP on the one hand, has also made an unsubtle insinuation that those fomenting trouble are ‘Bangladeshis’ and ‘Rohingya’, terms that will render the residents of the area vulnerable to denial of their rights. The most dismal aspect is the apparent enjoyment that the BJP’s communal constituency derives from the infliction of suffering on the ‘other’. The challenge before the country’s political opposition is not only to take on the unlawful ways of the state but also to reverse this polarising slide in the wider society.

#### AN UNWARRANTED DELAY

Silence has its own power. This seems to be the case with regard to the controversy over the Bill, seeking to exempt government seats in undergraduate medical and dental courses from the National Eligibility-cum-Entrance Test (NEET). Though over two months have passed since the Tamil Nadu Assembly returned the Bill to Governor R.N. Ravi to be forwarded to President Ram Nath Kovind for consideration, the Governor has not yet sent it to the President. Mr. Ravi has not even publicly given any explanation why he is taking time in forwarding the Bill. It is this “silence” that made Chief Minister M.K. Stalin and his Cabinet stay away from tea — “At Home” — hosted by the Governor on the Tamil New Year Day (April 14) as also the unveiling of the statue of the nationalist poet, Subramania Bharati.

The Bill was adopted by the Assembly on September 13 while it was returned by Mr. Ravi on February 1 for reconsideration of the House. A week later (February 8), the Assembly sent back the Bill to him without amendments. What is pertinent here is that the piece of legislation has to be sent to the President, given the situation that the Bill, envisaging the exemption from NEET is in conflict with the central law that makes it mandatory and, therefore, can only be saved by the President’s assent. The popular view is that the Governor, under the given circumstances or

Article 200 of the Constitution, has no option other than sending the Bill to the President for his eventual decision. The people of the State are eagerly awaiting the day when Mr. Ravi will break his silence and send the Bill to the President, especially in the light of Mr. Stalin’s observation in the Assembly, referring to reports that the Governor had made up his mind to send the Bill to Mr. Kovind.

#### THE UGC REGULATIONS FOR COLLABORATION BETWEEN INDIAN AND FOREIGN UNIVERSITIES

The story so far: The University Grants Commission (UGC) has simplified the procedure for enabling academic collaborations between Indian and foreign higher educational institutions to offer joint degrees, dual degrees and twinning programmes.

##### **What has the UGC proposed?**

The apex regulatory body for higher education in India has decided to allow certain Indian higher education institutions to enter into a Memorandum of Understanding (MoU) with foreign institutions to offer dual degree, joint degree or twinning programmes. To qualify for such academic collaboration, the Indian college, institute or university must figure among the top





global 1,000 QS World University or Times Higher Education rankings or have emerged as one of the top 100 universities under the National Institutional Ranking Framework (NIRF). The college or university must have secured a minimum grading of 3.01 on a 4-point scale from the National Assessment and Accreditation Council (NAAC). Likewise, the foreign collaborator institution must also have figured among the 1,000 global top QS or Times Higher Education Rankings.

The collaborations would be facilitated and governed under the proposed University Grants Commission (Academic Collaboration between Indian and Foreign Higher Education Institutions to offer Joint Degree, Dual Degree and Twinning Programmes) Regulations 2022. The draft of these regulations was placed in the public domain last year to invite suggestions from stakeholders. It had recommended [among other criteria] that to qualify for international academic collaboration under the “automatic mode”, the collaborating institutions must have figured among the “top 500” of Times Higher Education or QS World University ranking at the time of application.

However, the final policy, about which UGC Chairman M. Jagadesh Kumar had briefed the media, has broadened the scope for collaborations by mandating that the institutions must have figured among the “top 1,000” of QS World University or Times Higher Education rankings. The draft had also proposed an “approval mode” — as opposed to the “automatic mode”— collaboration under which specialised institutions, if not accredited, may be considered [and approved by the UGC] for foreign tie-ups “if they have sufficient demonstrable accomplishments”. There is no clarity yet if the final policy provides for such “approval mode” collaborations. Once notified, the new regulation would supersede the University Grants Commission (Promotion & Maintenance of Standards of Academic Collaboration between Indian and Foreign Educational Institutions) Regulations, 2016.

#### **How do the new regulations differ from that of 2016?**

The earlier regulations did not provide for “automatic mode” of foreign collaboration for academic courses offered in India. While a threshold for accreditation rating was mandated, there was no requirement for the university or college to figure among the top ranked institutions globally. The qualifying institution was required to apply to the UGC for approval and a sub-committee was vested with the powers to make a recommendation on the basis of which the regulatory body would take a final decision “after considering various factors including quality of education, overall merit of the proposal, fees to be charged, credibility of the Foreign Educational Institution as well as Indian Educational Institution.” Besides, the approval granted was valid only for two cycles of the minimum duration of the degree programmes covered under the collaboration or as specified otherwise. The Indian educational institution was required to apply for renewal of approval before six months of its expiration. Under the soon-to-be-notified regulations, the qualifying universities and colleges will not be required to seek permission for academic collaborations abroad.

#### **How will the courses with foreign collaboration be offered?**

The qualifying Indian university or college can offer “dual degree”, “joint degree” or a “twinning programme” in collaboration with foreign institutions. The “dual degree” programme is new, while the other two programmes were offered under the 2016 regulations, though only fewer institutions had introduced such programmes due to the bureaucratic approval process. The degrees, under the “dual degree programme” shall be conferred by the Indian and foreign institutions “separately and simultaneously” upon completion of degree requirements of both



universities. For the twinning degree programme, a student can get up to 30% course credit utilisation of the total course from the collaborating foreign university. For the joint and dual degree programmes, the students shall be permitted to get more than 30% of the total course credits from the university or institution abroad. As per the 2021 draft rules, for enrolling in dual degree programmes, prospective students must meet the admission requirements of both the Indian and foreign institutions and shall apply to and be admitted separately to both the institutions. Besides, the students must earn at least 50% of total credits from the Indian institution. The dual degree programme to be offered shall also conform to the nomenclature and duration of the degrees as specified under the UGC Act, 1956 and shall also conform to minimum eligibility and other norms and standards to offer such degree programmes. The collaborating higher education institutions shall ensure that the credits earned by the students shall not be from overlapping course contents/curriculum.

Also, the student shall submit to only one examination and evaluation process for each of the courses by the institutions in which he/she has registered.

#### **What happens now?**

While qualifying Indian institutions will now be free to collaborate with foreign universities, for students the cost of education with international exposure would come down. Institutions that are committed to academic excellence will provide the students an opportunity for advanced learning with global expertise. However, it remains to be seen whether the top global institutions would immediately sign MoUs with Indian institutions. Private autonomous colleges and deemed universities are most likely to utilise this opportunity to enter into agreements for twinning or dual / joining degree programmes with foreign institutions, flaunting them in their brochures to attract students. The UGC may have to monitor the quality of academic delivery in such programmes.

### CONSENSUS KEY FOR EDUCATION

Tamil Nadu constituting a committee to draft its own State education policy may be construed as a challenge to the national education policy, though it may actually do good for States to draft their education policy. It may guide them to give effect to the national educational policy in a considered, well thought out manner.

State, district, block and even village level policies could enable a more meaningful implementation of the national policy as it may lead to a policy stack that serves the goals of national growth grounded in the local contexts. The aspirational districts programmes show the possibilities of local meshing with the whole.

What is disquieting here is the intention to evolve a counter education policy for the State. The concerns raised by the States, often strident, could be many: insistence on a third language, elitist tilt devoid of concerns for the weaker and downtrodden sections, imposed by the Centre sans regard to their needs and misgivings.

Even though the NEP 2020 is claimed to be a culmination of the largest public consultation in policy history, the process of consultation and curating the mass contributions, being new, lacked clear articulation of outcomes and evolution of the policy.

The grouse became graver because the final draft of the policy wasn't discussed and deliberated in the Central Advisory Board of Education (CABE). Chaired by the Union Education Minister and



with Ministers of Education of all the States and educationists as its members, it provides an effective way for the key stakeholders to express their views, particularly if the need is to evolve a national education policy rather than that of the central government alone.

CABE consultation has been deemed essential to building purpose and context-led policies, and deeper policy engagement, and thus ensure alignment along the policy pile from the grassroots to the idealists.

### **Supplementing each other**

There will inevitably be differences between the education policies devised for the nation, for a State, for a district and that of a school since each level has a distinct purpose. There will always be regional priorities and constraints compelling the States to serve education in a different way. This only means that the national and State policies need to supplement each other.

Education being in the concurrent list since 1976, is a joint and shared responsibility of the Union and the State governments. Coordination and maintenance of standards may vest in the Union government, but it applies to higher education only. Education policy, on the other hand, deals with all levels of education.

### **Alarming changes**

Many a change in the education system, particularly in higher education, introduced before and after the policy may have alarmed the States. The given impression that the common university entrance test (CUET) is the first step towards a 'one nation, one examination' system as envisaged by the policy even though the text of the policy clearly declared that it should be up to the individual universities to use CUET scores or not, is the latest example.

Making the undergraduate national eligibility test (NEET UG) mandatory for admission to all medical colleges is yet another example. States like Tamil Nadu feel that the centralised admission test caused monetary burden and inconvenience for students.

Data lends credence to their concerns that the national level tests favour students coming from the Central Board of Secondary Education (CBSE). In 2021, the percentage of students qualifying the UG NEET was as high as 73.9 percent for CBSE students, whereas only 33.2, 37.1, 44.8, 44.4 and 47.5 percentage from M.P., U.P., Bihar, Maharashtra and Tamil Nadu Boards respectively could qualify.

So has been the case with the IIT JEE exams. Close to 59% of the shortlisted students were from CBSE Board alone.

These statistics are often used to berate them for the poor quality of their school education. A closer look, however, suggests that this may be due to the differences in the syllabus and examination methods of the State boards and the CBSE.

Indeed no one could argue that the State boards must make their syllabus completely compatible with the CBSE, for it would tantamount to suggesting that there should only be a single school board for the whole country, 'one nation one school examination'.

Policy engagement is an essential part of its implementation. It may be wise to mitigate the trust deficit, made evident by recent statements, between the Union and the States on key areas such as education.



If some States feel they are falling behind, this is an opportunity to move forward for better quality education.

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## PURSUIT OF PEACE

The Naga peace talks, stalled since October 2019, look set for renewal with the Centre's interlocutor, A K Mishra, meeting the NSCN-IM leadership at Camp Hebron, the headquarters of the rebel outfit. Mishra is scheduled to meet the NSCN-IM leaders including Th Muivah, members of the state government's core committee and the Naga National Political Groups (NNPG). Last week, Nagaland Chief Minister Neiphiu Rio, Deputy CM Y Patton and the former chief minister, T R Zeliang, met Prime Minister Narendra Modi and Union Home Minister Amit Shah in Delhi. Though a framework agreement was signed by the Centre and the NSCN-IM in August 2015, a resolution has eluded India's longest-running insurgency: A ceasefire agreed upon in 1997 has held out despite several ups and downs.

Talks were stalled after the NSCN-IM objected to the stance of the then interlocutor R N Ravi. Ravi had reportedly set October 31, 2019 as the deadline for concluding the framework agreement with or without the NSCN-IM's consent. The NSCN-IM interpreted Ravi's statements as an attempt to arm-twist the outfit to sign a deal. The stalemate that ensued threatened to turn worse when a botched counter-insurgency operation by a special forces unit led to the killing of six civilians in Mon district in December last year. To begin with, Mishra has to restore the trust between the NSCN-IM and the Centre. His gesture to visit Camp Hebron, a first by an interlocutor, signals the Centre's keenness to take the talks forward. The NSCN-IM has been intractable on its stance that the Centre must agree to a separate flag and Yehzabo (constitution) for Nagaland. The NSCN-IM is deeply suspicious of the NNPGs, which claim the backing of civil society, and have a different view of what the framework agreement entails. In fact, the Centre and the NSCN-IM seem to read the framework agreement, especially the parts on sovereignty, differently: In a statement issued on April 10, the NSCN-IM has sought to interpret the agreement as a document that provides for solutions which will allow India and the Nagas "to co-exist as two friendly entities under the principle of shared sovereignty".

Mishra needs to negotiate with all the stakeholders within the contours of the framework agreement. The big challenge will be to persuade the NSCN-IM to abandon maximalist positions and accept a middle ground that will ensure durable peace in the region. The informal meeting at Camp Hebron is a good beginning.

## ANIMOSITY RESURFACES IN HUBBALLI

Hubballi city in north Karnataka saw a communal flare-up on the night of April 16, the immediate trigger for which was an inflammatory social media post. Big crowds gathered in front of Old Hubballi station and the violence that ensued left 12 police personnel injured. Over 130 people have so far been arrested in connection with the incident. However, the incident has rekindled religious animosity in a city that had slowly shed the tag of being "communally sensitive" and had emerged as an important commercial hub.

While all the focus has been on the gathering in front of the police station, stone pelting and violence by the mob on April 16, there was a slow build-up to it, as the rest of the State too was



seeing an escalation in communal incidents. During Hanuman Jayanti procession in Dajiban Peth area of Hubballi inhabited by Somavamsha Sahasrarjun Kshatriya (SSK) or the Pattegar community, laser beams of “Jai Sri Ram” were cast on the walls of a nearby mosque at Pendar Galli. The elders of both the communities had quickly intervened to resolve the matter.

Closer to the incident, only hours before the provocative video surfaced, four Sri Rama Sene activists had been released on bail in connection with the vandalism incident around the Hanuman temple in Nuggikeri. The Sene activists had ousted Muslim traders from around the temple and footage of them destroying a pile of watermelons being sold by an aged Muslim trader had gone viral.

Predictably, a political slugfest has ensued over the incident. The BJP is blaming the Congress for having a hand in instigating violence, while the Congress has categorically denied it. It has said that the Congress’s district unit president, who tried to help control the situation by climbing on a jeep and appealing for peace that night, has also been vilified and targeted. There are no signs of the ripples of this incident dying down too quickly, with Assembly elections less than a year away. The role of private television channels in constantly beaming communally-provocative content and keeping the issue alive cannot be undermined.

This incident and what has followed in the aftermath does not augur well in a city that still remembers the large-scale violence during the 1980s and 90s, which severely affected the economy of the region. In fact, what has come to be known as the ‘Idgah Maidan row’ that reached a flashpoint in the 1990s played a crucial role in consolidating the BJP’s vote bank in Karnataka and particularly in this region. The Idgah Maidan is a small piece of land in the heart of the city, where the Muslims held prayers twice in a year and subsequently Anjuman-E-Islam staked claim to the land resulting in a litigation spanning over close to four decades. In the 90s, when the BJP was trying to find its footing in the state, the Idgah Maidan issue took centre stage.

In 1992, when Murli Manohar Joshi hoisted the tricolour in Srinagar on January 26, the Karnataka unit of the BJP had similar plans for Idgah Maidan in Hubballi, which however did not go as planned. Another attempt planned for August 15, 1992 was aborted later. On August 15, 1994 with general Assembly elections round the corner, the BJP made an attempt to hoist the national flag at Idgah Maidan and succeeded amid a curfew. The result was police firing and death of six persons. The BJP won all the three seats in Hubballi Dharwad area that year. In the subsequent years, the BJP has consolidated its position in the region.

#### WHO ARE THE PFI, WHY BJP IS ACCUSING THE CONGRESS OF GOING SOFT ON THEM

BJP national president J P Nadda and Karnataka Chief Minister Basavaraj Bommai indicated on Sunday (April 17) that the BJP will use the withdrawal of police cases against activists of the Popular Front of India (PFI) during the period 2013-18 to target the Congress in the run-up to the 2023 Assembly elections.

The withdrawal of cases against PFI activists during the tenure of Chief Minister Siddaramaiah has often been cited by the BJP, including before the 2018 Assembly elections, to suggest that the Congress is hand in glove with the radical Islamic group.

The Congress has in turn questioned the BJP for not taking strong action to ban the PFI, if it believes that the group is indeed involved in subversive activities.

#### What is the Popular Front of India?

3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



The PFI was created in 2007 through the merger of three Muslim organisations in southern India, the National Democratic Front in Kerala, the Karnataka Forum for Dignity, and the Manitha Neethi Pasarai in Tamil Nadu.

A decision to bring the three outfits together was taken in November 2006 at a meeting in Kozhikode in Kerala. The formation of the PFI was formally announced at a rally in Bengaluru during what was called the “Empower India Conference” on February 16, 2007.

The PFI, which emerged in the aftermath of the ban on the Students Islamic Movement of India (SIMI), has projected itself as an organisation that fights for the rights of minorities, Dalits, and marginalised communities. It has frequently targeted the alleged anti-people policies of the Congress, the BJP, and the JD-S in Karnataka, even as these mainstream parties have accused one another of being in cahoots with the PFI to gather the support of Muslims at the time of elections.

The PFI has itself never contested elections. It has been involved in carrying out social and Islamic religious work among Muslims on the lines of the work done by right-wing groups such as the RSS, VHP, and Hindu Jagaran Vedike among the Hindu community. The PFI, like the right-wing groups, does not maintain records of its members, and it has been difficult for law enforcement agencies to pin crimes on the organisation after making arrests.

In 2009, a political outfit named Social Democratic Party of India (SDPI) evolved out of the PFI, with the aim of taking up the political issues of Muslims, Dalits, and other marginalised communities.

The SDPI’s stated goal is “advancement and uniform development of all the citizenry including Muslims, Dalits, Backward Classes and Adivasis”, and to “share power fairly among all the citizens”. The PFI is a key provider of ground workers for the SDPI’s political activities.

The PFI has had the most visible presence in Kerala, where it has been repeatedly accused of murder, rioting, intimidation, and having links with terrorist organisations. Back in 2012, the Kerala government headed by Oommen Chandy of the Congress, had informed the High Court that PFI was “nothing but a resurrection of the banned outfit Students Islamic Movement of India (SIMI) in another form”. The government affidavit said PFI activists were involved in 27 cases of murder, mostly of CPM and RSS cadres, and that the motives were communal.

#### **How successful have the PFI/ SDPI been in Karnataka politically?**

The PFI/SDPI has influence mainly in regions with large Muslim populations. The SDPI has built a presence in coastal Dakshina Kannada and Udupi, where it has managed to win local polls for village, town, and city councils.

Until 2013, the SDPI contested only local elections, and had won seats in 21 civic constituencies around the state. By 2018, it had won 121 local body seats. In 2021, it captured as many as three local councils in Udupi district.

From 2013 onward, the SDPI has fielded candidates in elections to the Karnataka Assembly and Parliament. Its most creditable performance came in the 2013 state elections, when it finished second at the Narasimharaja seat, which is part of the Mysore Lok Sabha constituency. In 2018, the SDPI came third in Narasimharaja behind the Congress and BJP, winning over 20 per cent of votes.



The SDPI also contested the 2014 and 2019 Lok Sabha elections for the Dakshina Kannada seat, but could win only 1 per cent and 3 per cent votes respectively.

#### **Why did Siddaramaiah's government (2013-18) drop cases against PFI activists?**

Minor cases filed against supporters of the three main parties — Congress, BJP, and JD-S — have often been dropped when a rival party comes to power, which deems these cases as motivated. Cases related to alleged violations of prohibitory orders during communal disturbances, and against farmers and pro-Kannada activists during agitations, have been withdrawn routinely.

When the BJP was in power between 2008 and 2013, the government ordered cases against Sangh Parivar members involved in attacks on churches in Dakshina Kannada, as also cases filed against Christians for reactionary violence during the attacks, dropped.

#### **So, why is the dropping of the 176 cases against PFI activists during 2013-18 being used by the BJP to target the Congress?**

Although the PFI has not been proscribed by the Government of India, the BJP has often tried to paint the group as being extremist on account of its pro-Muslim stance. In Karnataka, the BJP has often cited murders of workers of right-wing groups affiliated to the BJP by alleged PFI cadre to seek a ban on the PFI. However, in more than 310 cases registered against the PFI in Karnataka since 2007, there have been convictions in only five.

#### **Politically, where is the SDPI placed in relation to the Congress?**

Since the SDPI aims for the same pool of votes as the Congress, it is seen as helping the BJP in communally polarised constituencies and in regions where Muslim votes can tilt election results, such as Dakshina Kannada. Ahead of the 2018 elections, the Congress is believed to have struck a deal with the SDPI to withdraw candidates from constituencies like Bantwal and Mangalore City North in Dakshina Kannada, and Sarvagnanagar and Hebbal in Bengaluru.

Former Congress leader Roshan Baig who has shifted allegiance to the BJP, has in the past accused the Congress of having ties with the SDPI and PFI. However, when Baig was in the Congress, he was accused of being involved with the SDPI by BJP leaders like Shobha Karandlaje.

## **RULES FOR TAPPING A PHONE**

#### **What laws govern this?**

Phone tapping in India is governed by the The Indian Telegraph Act, 1885.

Section 5(2) says that “on the occurrence of any public emergency, or in the interest of the public safety”, phone tapping can be done by the Centre or states if they are satisfied it is necessary in the interest of “public safety”, “sovereignty and integrity of India, the security of the State, friendly relations with foreign States or public order or for preventing incitement to the commission of an offence”.

There is an exception for the press: “press messages intended to be published in India of correspondents accredited to the Central Government or a State Government shall not be intercepted or detained, unless their transmission has been prohibited under this sub-section”. The competent authority must record reasons for tapping in writing.



### **Who authorises phone tapping?**

Rule 419A of the Indian Telegraph (Amendment) Rules, 2007, says phone tapping orders “shall not be issued except by an order made by the Secretary to the Government of India in the Ministry of Home Affairs in the case of Government of India and by the Secretary to the State Government in-charge of the Home Department in the case of a State Government”. The order has to be conveyed to the service provider in writing; only then can the tapping begin.

### **What happens in an emergency?**

In unavoidable circumstances, such an order may be issued by an officer, not below the rank of a Joint Secretary to the Government of India, who has been authorised by the Union Home Secretary, or the State Home Secretary.

In remote areas or for operational reasons, if it is not feasible to get prior directions, a call can be intercepted with the prior approval of the head or the second senior-most officer of the authorised law enforcement agency at the central level, and by authorised officers, not below the rank of Inspector General of Police, at the state level.

The order has to be communicated within three days to the competent authority, who has to approve or disapprove it within seven working days. “If the confirmation from the competent authority is not received within the stipulated seven days, such interception shall cease,” the rule says.

For example, during the 26/11 attacks in Mumbai, the authorities had no time to follow the complete procedure, and so a mail was sent to the service provider by the Intelligence Bureau, and phones of terrorists were put under surveillance. “The proper procedure was followed later. Many times, in grave situations such as terror attacks, service providers are approached with even verbal requests, which they honour in the interest of the nation’s security,” an intelligence official said.

### **What are the checks against misuse?**

The law is clear that interception must be ordered only if there is no other way of getting the information.

“While issuing directions under sub-rule (1) the officer shall consider possibility of acquiring the necessary information by other means and the directions under sub-rule (1) shall be issued only when it is not possible to acquire the information by any other reasonable means,” Rule 419A says.

The directions for interception remain in force, unless revoked earlier, for a period not exceeding 60 days. They may be renewed, but not beyond a total of 180 days.

Any order issued by the competent authority has to contain reasons, and a copy is to be forwarded to a review committee within seven working days. At the Centre, the committee is headed by the Cabinet Secretary with the Law and Telecom Secretaries as members. In states, it is headed by the Chief Secretary with the Law and Home Secretaries as members.

The committee is expected to meet at least once in two months to review all interception requests. “When the Review Committee is of the opinion that the directions are not in accordance with the provisions referred to above it may set aside the directions and orders for destruction of the copies of the intercepted message or class of messages,” the law says.





Under the rules, records pertaining to such directions shall be destroyed every six months unless these are, or are likely to be, required for functional requirements. Service providers too are required to destroy records pertaining to directions for interception within two months of discontinuance of the interception.

#### **Is the process transparent?**

There are multiple provisions aimed at keeping the process transparent.

Directions for interception are to specify the name and designation of the officer or the authority to whom the intercepted call is to be disclosed, and also specify that the use of intercepted call shall be subject to provisions of Section 5(2) of the Telegraph Act.

The directions have to be conveyed to designated officers of the service providers in writing by an officer not below the rank of SP or Additional SP or equivalent. The officer is expected to maintain records with details of the intercepted call, the person whose message has been intercepted, the authority to whom the intercepted calls have been disclosed, date of destruction of copies etc.

The designated nodal officers of the service providers are supposed to issue acknowledgment letters to the security/law enforcement agency within two hours on receipt of an intimation. They are to forward every 15 days a list of interception authorisations received to the nodal officers of the security and law enforcement agencies for confirmation of authenticity.

“The service providers shall put in place adequate and effective internal checks to ensure that unauthorised interception of messages does not take place and extreme secrecy is maintained...” the rule says.

It makes the service providers responsible for actions of their employees. In case of unauthorised interception, the service provider may be fined or even lose its licence.

### THE STATUS OF INDIA'S NATIONAL CYBER SECURITY STRATEGY

The story so far: Amid a surge in cyberattacks on India's networks, the Centre is yet to implement the National Cyber Security Strategy which has been in the works since 2020.

#### **Why does India need a cybersecurity strategy?**

As per American cybersecurity firm Palo Alto Networks' 2021 report, Maharashtra was the most targeted State in India — facing 42% of all ransomware attacks. The report stated that India is among the more economically profitable regions for hacker groups and hence these hackers ask Indian firms to pay a ransom, usually using cryptocurrencies, in order to regain access to the data. One in four Indian organisations suffered a ransomware attack in 2021. Indian organisations witnessed a 218% increase in ransomware — higher than the global average of 21%.

Software and services (26%), capital goods (14%) and the public sector (9%) were among the most targeted sectors. Increase in such attacks has brought to light the urgent need for strengthening India's cybersecurity.

#### **What is the National Cyber Security Strategy?**



Conceptualised by the Data Security Council of India (DSCI), the 22-page report focuses on 21 areas to ensure a safe, secure, trusted, resilient, and vibrant cyberspace for India.

The main sectors of focus of the report are:-

**Large scale digitisation of public services:** There needs to be a focus on security in the early stages of design in all digitisation initiatives and for developing institutional capability for assessment, evaluation, certification, and rating of core devices.

**Supply chain security:** There should be robust monitoring and mapping of the supply chain of the Integrated circuits (ICT) and electronics products. Product testing and certification needs to be scaled up, and the country's semiconductor design capabilities must be leveraged globally.

**Critical information infrastructure protection:** The supervisory control and data acquisition (SCADA) security should be integrated with enterprise security. A repository of vulnerabilities should also be maintained.

**Digital payments:** There should be mapping and modelling of devices and platform deployed, transacting entities, payment flows, interfaces and data exchange as well as threat research and sharing of threat intelligence.

**State-level cyber security:** State-level cybersecurity policies and guidelines for security architecture, operations, and governance need to be developed.

#### **What steps does the report suggest?**

To implement cybersecurity in the above-listed focus areas, the report lists the following recommendations:

**Budgetary provisions:** A minimum allocation of 0.25% of the annual budget, which can be raised up to 1% has been recommended to be set aside for cyber security. In terms of separate ministries and agencies, 15-20% of the IT/technology expenditure should be earmarked for cybersecurity. The report also suggests setting up a Fund of Funds for cybersecurity and to provide Central funding to States to build capabilities in the same field.

**Research, innovation, skill-building and technology development:** The report suggests investing in modernisation and digitisation of ICTs, setting up a short and long term agenda for cyber security via outcome-based programs and providing investments in deep-tech cyber security innovation.

Furthermore, a national framework should be devised in collaboration with institutions like the National Skill Development Corporation (NSDC) and ISEA (Information Security Education and Awareness) to provide global professional certifications in security. The DSCI further recommends creating a 'cyber security services' with cadre chosen from the Indian Engineering Services.

**Crisis management:** For adequate preparation to handle crisis, the DSCI recommends holding cybersecurity drills which include real-life scenarios with their ramifications. In critical sectors, simulation exercises for cross-border scenarios must be held on an inter-country basis.

**Cyber insurance:** Cyber insurance being a yet to be researched field, must have an actuarial science to address cybersecurity risks in business and technology scenarios as well as calculate



threat exposures. The DSCI recommends developing cyber insurance products for critical information infrastructure and to quantify the risks involving them.

**Cyber diplomacy:** Cyber diplomacy plays a huge role in shaping India's global relations. To further better diplomacy, the government should promote brand India as a responsible player in cyber security and also create 'cyber envoys' for the key countries/regions.

**Cybercrime investigation:** With the increase in cybercrime across the world, the report recommends unburdening the judicial system by creating laws to resolve spamming and fake news. It also suggests charting a five-year roadmap factoring possible technology transformation, setting up exclusive courts to deal with cybercrimes and remove backlog of cybercrimes by increasing centres providing opinion related to digital evidence under section 79A of the IT act.

#### LEAKED STAMP SCUTTLED GOVT. PLAN TO HONOUR FORMER PM NARASIMHA RAO

The source said once a stamp is approved, it is sent to nearly 80 philatelic bureaus within the country in advance with strict instructions that these are not to be sold before the release date. However, as per source, the Narasimha Rao stamps were leaked from Mumbai, Madurai and two other bureaus.

The source added that the case came to light through social media where pictures of a Speed Post letter, booked by affixing the yet-to-be released stamp of Narasimha Rao, were posted online. "The person who booked the Speed Post letter took its photo and uploaded it on social media... When CCTV footage of the Mumbai GPO premises were scrutinised, it was found that these were booked by a well-known philatelist," the source said.

##### **Philatelist banned**

During investigation, the philatelist informed officials that he had purchased four stamps and two first day covers (FDCs) of P.V. Narasimha Rao from a coin vendor on Prince of Wales Museum Street in Mumbai.

Following the incident, to regulate philatelic activities through lawful means, the Department of Posts banned the philatelist from participating in any kind of philatelic activity for a period of five years, beginning last year.

#### LT. GEN. MANOJ PANDE IS NEW ARMY CHIEF

The Vice Chief of Army Staff, Lt. Gen. Manoj Pande, has been appointed the 29th Chief of the Army Staff, a Defence Ministry statement said on Monday.

He is the first officer from the Corps of Engineers and also the first from combat support arms — the combat arms being infantry, artillery and armoured — to head the 1.3-million Indian Army.

He will take over on April 30 when the incumbent, General Manoj Naravane, is set to retire.

Appointment is still awaited for the post of Chief of Defence Staff (CDS) which has fallen vacant following the untimely demise of the country's first CDS, Gen. Bipin Rawat, in a chopper crash in December. Gen. Naravane is at present the senior-most and front runner for the post.

The Service chiefs can continue in office till 62 years of age or for three years, whichever is earlier, while the age limit for the CDS is 65 with no fixed tenure defined.



Lt. Gen. Pande was commissioned in December 1982 into the Corps of Engineers (The Bombay Sappers).

Once he takes over as Chief, all the three Service Chiefs will be from the 61st Course at the National Defence Academy (NDA). Lt. Gen. Pande is a graduate of Staff College, Camberley (United Kingdom), and attended the Higher Command Course at Army War College, Mhow and National Defence College (NDC) at Delhi.

#### **UN Mission**

He was posted as Chief Engineer at the United Nations Mission in Ethiopia and Eritrea.

The General Officer has commanded 117 Engineer Regiment during Operation PARAKRAM in Pallanwala Sector of Jammu and Kashmir, along the Line of Control (LoC).

He commanded an Engineer Regiment along the LoC, an Engineer Brigade as part of the Strike Corps, an Infantry Brigade along the LoC, a Mountain Division in high altitude area of western Ladakh and a Corps deployed along the Line of Actual Control (LAC) as also in counter insurgency operations area in the Northeast region.

#### **A MISTAKEN DECISION**

The Telangana government's decision to scrap the 1996 order for protection of two reservoirs, Osman Sagar and Himayat Sagar, which provided drinking water to the entire city for close to eight decades has drawn flak from environmentalists and lake activists. The government's contention that the order famously known as GO 111 has become redundant now as the city does not draw drinking water from the twin lakes anymore, is being challenged by activists who say the move is intended to benefit real estate at the cost of the city's conservation needs.

The contentious order, issued in the joint State of Andhra Pradesh, prohibited polluting the industries, major hotels, residential colonies and other establishments in the catchment area of the lakes up to 10 km from the full tank level. Sixty per cent of the layouts in the catchment area were to be left as open spaces and roads, and 90% of the total catchment area was classified for agriculture/horticulture/floriculture.

Real estate emerging as a major money spinner changed it all. Starting with the central and western parts of the city, the real estate frenzy spread far and wide, except in the catchment area of twin reservoirs where restrictions were in place. Illegal structures, however, were allowed to flourish if they were backed by money and muscle power. This predicament has resulted in disaffection among farmers and land owners.

The real estate companies, however, saw an opportunity in this. Farmers in distress sold the lands for a pittance, and builders and politicians added them to their land bank with the speculative gumption that the GO 111 would go away some day if intense lobbying with successive governments paid off. Dry spells of the reservoirs under the drought conditions provided certain shrillness to the demand for scrapping the order.

Legitimacy was accorded to the demand when the ruling TRS party made it one of the election promises in 2018, bringing cheer to the land owners in the peripheries of 84 villages. One aspect deliberately glossed over by the State in claiming redundancy of the reservoirs, is the primary



objective for which the dams were built during the rule of the last Nizam Mir Osman Ali Khan in 1920 and 1927 respectively.

Mandating construction of the reservoirs were the 1908 floods in the River Musi, which had caused widespread devastation and destruction, following which the State summoned legendary engineer M. Visvesvaraya to suggest a flood control strategy for the city. In his report, Mr. Visvesvaraya noted that the city had experienced 12 floods during previous 300 years. "Immunity from the floods must come, if it ever comes, from the construction of flood catchment reservoirs in the basin above," he noted in his report, paving way for construction of Osman Sagar on the River Musi and Himayat Sagar on its tributary Esi.

The government's decision to withdraw GO 111 curiously comes less than two years after another bout of destructive floods in October, 2020 when at least three lakes were breached and 50 people died. There has been consensus since that the floods were caused by blockage of the city's natural rainwater discharge channels by way of heavy construction. Blaming it on the short-sightedness of the previous governments, the present TRS government has also launched 'Strategic Nala Development Plan', a ₹986 crore initiative to develop and unclog the channels for effective drainage of the surplus rainwater.

As one famous quote goes, 'a mistake repeated more than once is a decision.' And this time, the decision is seemingly to repeat a mistake.

#### TIME FOR CHANGE

The India Meteorological Department (IMD) has forecast a 'normal' monsoon for this year, or 99% of the Long Period Average (LPA) of 87 cm. The IMD has a multi-stage monsoon forecast system. The April forecast usually has little detail on how much rain is expected during each of the monsoon months, and whether the rain will be lopsided or evenly distributed geographically. The IMD usually shares this in late May or early June, just around the time the monsoon is imminent over Kerala. The forecast in April is thus only a general indicator and of little public utility. A normal monsoon forecast this year is also predicated on the absence of an El Niño, a warming of the Central Pacific linked to the drying up of monsoon rains. However, another ocean parameter called the Indian Ocean Dipole, the positive phase of which is associated with good rains, has also been forecast to be 'neutral' or unhelpful for the monsoon.

There has also been another significant bit of information made public. The IMD has changed its definition of the LPA, which is an indication of the average rainfall over a 50-year interval and, as per the norms of the World Meteorological Organization to which India is a signatory, should be updated every 10 years. For myriad reasons, the IMD stuck with an LPA number of 89 cm (the average monsoon rain from 1951-2000) until 2018, when it was updated to 88 cm (to reflect the average from 1961-2010). And now, to count for the 1971-2020 interval, the number is 87 cm. While on the surface, it might look like India is losing just a centimetre of rainfall every decade, it must be remembered that this conceals wide shifts in rainfall when computed at the State and district levels as the monsoon rain is highly uneven. The IMD explains the loss of a centimetre every decade as part of a natural cycle of the monsoon where 30 years of less rain, or a 'dry' epoch, is followed by 30 years of a 'wet epoch'. India began a dry epoch in the 1970-80 decade, the IMD says; it is now in a neutral phase and will enter a wet epoch in the decade, 2030-2040. The IMD has presented research over the years documenting the changes in the weather and rainfall in recent years down to sub-district levels, and has said that global warming, in its tendency to heat the oceans, has certainly had a role to play. Much like the update to the average, the IMD must



update some processes and lay stress on shorter forecasts, a month or a fortnight ahead, rather than maintain anachronistic traditions of long-range forecasts that are neither accurate nor useful.

## AN HONEST RECKONING

The visit of Tedros Ghebreyesus, Director-General of the World Health Organization, to Gujarat for the Global Ayush Investment and Innovation Summit coincides with a simmering dispute between India and WHO on its forthcoming report on excess COVID-19 deaths between 2020 and 2021. In 2020, the organisation had computed three million deaths globally from the pandemic, much more than the 1.8 million officially reported by countries. It was due to update this estimate for 2021 by the year-end but could not, and reports suggest, because of 'stalling' by India. A report in The New York Times claims that WHO estimates India accounted for four million deaths, or about eight times the current official toll of 5.2 lakh. The report drew a sharp response from the Centre, with the Health Ministry criticising WHO's use of mathematical extrapolation and assumptions that did not capture ground realities in India and its reliance on 'unverified' data sources. WHO is set to release its estimates for most countries in the near future but the disclosure of India's displeasure again shines the light on a long-standing discomfort with independent estimates of the death toll. A high death toll undermines India's official discourse that it has performed better than several western countries with better developed health infrastructure.

While India has traditionally been a laggard in health statistics, largely due to the wide disparity in health services across States, it has, in recent years, improved medical registration of deaths to as much as 92% in 2019. States such as Tamil Nadu, Kerala and Mizoram, for instance, have nearly 100% death registration; but even in these States, the percentage of certified deaths ascribing a cause is lower. States such as Bihar, Jharkhand and Uttar Pradesh have less than 67% and even fewer certified deaths. The infectious, pervasive nature of the pandemic continues to strain and overwhelm the most resilient health systems and there will never be an exact count of the toll. While it is possible that researchers could use indirect methods that may overestimate the toll, it is indefensible on India's part to maintain that its official estimates offer a more accurate picture. While it may be difficult to make death estimates for all States, India should view them not as an indictment but as a marker for future generations that they may be better equipped and so invest appropriately to improve preparedness against inevitable blights. India must also officially commission a team of experts, supply them with the best available data, and have them independently investigate excess deaths, publishing their methods and numbers, without fear or favour, in reputed journals. This would go a long way in burnishing India's health credentials.

## WHO & TRADITIONAL MEDICINE

On Tuesday, Prime Minister Narendra Modi, along with World Health Organization (WHO) Director-General Dr Tedros Ghebreyesus, will perform the groundbreaking ceremony for the first-of-its-kind WHO Global Centre for Traditional Medicine (GCTM) in Jamnagar, Gujarat. Earlier, the Prime Minister had said the GCTM would go a long way in enhancing wellness in society.

### What is traditional medicine?

The WHO describes traditional medicine as the total sum of the "knowledge, skills and practices indigenous and different cultures have used over time to maintain health and prevent, diagnose and treat physical and mental illness". "Its reach encompasses ancient practices such as



acupuncture, ayurvedic medicine and herbal mixtures as well as modern medicines,” the WHO says.

Traditional medicine in India is often defined as including practices and therapies — such as yoga, Ayurveda, Siddha — that have been part of Indian tradition historically, as well as others — such as homeopathy — that became part of Indian tradition over the years. Ayurveda and yoga are practised widely across the country; the Siddha system is followed predominantly in Tamil Nadu and Kerala; the Sowa-Rigpa system is practised mainly in Leh-Ladakh and Himalayan regions such as Sikkim, Arunachal Pradesh, Darjeeling, Lahaul & Spiti.

The Institute of Teaching and Research in Ayurveda (ITRA), Jamnagar, will temporarily house the WHO Global Centre for Traditional Medicine. (Source: ITRA)

#### **What will the GCTM be about?**

On November 3, 2020, Dr Tedros announced the establishment of the WHO GCTM in India . The Union Cabinet in March this year approved its establishment in Jamnagar with the signing of a host country agreement between the Government of India and the WHO. India has committed an estimated \$250 million to support the GCTM's establishment, infrastructure and operations.

The GCTM will aim to focus on evidence-based research, innovation, and data analysis to optimise the contribution of traditional medicine to global health. Its main focus will to develop norms, standards and guidelines in technical areas relating to traditional medicine.

At press conference on Monday, the Ministry of AYUSH (Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homeopathy) said it will seek to set policies and standards on traditional medicine products and help countries create a comprehensive, safe, and high-quality health system. The GCTM will support efforts to implement the WHO's Traditional Medicine Strategy (2014-23), which aims to support nations in developing policies & action plans to strengthen the role of traditional medicine in pursuing the goal of universal health coverage. According to WHO estimates, 80% of the world's population uses traditional medicine.

#### **Why has the WHO felt the need to advance knowledge of traditional medicine?**

The WHO says 170 of its 194 WHO Member States have reported the use of traditional medicine, and these member states have asked for its support in creating a body of “reliable evidence and data on traditional medicine practices and products”. It says the Jamnagar centre will serve as the hub, and focus on building a “solid evidence base” for policies and “help countries integrate it as appropriate into their health systems”.

The WHO has flagged many challenges faced by traditional medicine. For instance, national health systems and strategies do not yet fully integrate traditional medicine workers, accredited courses and health facilities.

Second, the WHO has stressed the need to conserve biodiversity and sustainability as about 40% of approved pharmaceutical products today derive from natural substances. “For example, the discovery of aspirin drew on traditional medicine formulations using the bark of the willow tree, the contraceptive pill was developed from the roots of wild yam plants and child cancer treatments have been based on the rosy periwinkle,” the WHO says.

Third, the WHO has referred to modernisation of the ways traditional medicine is being studied. Artificial intelligence is now used to map evidence and trends in traditional medicine. “Functional



magnetic resonance imaging is used to study brain activity and the relaxation response that is part of some traditional medicine therapies such as meditation and yoga, which are increasingly drawn on for mental health and well-being in stressful times,” it says.

Fourth, the WHO has said traditional medicine is also being extensively updated by mobile phone apps, online classes, and other technologies. The GCTM will serve as a hub for other countries, and build standards on traditional medicine practices and products.

#### **Has India taken up similar collaborative efforts earlier?**

Yes. In 2016, the Ministry of AYUSH signed a project collaboration agreement (PCA) with the WHO in the area of traditional medicine. The aim was to create benchmarks for training in yoga, Ayurveda, Unani and Panchakarma, for traditional medicine practitioners. The collaboration also aimed at promoting the quality and safety of traditional medicine and consumer protection by supporting WHO in the development and implementation of the WHO Traditional and Complementary Medicine Strategy.

At least 32 MoUs for undertaking collaborative research and development of traditional medicine have been signed with institutes, universities and organisations from the US, Germany, UK, Canada, Malaysia, Brazil, Australia, Austria, Tajikistan, Saudi Arabia, Ecuador, Japan, Indonesia, Reunion Island, Korea and Hungary.

A constituent laboratory of the Council of Scientific & Industrial Research — Institute of Himalayan Bio-resource Technology (CSIR-IHBT), Palampur — has signed an MoU with National Research Institute of Chinese Medicine, Ministry of Health and Welfare, Taiwan, to collaborate in areas of mutual interest, which include medicinal plants, bioactive molecules, and, herbal formulations etc.

Also, the CSIR and the Bill & Melinda Gates Foundation have signed an MoU to identify opportunities for scientific and technological research between researchers within and outside India, including collaborations with foundation-funded entities in the areas including traditional medicine as well as beyond.

#### **Why Jamnagar ?**

An interim office of the GCTM is planned to be set up at the Institute of Teaching and Research in Ayurveda (ITRA) in Jamnagar. The Central Public Works Department is expected to set up the office by July 31, at an estimated cost of Rs 13.49 crore.

ITRA, supported by the Gujarat government and financed by the central government, is the first university to offer education and training in the field of Ayurveda across the world, according to the Ministry of AYUSH. The university is a WHO collaborating centre for traditional medicines. The WHO and the central government are also aiming at using technology and innovation, such as artificial intelligence, to map traditional medicine trends, innovations and patents, linking to WHO's Innovation Hub.





## BUSINESS & ECONOMICS

### HOW WILL SRI LANKA OVERCOME ITS DEBT CRISIS?

The story so far: On April 12, Sri Lanka announced its decision to default on its foreign debt of \$51 billion, tarnishing its track record of promptly servicing past loans. Citing the International Monetary Fund's assessment that the country's debt stock was "unsustainable", the Finance Ministry said its policy of repaying foreign debt on time was "no longer tenable". It described the default move as its "last resort" to prevent "a further deterioration" of the country's financial position, and to ensure fair and equitable treatment of all creditors. In the coming week, Sri Lanka will hold talks with the International Monetary Fund (IMF) in Washington DC, on a comprehensive debt restructuring programme.

#### **What led to the crisis?**

Sri Lanka is experiencing one of its worst economic crises. For months now, households and businesses have had to cope with severe food and fuel shortages, while the government scrambles for dollars to pay for essential imports. Emergency financial support coming in, including from India, is barely enough to sustain the country for a month. With authorities sharing no roadmap or plan, fears of hunger and starvation are growing, and thousands of people have been voicing their anger against the government. Amid mounting protests, the government took two major decisions recently — to default on the country's debt, and to seek IMF support to restructure outstanding loans and rescue its teetering economy.

#### **Does a debt default help?**

No middle-income country other than Sri Lanka has resorted to a debt default in recent years. Usually, creditors and investors see a defaulting country as less favourable for business. This makes it harder for the country to borrow from external sources. If domestic production is low, as is in Sri Lanka's case, it is even harder to cope.

All the same, Sri Lanka's pre-emptive default takes away the pressure of having to repay some \$7 billion in debt this year, giving the country some time to stabilise. Further, the default move came just ahead of Colombo's scheduled talks with the IMF, on the sidelines of the Spring meetings of the Fund and World Bank, beginning in Washington DC on April 18. The IMF is expected to come up with a package that will allow Sri Lanka to restructure its external debt over time. Such a programme, including immediate relief of a couple of billion dollars, will also make Sri Lanka more credit worthy in the international money market.

#### **How is Sri Lanka coping meanwhile?**

Citizens are finding it very difficult to source essentials, including cooking gas and kerosene. Fuel is in short supply and is now being rationed to customers after long periods of waiting in queues. Costs of all basic commodities have risen sharply making them unaffordable for most. Colombo is sourcing fuel and food supplies for the month using external help, including credit lines from India.

#### **What is the political fallout of this crisis for the Rajapaksas?**

From the time Sri Lanka's economic meltdown intensified this year, President Gotabaya Rajapaksa's government has been facing considerable pressure from citizens, who have been unrelenting in their call for the resignation of President Gotabaya Rajapaksa and Prime Minister



Mahinda Rajapaksa. Although the Cabinet resigned en masse, neither of the ruling brothers — who the public hold chiefly responsible for their suffering — appear inclined to step down.

Meanwhile, shortages persist, and prices soar, putting people through enormous hardships. Even after the government announced its decision to suspend debt servicing and seek IMF aid with an accompanying structural reform package, it is yet to restore any confidence among the general public, going by the large demonstrations that continue.

#### **How could an IMF programme bail out the country?**

The way forward is neither easy nor straightforward for Sri Lanka, even with IMF assistance. Senior Sri Lankan economists have observed that the situation would likely get worse before getting better, and that there could be no gain without pain. Much would depend on the conditions imposed by the IMF and how Sri Lanka responds to them, given the government's political compulsion to regain lost ground.

It is widely predicted that the Fund's recommended reforms would include greater taxation, and a reduction in state spending. What this could mean to the average citizen reeling under the shock of this economic calamity remains to be seen.

It would be especially challenging for the Rajapaksa regime, which has lost significant political capital in the wake of this crisis, to make and implement tough policy decisions that would be inevitable at this time.

#### **BUMPS AHEAD**

In its latest World Economic Outlook report, the IMF has pared global growth hopes for 2022 from 4.4% projected in January, to just 3.6%, a sharp decline from the estimate of 6.1% for 2021. The invasion of Ukraine has significantly dampened post-COVID recovery prospects, with the IMF highlighting volatile yet sharp commodity prices and supply chain disruptions. Fresh pandemic-driven lockdowns in China's key manufacturing and trade hubs also compound supply worries and could slow its own growth from 4.8% to 4.4% this calendar year. India's growth through 2022-23, which the IMF had pegged at 9% in January, has now been projected at 8.2% — lowered by the same extent as overall global growth. This headline number is more optimistic than projections from the World Bank (8%), the ADB (7.5%) and the RBI (7.2%). In 2023-24, however, the IMF expects growth to slip to 6.9%, while the World Bank expects it to be at 7.1%. The IMF has emphasised that these projections are much more uncertain than usual due to the 'unprecedented nature of the shock' to the world economy. Growth could slow much more while inflation could turn out higher than expected. The multilateral lender expects India's retail inflation to now average above the RBI's tolerance threshold at 6.1% and the current account deficit to touch 3.1% this fiscal year.

The chief factors cited by the IMF for lowering India's growth trajectory include higher oil prices, inflation that would exacerbate weak domestic demand, and the likelihood of a drag on net exports. The World Trade Organisation has lowered its 2022 global merchandise trade growth forecast to just 3% from 4.7% projected earlier. This means a critical operating growth engine, which manifested in the record \$420 billion exports in 2021-22, could sputter. A corollary risk from higher food and fuel prices in emerging economies is heightened social unrest, and the IMF Managing Director Kristalina Georgieva has noted that ordinary families' budgets are being strained to the breaking point. While she has mooted decisive actions from central banks to stem



inflation worries, she has also warned that monetary policy tightening would raise debt servicing costs and put many low-income countries in distress. Indian policy makers need all hands on deck and undivided attention to cope with the multiple headwinds, which include the need to smoothen interest rate hikes, spur consumption, manage fragile fiscal math and currency fluctuations amid volatile foreign capital flows. It would be equally critical to devise a medium-term action plan to minimise the scarring effects of this 'crisis upon a crisis', as the IMF expects employment and output to persist below pre-COVID trends till as far as 2026, amid a further dip in global growth after 2023.

## WHY IS INDIA LOOKING TO BOOST WHEAT EXPORTS?

The story so far: Russia's invasion of Ukraine and the subsequent western sanctions on Russia have affected wheat exports from the Black Sea region and impacted food security in several countries, especially in Africa and West Asia. The disruption to global wheat supplies in turn has thrown open opportunities that India's grain exporters are eyeing, especially given the domestic surplus availability of the cereal. Union Minister for Commerce and Industry Piyush Goyal said on Friday that Egypt, one of the largest importers of wheat, had agreed to source the cereal from India.

### What is the status of India's wheat exports?

Globally, Russia is the market leader for wheat exports (almost 15% share) and Ukraine is also a major producer. Exports from these two countries have been hit by the war and sanctions. India expects to produce 112 million tonnes of wheat in the current crop year. The government requires 24-26 million tonnes a year for its food security programmes. With surplus wheat production, opportunities have opened up for exports. Wheat exports in the 2021-2022 financial year were estimated at 7.85 million tonnes, a quadrupling from 2.1 million tonnes in the previous year. More countries are turning to India because of the competitive price, acceptable quality, availability of surplus wheat and geopolitical reasons. While the existing importers are buying more, new markets have emerged for Indian wheat. Exports this fiscal are expected to be almost 10 million tonnes worth \$3 billion.

### Which new markets are expected to buy from India?

The different grades of wheat produced in India are of the milling quality. So, apart from Egypt and Jordan, countries in East Africa are also likely to source the foodgrain from India. India has sent out dossiers to over 20 countries and talks are on at different levels with all these countries. The aim is to reach early resolution on the Pest Risk Analysis by each of these countries so that exports can take off. The Agricultural and Processed Food Products Export Development Authority (APEDA) and Ministry of Agriculture are also sending delegations to several countries to resolve market issues, if any.

### What is being done to facilitate the exports?

The Commerce Ministry has put in place an internal mechanism to facilitate wheat exports and get the paperwork ready for the related sanitary and phytosanitary applications to help facilitate shipments. Wheat is going in full vessel loads and needs to be transported to the ports from the growing areas. The railways is providing rakes on priority to move the wheat. Tarun Bajaj, director at APEDA, says the railways, ports, and testing laboratories are all geared up to meet the requirements.



### **What norms are buyer countries using to approve Indian wheat?**

Countries that have not previously imported wheat from India insist on the completion of the Pest Risk Analysis to provide market access. There are also other different standards that the buyers share with their sellers here. While, at present, Indian suppliers are able to meet these criteria, Indian authorities are working closely to step in and negotiate resolution if any “unreasonable” standards are stipulated.

### **What is the future outlook?**

The government is optimistic about the long-term export opportunities not only for wheat, but for all cereals including millets and super foods. Trade sources say if Indian wheat prices remain competitive and geopolitical and weather conditions stay favourable, the scope is good for wheat exports. India has won the confidence of markets such as Sri Lanka and Bangladesh. It needs to establish itself in the new markets too and the government should facilitate it.

## **HOW GOVT PROCURES WHEAT**

The procurement of wheat is underway in several states. The government procures foodgrains — rice, wheat, and coarse grains — in order to ensure farmers receive the minimum support price (MSP), and a stock is maintained to distribute to the poor under the public distribution system (PDS) and other schemes.

### **How is the procurement carried out?**

The Food Corporation of India (FCI), along with state government agencies (SGAs), procures wheat. The FCI’s wheat procurement system can be decentralised (DCP) or centralised (non-DCP).

“Under centralised procurement system, the procurement of foodgrains in Central Pool is undertaken either by FCI directly or by State Govt. Agencies (SGA),” FCI says on its website. Central pool refers to stocks procured through MSP operations for welfare schemes and calamity relief. “Quantity procured by SGAs is handed over to FCI for storage and subsequent issue against GoI (Government of India) allocations in the same State or movement of surplus stocks to other States. The cost of the foodgrains procured by State agencies is reimbursed by FCI as per Provisional per cost-sheet issued by GOI as soon as the stocks are delivered to FCI,” FCI says.

Under the centralised system, in states like Punjab and Haryana, FCI/ state agencies procure wheat from farmers through arhtiyas (commission agents) as per the state APMC Act. In other states, wheat (or paddy) is procured directly from the farmers by FCI or SGAs.

Under the decentralised procurement system, state governments or their agencies procure, store, and distribute — against the GoI’s allocation for the targeted public distribution system and other welfare schemes (OWS) — rice, wheat, or coarse grains in the state.

According to FCI, “The excess stocks (rice & wheat) procured by the State/ its agencies are handed over to FCI in Central Pool. The expenditure incurred by the State Government on procurement, storage and distribution of DCP stocks are reimbursed by Government of India on the laid down principles.

“The expenses such as MSP, arhatiya/society commission, administrative charges, mandi labour charges, transportation charges, custody & maintenance charges, interest charges, gunny cost,



milling charges and statutory taxes are reimbursed on actual basis. The cost of excess stocks handed over to FCI is reimbursed by FCI..."

As per the portal, wheat is being procured under the DCP from eight states — Madhya Pradesh (since 1999-2000), Chhattisgarh (since 2001-02), Uttarakhand (since 2003-04), Gujarat (since 2004-05), West Bengal (since 2010-11), Bihar (since 2014-15), Punjab (since 2014-15), and Maharashtra (since 2020-21).

#### **What is the price the government pays?**

The government buys wheat at the MSP, which it declares before the sowing of the crop every year on the recommendation of the Commission for Agricultural Cost and Prices (CACP). The MSP of wheat for the 2022-23 rabi marketing season is Rs 2,015 per quintal. States can pay bonus over and above this MSP.

MSPs are currently applicable on 23 farm commodities, including wheat and rice. However, there is no statutory backing for MSPs, or any law mandating their implementation. The farmers who led the year-long agitation against the three farm laws in 2020-21 wanted a legal guarantee for MSP, which the government declined to concede. Currently, the government carries out procurement for only some of the 23 of these commodities.

While procurement agencies ensure that stocks brought to mandis are purchased as per specifications, a farmer who gets a better price from a private player is free to sell elsewhere.

#### **How is the quality of wheat ensured?**

Farmers bring their produce to procurement centres and dump it in heaps. The quality control manager or technical assistant takes samples to check the quality. There have been concerns over the quality of wheat due to high temperatures in March. There have been complaints about shrivelled grains in Punjab.

#### **When does procurement take place?**

It differs from state to state. During the current marketing season, procurement began on April 1 in eight states: Punjab, Haryana, UP, Rajasthan, Uttarakhand, Gujarat, Delhi, and Jammu and Kashmir. In MP, it started on March 15. In Himachal Pradesh and Bihar, it began on April 15 and April 20 respectively. With the exception of 2020, Punjab has traditionally been the number 1 contributor to the central pool for wheat, having increased its contribution from 102.09 lakh tonnes in 2011 to 132.22 lakh tonnes in 2021. Haryana's contribution increased from 63.47 lakh tonnes to 84.93 lakh tonnes. MP contributed the most in 2020 — 129.42 lakh tonnes.

#### **What is the cost to the government?**

The FCI defines economic cost as "the total cost", including acquisition and distribution costs. It includes MSP and incidental costs of procurement, including state taxes, commission to arhtiyas or societies, cost of bagging materials, mandi labour, transportation to depot, etc. The FCI has pegged the economic cost of wheat at Rs 2,588.70 per quintal for the current season.

#### **What is the target of wheat procurement during rabi marketing season 2022-23?**

The government had set a target of procuring 444 lakh metric tonnes (LMT) of wheat, higher than last year's 433.44 LMT. Of the target, 132 LMT is proposed to be procured from Punjab, followed



by MP (129 LMT), Haryana (85 LMT), UP (60 LMT), Rajasthan (23 LMT), Bihar (10 LMT), Uttarakhand (2.2 LMT), Gujarat (2 LMT), J&K (0.35 LMT), Himachal Pradesh (0.27 LMT) and Delhi (0.18 LMT).

#### **How much has been procured till date?**

According to the Ministry of Consumer Affairs, Food and Public Distribution, 69.24 LMT of wheat had been procured until April 17. However, data available on the Central Food Grains Procurement Portal shows 101 LMT wheat has been procured till April 20.

According to FCI records from 2011 to 2021, procurement for the central pool has been 25–40% of the total wheat production. Total production increased from 88 million tonnes in 2011 to around 109 million tonnes in 2021, and procurement doubled from 22.5 million tonnes to 43.3 million tonnes in 2021.

For the current rabi season, the Agriculture Ministry has pegged the wheat output at 111 million tonnes. However, there may be a shortfall due to the rise in temperatures in March.

#### **How much buffer stock is needed?**

As per norms that came into effect in January 2015, a buffer stock of 74.60 lakh tonnes of wheat should be maintained in the central pool as on April 1; 275.80 lakh tonnes on July 1; 205.20 lakh tonnes on October 1; and 138 lakh tonnes on January 1 every year. As per the latest available figures with FCI, wheat stock in the central pool stood at 189.8 LMT as on April 1, 2022, which is almost 2.5 times of the buffer stock requirement of 74.60 lakh tonnes.

#### **What is the annual requirement of wheat for government schemes?**

The annual offtake from the central pool has been around 300 lakh tonnes for distribution under the National Food Security Act, 2013, and other welfare schemes during recent years. During 2021-22, total offtake stood at 294.70 lakh tonnes. Also, 187.18 lakh tonnes were lifted for programmes like the Pradhan Mantri Garib Kalyan Anna Yojana and Atma Nirbhar Bharat programme for migrant workers during 2021-22 amid the pandemic.

### **WHAT IS PARBOILED RICE, AND WHY CENTRE WANTS TO STOP PURCHASING IT**

#### **What is parboiled rice?**

The dictionary meaning of 'parboil' is 'partly cooked by boiling'. Thus, the expression parboiled rice refers to rice that has been partially boiled at the paddy stage, before milling. Parboiling of rice is not a new practice, and has been followed in India since ancient times. However, there is no specific definition of parboiled rice of the Food Corporation of India or the Food Ministry.

Today, there are several processes for parboiling rice. For example, the Central Food Technological Research Institute (CFTRI), Mysuru, uses a method in which the paddy is soaked in hot water for three hours, in contrast to the more common method in which paddy is soaked for 8 hours. The water is then drained and the paddy steamed for 20 minutes. Also, the paddy is dried in the shade in the method used by the CFTRI, but is sun-dried in the common method.

The Paddy Processing Research Centre (PPRC), Thanjavur follows a method known as the chromate soaking process. It uses chromate, a family of salt in which the anion contains both chromium and oxygen, which removes the odour from the wet rice.



All processes generally involve three stages—soaking, steaming and drying. After passing through these stages, the paddy goes for milling.

#### **Are all rice varieties suitable for parboiling?**

Generally, all varieties can be processed into parboiled rice, but it is ideal to use long slender varieties to prevent breakage during milling. However, aromatic varieties should not be parboiled because the process can make it lose its aroma.

#### **What are the benefits?**

There are several benefits. For example, parboiling makes rice tougher. This reduces the chances of the rice kernel breaking during milling. Parboiling also increases the nutrient value of the rice. Third, parboiled rice has a higher resistance to insects and fungi.

However, parboiling comes with some disadvantages too. The rice becomes darker and may smell unpleasant due to prolonged soaking. Besides, setting up a parboiling rice milling unit requires a higher investment than a raw rice milling unit.

#### **How much is the stock of parboiled rice in the country?**

According to the Food Ministry, the total stock of parboiled rice is 40.58 lakh metric tonnes (LMT) as on April 1, 2022. Out of this, the highest stock is in Telangana at 16.52 LMT, followed by Tamil Nadu (12.09 LMT) and Kerala (3 LMT). The stock was in the range 0.04–2.92 LMT in 10 other states —Andhra Pradesh, Chhattisgarh, Odisha, Jharkhand, West Bengal, Karnataka, Bihar, Punjab and Haryana.

The Centre will procure 1.36 LMT of parboiled rice from Telangana for the Kharif Market Season (KMS) of 2020-21. For the ongoing KMS 2021-22, the Centre expects to procure 5.82 LMT parboiled rice from only two states—Jharkhand (3.74 LMT) and Odisha (2.08 LMT). From the other 10 rice-producing states, including Telangana, the Ministry has no plan to procure parboiled rice. In the coming days, the total parboiled rice stock will increase to 47.76 LMT.

#### **How high is the demand?**

The Food Ministry pegs the parboiled rice demand at 20 LMT per annum for distribution under the National Food Security Act, 2013. According to the Ministry, the demand for parboiled rice has come down in recent years.

In the last few years, production in parboiled rice-consuming states such as Jharkhand, Kerala and Tamil Nadu has increased, resulting in less movement to the deficit states.

Earlier, the Food Corporation of India (FCI) used to procure parboiled rice from states such as Telangana to supply to these states. But in recent years, parboiled rice production has increased in these states. So, the Ministry says, the current stock of parboiled rice is sufficient to meet the demand for the next two years.

#### **What has been the pattern of procurement from Telangana?**

Telangana has been the major supplier so far. Data available with the Food Ministry shows that the FCI procured 25.62 LMT of par-boiled rice from Telangana during both seasons — kharif and rabi — in 2020-21.



## WHAT THE INCREASE IN MCLR MEANS FOR YOU, YOUR LOAN

State Bank of India (SBI), India's largest commercial bank, on Monday raised the marginal cost of funds-based lending rates (MCLR) for the first time in three years, signalling that the soft rates regime that has prevailed since 2019 may be over.

### Your EMIs are set to rise

SBI raised the MCLR by 10 basis points (bps) across tenures to 7.1% (from 7% earlier); it is now slightly lower than the 7.25% at HDFC Bank, Punjab National Bank, and ICICI Bank. Bank of Baroda, Axis Bank, and Kotak Mahindra Bank raised their MCLR by 5 bps each across tenures. Other public sector and private banks are set to raise MCLR in the coming days.

MCLR, which RBI instituted with effect from April 1, 2016, is the lowest interest rate that a bank or lender can offer. It is applicable to fresh corporate loans and floating rate loans taken before October 2019. RBI then switched to the external benchmark linked lending rate (EBLR) system where lending rate is linked to benchmark rates like repo or Treasury Bill rates.

As a result of the increase in MCLR, borrowers who have taken home, vehicle, and personal loans will find their equated monthly instalments (EMIs) rising in the coming months. With the RBI set to withdraw the accommodative policy (the willingness to expand money supply to boost economic growth), lending rates are expected to rise further in the coming months.

MCLR-linked loans had the largest share (53.1%) of the loan portfolio of banks as of December 2021. The rise in MCLR comes after the one-year median MCLR of banks declined by 95 bps between March 2020 and January 2022. The sustained decline in MCLR in the last three years and periodic resetting of such loans at lower rates helped existing borrowers, as banks extended the benefits to them by reducing the WALR (weighted average lending rate) on outstanding rupee loans more than the policy repo rate cuts during the EBLR period.

Banks linked their EBLR to the RBI's repo rate, which declined from 5.40% to 4% since October 2019. When the RBI hikes the repo rate, EBLR will go up and vice versa. The share of EBLR loans in total advances was 39.2% in December 2021, according to RBI.

### Interest rates will rise too

According to bankers, the gradual tightening of money supply in the financial system is expected to push up interest rates. The "extraordinary" liquidity measures undertaken in the wake of the pandemic, combined with the liquidity injected through various other operations of the RBI have left a liquidity overhang of the order of Rs 8.5 lakh crore in the system.

With retail inflation hitting 6.95% in March and wholesale inflation at 14.55%, the central bank is expected to take measures to bring down prices. The tightening of the accommodative policy is normally accompanied by a rise in interest rates in the system. The US Federal Reserve recently announced a tightening of the policy and raised interest rates. The next round of rate hikes is expected around end-May-June. However, the rise in rates is likely to be gradual.

### Banks expect a repo rate hike

Banks expect the repo rate — the main policy rate — to go up from June onwards as the RBI seeks to suck out liquidity from the system to rein in inflation. Indicating upward pressure on interest rates, the yield on 10-year benchmark government bonds has reached 7.15 per cent, rising 24 bps





in less than two weeks. On the other hand, the cost of funds is set to increase, prompting banks to hike lending rates.

## CRYPTOS AND A CBDC ARE NOT THE SAME THING

Cryptocurrency will be discouraged via taxation and capital gains provisions. This was the message from the Finance Minister during the Budget discussion in Parliament. Will this slow the growing use of cryptos in India? Russian kleptocrats have been using cryptos to escape sanctions. Ukraine has been a centre for cryptos trading due to its lax rules and is using them to raise funds for its war with Russia.

The Governor of the Reserve Bank of India, in February, highlighted two things. First, “private cryptocurrencies are a big threat to our financial and macroeconomic stability”. Second, “these cryptocurrencies have no underlying (asset)... not even a tulip”. Soon thereafter, a Deputy Governor of the RBI called cryptos worse than a Ponzi scheme and argued against “legitimizing” them. Yet, the RBI announced that it will float a Central Bank Digital Currency (CBDC). How do we understand all this? The Supreme Court of India has also asked the Government whether or not cryptos are legal.

The Governor calling cryptos as cryptocurrency has unintentionally identified them as a currency. Clearly, statements from the RBI indicate a growing worry since the proliferation of cryptos threatens the RBI’s place in the economy’s financial system. This threat emerges from the decentralised character of cryptos based on blockchain technology which central banks cannot regulate and which enables enterprising private entities (such as Satoshi Nakamoto who initiated Bitcoins in 2009) to float cryptos which can function as assets and money.

Cryptos which operate via the net can be banned only if all nations come together. Even then, tax havens may allow cryptos to function, defying the global agreement. They have been facilitating the flight of capital and illegality in spite of pressures from powerful nations. The genie is out of the bottle. The total valuation of cryptos recently was upward of \$2 trillion — more than the value of gold held globally.

### **Cryptos as currency**

A CBDC will not solve the RBI’s problem since it can only be a fiat currency and not a crypto. However, cryptos can function as money. This difference needs to be understood.

A currency is a token used in market transactions. Historically, commodities (such as copper coins) have been used as tokens since they themselves are valuable. But paper currency is useless till the government declares it to be a fiat currency. It is only then that everyone accepts it at the value printed on it.

So, paper currency derives its value from state backing. Cryptos are a string of numbers in a computer programme and are even more worthless. And, there is no state backing. So, how do they become acceptable as tokens for exchange? Their acceptability to the well-off enables them to act as money. Paintings with little use value have high valuations because the rich agree to it. It is similar for cryptos.

Bitcoin, the most prominent crypto, has been designed to become expensive. Its total number is limited to 21 million and progressively requires more and more computer power and energy to produce (called mining, like for gold). As the cost of producing bitcoin has risen, its price has also



increased. This has led to speculative investment which drives the price higher and attracts more investors. So, since 2009, in spite of wildly fluctuating prices, they have yielded high returns making speculation successful.

#### **Unlike the tulip mania**

The RBI Governor's statement that cryptos have no underlying asset, not even a tulip, refers to the time when tulip prices rose dramatically before they collapsed. But, tulips cannot be used as tokens while cryptos can be used via the Internet. Also, the supply of tulips can expand rapidly as their price goes up while the number of Bitcoins is limited.

So, cryptos acquire value and can be transacted via the net. This enables them to function as money. True, Bitcoins are difficult to use, but there are other simpler cryptos that are available.

The different degrees of difficulties underlying cryptos relate to the problem of 'double spending'. Fiat currency has the property that once spent, it cannot be spent again except through forgery, because it is no more with the spender. But, software on a computer can be used repeatedly.

Blockchain and encryption have solved the problem by devising protocols such as 'proof of work' and 'proof of stake'. They enable the use of cryptos for transactions. While the first protocol is difficult, the second is simpler but prone to hacking and fraud. Today, thousands of different kinds of cryptos exist; Bitcoin like cryptos, Alt coins and Stable coins.

#### **CBDC, unlike cryptos**

Blockchain enables decentralisation. That is, everyone on the crypto platform has a say. But, central banks would not want that. Further, they would want a fiat currency to be exclusively issued and controlled by them. But, theoretically everyone can 'mine' and create crypto. So, for the CBDC to be in central control, solving the 'double spending' problem and being a crypto (not just a digital version of currency) seems impossible.

A centralised CBDC will require the RBI to validate each transaction — something it does not do presently. Once a currency note is issued, the RBI does not keep track of its use in transactions. Keeping track will be horrendously complex which could make a crypto such as the CBDC unusable unless new secure protocols are designed. No wonder, Kristalina Georgieva, International Monetary Fund Managing Director, said earlier this year: "All told, around 100 countries are exploring CBDCs at one level or another. Some researching, some testing, and a few already distributing CBDC to the public... As you might expect, the IMF is deeply involved in this issue, including through providing technical assistance to many members."

So, CBDCs at present cannot be a substitute for cryptos that will soon begin to be used as money. This will impact the functioning of central banks and commercial banks. Further, a ban on cryptos requires global coordination, which seems unlikely. Ms. Georgieva has said, "The history of money is entering a new chapter". The RBI needs to heed this caution and not be defensive.

### THE FUNCTIONING OF THE ENFORCEMENT DIRECTORATE

The story so far: The Enforcement Directorate (ED) is in the news now and often. It goes back to May 1, 1956, when an 'Enforcement Unit' was formed in the Department of Economic Affairs, for handling Exchange Control Laws violations under the Foreign Exchange Regulation Act (FERA). The ED today is a multi-dimensional organisation investigating economic offences under the



Prevention of Money Laundering Act (PMLA), Fugitive Economic Offenders Act, Foreign Exchange Management Act and FERA.

**From where does the ED get its powers?**

When proceeds of crime (property/money) are generated, the best way to save that money is by parking it somewhere, so one is not answerable to anyone in the country. Therefore, there was a need to control and prevent the laundering of money. The PMLA was brought in for this exact reason in 2002, but was enacted only in 2005. The objective was to prevent parking of the money outside India and to trace out the layering and the trail of money. So as per the Act, the ED got its power to investigate under Sections 48 (authorities under act) and 49 (appointment and powers of authorities and other officers).

If money has been laundered abroad, the PMLA court (constituted as per the Act) has the right to send a letter of rogatory under Section 105 (reciprocal arrangements regarding processes) of the Code of Criminal Procedure. The said government can then share the documents and evidence needed by the agency. The preventive part is to create a deterrent and fear in the minds of people.

**At what stage does the ED step in when a crime is committed?**

Whenever any offence is registered by a local police station, which has generated proceeds of crime over and above ₹1 crore, the investigating police officer forwards the details to the ED. Alternately, if the offence comes under the knowledge of the Central agency, they can then call for the First Information Report (FIR) or the chargesheet if it has been filed directly by police officials. This will be done to find out if any laundering has taken place.

**What differentiates the probe between the local police and officers of the ED?**

Consider the following scenario: If a theft has been committed in a nationalised bank, the local police station will first investigate the crime. If it is learnt that the founder of the bank took all the money and kept it in his house, without being spent or used, then the crime is only theft and the ED won't interfere because the amount has already been seized. But if the amount which has been stolen is used after four years to purchase some properties, then the ill-gotten money is brought back in the market; or if the money is given to someone else to buy properties in different parts of the country, then there is 'laundering' of money and the ED will need to step in and look into the layering and attachment of properties to recover the money.

If jewellery costing ₹1 crore is stolen, police officers will investigate the theft. The ED, however, will attach assets of the accused to recover the amount of ₹1 crore.

**What are the other roles and functions of the ED?**

The ED carries out search (property) and seizure (money/documents) after it has decided that the money has been laundered, under Section 16 (power of survey) and Section 17 (search and seizure) of the PMLA. On the basis of that, the authorities will decide if arrest is needed as per Section 19 (power of arrest).

Under Section 50 (powers of authorities regarding summons, production of documents and to give evidence etc), the ED can also directly carry out search and seizure without calling the person for questioning. It is not necessary to summon the person first and then start with the search and seizure.



If the person is arrested, the ED gets 60 days to file the prosecution complaint (chargesheet) as the punishment under PMLA doesn't go beyond seven years. If no one is arrested and only the property is attached, then the prosecution complaint along with attachment order is to be submitted before the adjudicating authority within 60 days.

**The PMLA being relatively new, can the ED investigate cases of money laundering retrospectively?**

If an ill-gotten property is acquired before the year 2005 (when the law was brought in) and disposed off, then there is no case under PMLA. But if proceeds of the crime were possessed before 2005, kept in cold storage, and used after 2005 by buying properties, the colour of the money is still black and the person is liable to be prosecuted under PMLA.

Under Section 3 (offence of money laundering) a person shall be guilty of the offence of money-laundering, if such person is found to have directly or indirectly attempted to indulge or knowingly assist a party involved in one or more of the following activities — concealment; possession; acquisition; use; or projecting as untainted property; or claiming as untainted property in any manner.

## UNDERSTANDING THE ADDITIONAL AIRBAGS MANDATE FOR VEHICLES

The story so far: The government of India has proposed the installation of six airbags in all passenger vehicles to enhance safety for vehicle occupants. The proposal was made public on January 14 this year, seeking comments and objections from all stakeholders within a period of 30 days.

**What does the proposal say?**

The general statutory rules (GSR) notification states that all vehicles in the M1 category manufactured after October 1 this year must come fitted with two side torso air bags in the front row at the outboard seating positions. The Ministry of Road Transport and Highways explained that it would be deployed to the seats or on the sides at the stipulated position inside the vehicle. It added that the deployment of the inflatable airbag in the mentioned position would help mitigate injuries in the torso region or ejection of the occupant from the vehicle. Further, the notification asks for deploying curtain or tube air bags to cushion the entire outboard sides of the vehicle. In the event of a rollover or a crash, this would help mitigate head injury. The notification informs the requirement for such airbags would be verified in compliance to AIS-099 standards that deals with protection of occupants in a vehicle in the event of a lateral collision.

**What are the previous legislation on air bags?**

The ministry had previously mandated deployment of airbags for the passenger on the front seat of the vehicle, next to the driver, for vehicles manufactured after April 1 last year. However, owing to the COVID-19 pandemic, the timeline for its implementation was extended to December 31, 2021.

“This has been mandated as an important safety feature, and is also based on suggestions of the Supreme Court Committee on Road Safety,” the Minister of State for Heavy Industries Krishan Pal Gurjar stated in the Lok Sabha in December last year.



### **How will the prices of vehicles be affected?**

Automobile market analyst JATO Dynamics told Reuters that installing four additional airbags in vehicles would increase its cost by ₹17,600. “In some cases, the cost could be higher as companies will need to make engineering changes to the car’s structure to accommodate the additional airbags,” president of JATO Dynamics India told Reuters. Further, the news agency reported that the Society of Indian Automobile Manufacturers (SIAM) has asked the ministry to “review and reconsider” the rules considering “side and curtain bags are not mandated anywhere else in the world”.

Mr. Gadkari had said in the recently-concluded budget session of the Lok Sabha that the automobile industry was upset with the announcement citing increase in the price of vehicles. “...if a poor man dies let him die and save the rich man, is it?” he said, adding, “So, from now on, any economic model...the smallest of the smallest, even Nano model, every car will have six airbags is being made mandatory so that people’s lives are saved.”

He stated that the fixed cost of an air bag would be determined by market forces and volume of production. The Union Minister said the approximate variable cost of four airbags (two side air bags and two curtain air bags) may vary between ₹5,600 and ₹7,000.

### **Will the move ensure safety in case of a collision?**

According to the U.S. National Highway Traffic Safety Administration (NHTSA), frontal air bags saved 50,457 lives between 1987 and 2017 — enough to fill a major league baseball stadium. It added airbags to prevent the passenger’s upper body or head from hitting the vehicle’s interior during a crash. The transport regulatory body says passengers must also ensure fastening their seat belts on roads. Mr. Gadkari stated in the recently-concluded parliamentary session that 8,598 lives in 2020 could have been saved in head-on collision with the use of airbags. “Similarly, side collisions cost 14,271 lives and 31% of those or 4,424 lives could have been saved with the use of side airbags”, he said

The Minister had apprised the Lower House in March about the government adopting a multi-pronged strategy to address issues pertaining to road safety based on education, engineering (both roads and vehicles), enforcement and emergency care. With respect to vehicular engineering, Mr. Gadkari informed the house that with respect to airbags, anti-braking systems (ABS), tyres, crash tests, speed limiting devices and compliance with fire alarms and protection systems, safety standards for automobiles have been improved.

Additionally, he reminded the House about the February 15 notification prescribing norms for safety of children below four years of age, riding or being carried on motorcycle. It specified the use of a safety harness, crash helmet and restricting the upper speed limit to 40 kmph. He also referred to the Motor Vehicles (Amendment) Act, 2019 that stipulated strict penalties to deter violation of traffic rules and ensure strict enforcement.

## **TIME TO SET PRICE DISTORTIONS RIGHT**

### **India should focus on reducing cost of doing business**

One of the key objectives of reforms has been to reduce the distortions generated by the earlier excessive micromanagement of the economy. With internal economic liberalisation, openness to international trade and investment, an open free market economy has emerged. Improving the



ease of doing business continues to be a major priority. But even more important is the cost of doing business. For this, action is needed to reduce government policy-induced pricing distortions which add to the cost of doing business. In our open economy, these pricing distortions have become a source of competitive disadvantage to domestic value addition and job creation. India's relative lack of success in manufacturing and employment generation is the outcome.

As with all reforms, it would need leadership and investment of political capital in generating a consensus and steering change. Reformers, who advocate that a crisis is the best time for difficult reforms, take an irresponsible undemocratic view and serve the political leadership poorly as the nation has discovered with the three farm laws which came through ordinances. The origin of government policy induced pricing distortions lie in the political need to find a way out for a cash-strapped government to raise resources. Or, to provide affordable goods and services to those in need through a cross subsidy within the sector without having to find money for direct subsidy payments. It is time for an informed discussion on these distortions.

### **Pricing distortion in petrol, diesel**

Energy is the basic requirement of the modern industrial economy and the key to competitiveness. Its pricing distortions are onerous. In the early days, cars were considered luxury goods and high excise duty was levied on petrol, but it was lower on diesel to make it cheaper for the essential needs of transport. The price difference between petrol and diesel led to a surge in the supply and use of diesel cars and SUVs. This distortion led the government to increase the price of diesel gradually. The price difference has since been marginal. But the exceptionally large revenues that came to the government from the high taxes on petrol and diesel created such a dependency that these have been kept out of GST. More recently, the central government has been raising taxes on these to raise additional revenues to moderate the fiscal impact from COVID. This has given an inflationary impetus. But the real adverse impact is on the cost of road transport of goods which makes the cost of logistics about twice that of our competitors. Petrol and diesel, therefore, need to come under GST. Even at the highest rate of 28%, the price of petrol would be around ₹60 per litre. The discussion needs to be on how to manage government finances thereafter.

Electricity pricing is also highly distorted. A cess of ₹400 per tonne on coal was levied to generate resources for promotion of renewable energy and decarbonisation of the economy. When GST was introduced, the receipts from this cess were suddenly diverted for making good the shortfall in tax receipts of the States. The present consumption of about a billion tonnes of coal generates revenue of around ₹40,000 crore. About two thirds of this additional cost is borne by the electricity sector. As the Railways have been unable to raise passenger fares to cover their costs, they need to cross subsidise passenger traffic from goods freight. They, therefore, charge about twice the actual cost for carrying coal to thermal power plants. This distortion adds to the cost of coal for thermal power plants and further increases the price of electricity for the distribution companies. They, in turn, cross subsidise most domestic household consumption by having higher tariffs for industrial users. This increases the cost of industrial production vis-a-vis competitors in other countries. The consequential loss of competitiveness results in lower manufacturing growth and the creation of fewer jobs.

### **User friendly processes**

Not only is it difficult to get land for business enterprises, but prices are also higher than they need to be. India has had a real estate asset price bubble with return on land assets by way of rents or returns on farming being around 2%, far lower than the cost of capital. Land use conversion and



redevelopment processes need to be made user friendly. Combined with public provision and upgradation of quality infrastructure this would reduce supply side constraints and lower prices in real terms. Unless this happens, India would continue to generate far fewer jobs than it can.

Only private investments can create jobs for our young generation. Government jobs are a mirage. The sooner we realise this and start grappling with feasible pathways for reducing the cost of doing business and getting a surge in private investment which creates jobs, the better. Our demographic dividend is fast becoming a nightmare.

## POWER SHOCK

Over the past few weeks, several states — Punjab, Uttar Pradesh, Haryana, Maharashtra and Andhra Pradesh — have been witnessing power outages. While governments, both at the central and state level, are taking steps to address the problem, this is not an unusual situation. Last year too, several states had raised concerns over inadequate coal supplies to thermal power plants. This indicates a systemic inability to predict demand accurately and manage supply-side constraints.

The current crisis can be traced to both demand and supply factors. Power demand is rising as the economic recovery from the lows of the pandemic gathers momentum. Demand is only likely to rise further as the country heads into peak summer season, deepening the existing mismatch. On the supply side, the low level of coal stocks at thermal power plants is a matter of concern. As per a recent report by Nomura, during mid April, power plants held only about nine days' worth of coal stocks, significantly below the average stocks held by them over the past few years. In fact, a large section of thermal power plants across the country are currently at "critically" low level of stocks. This, as analysts have pointed out, is due to a combination of factors — notably, the lower availability of railway rakes to transport the coal to the thermal power plants, and high prices adversely impacting coal imports. As reported in this paper, with a sharp spurt in international coal prices, Indian thermal plants, which rely on imports, have cut back — of the 16.6 GW of thermal power generation capacity based on imported coal, 6.7 GW or around 40 per cent is currently not operational.

Considering that coal supplies tend to get disrupted during the monsoon season, unless these supply-side issues are tackled urgently — there are reports of some states, namely, Maharashtra, Gujarat and Tamil Nadu, planning to import 10.5 million tonnes of coal over the coming few months to address the deficit — the mismatch is likely to worsen. This will exacerbate the power shock across the country, forcing states to either buy power at significantly higher rates or face outages. However, initiatives by the Centre and the states aimed at tackling these constraints will only address the immediate stress. The larger issues of the weakness in the distribution segment, may well linger on.

## THE CASE AGAINST AMWAY

The Enforcement Directorate (ED) on Monday provisionally attached assets worth Rs 757.77 crore belonging to M/s Amway India Enterprises Private Limited in connection with a money laundering case. The direct selling company, whose parent company is based in the US, is accused of running a multi-level marketing (MLM) scam.

The attached properties include land and a factory building at Dindigul District, Tamil Nadu, plant and machinery, vehicles, bank accounts and fixed deposits. Immovable and movable properties



account for Rs 411.83 crore of these properties, and bank balances in 36 accounts for the remaining Rs 345.94 crore.

**What is the ED case about?**

It is based on an FIR registered by Hyderabad police against the company under the Prize Chits and Money Circulation Schemes (Banning) Act. According to the ED, its probe has revealed that Amway is running a pyramid fraud in the guise of a direct selling multi-level marketing network.

“It is observed that the prices of most of the products offered by the company are exorbitant as compared to the alternative popular products of reputed manufacturers available in the open market. Without knowing the real facts, the common gullible public is induced to join as members of the company and purchase products at exorbitant prices and are thus losing their hard-earned money. The new members are not buying the products to use them, but to become rich by becoming members as showcased by the upline members,” the ED said in a statement. It said the commissions received by the “upline members” contribute enormously to the high prices of the products.

**What is the magnitude of the alleged fraud?**

The ED said Amway collected Rs 27,562 crore from its business operations from 2002-03 to 2021-22, out of which it paid commission of Rs 7,588 crore to its distributors and members in India and the US. “The entire focus of the company is about propagating how members can become rich by becoming members. There is no focus on the products.”

The ED said Amway brought Rs 21.39 crore as share capital in India in 1996-97, and remitted Rs 2,859.10 crore until 2020-21 in the name of dividend, royalty and other payments to investors and parent entities. “M/s Britt Worldwide India Private Limited and M/s Network Twenty One Private Limited also played a major role in promoting pyramid scheme of Amway by conducting seminars for joining members under the guise of sale of goods by enrolment of members...,” it said.

**Has it faced such allegations abroad?**

On November 3, 2010, Amway announced it had agreed to pay \$56 million — \$34 million in cash and \$22 million in products — to settle a class action filed in Federal District Court in California in 2007. The class action alleged fraud, racketeering, and that the defendants operated as an illegal pyramid scheme.

Amway, while noting that the settlement is not an admission of wrongdoing or liability, acknowledged it had made changes to its business operations as a result of the lawsuit. The economic value of the settlement, including the changes Amway made to its business model, totals \$100 million.

A 2009 class action case lodged in Canada was rejected by the Federal Court. Following an appeal, the Federal Court of Appeal directed the costs awarded to arbitration.





## LIFE & SCIENCE

### NO WORLD FOR INTROVERTS

In a world seemingly designed for extroverts, avoiding a birthday party, especially one's own, can be quite the challenge, as one man in Kentucky, USA, found out. Kevin Berling had asked that his colleagues not throw him a birthday bash. They organised a bash, instead, at which Berling had a panic attack, following which he was censured for "stealing other co-workers' joy". This led to another panic attack, and Berling was fired.

Berling's case is, of course, extreme, but introverts everywhere know what it's like to be dismissed as "killjoys" and "wet blankets". They understand how it feels to sweat bullets at a gathering they've been forced to attend and to attempt to edge their way towards the nearest exit only for the host to say those five dreaded words, "Let me introduce you to...". Introverts believe that if hell had a tenth circle, it would most definitely consist of office events where they're expected to "mingle" and make "small talk" with people they'd otherwise run 10 miles to avoid (which could be most people). Not for them the drunken revelry of New Year celebrations or the forced bonhomie of after-work drinks. Because hanging out with the chattering multitudes doesn't recharge their batteries — it drains them completely. To be this way is not to be "joyless", as extroverts believe. It is simply to have a different definition of joy. This could just as well be chilling on the couch with a glass of wine, Netflix and a cat, as doing tequila shots alone at a bar.

Here's something that might bring introverts joy: Berling finally sued his company for wrongful termination and the jury awarded him \$450,000 for "past, present and future mental pain and suffering, mental anguish, embarrassment, humiliation, mortification and loss of self-esteem". An ending fit to be alone with.

### SALT OF THE EARTH

**Chopsticks that deliver saltiness to the mouth using electricity attest to humanity's long love affair with the humble mineral**

In *Good Omens*, Neil Gaiman and Terry Pratchett wrote: "Civilisation is 24 hours and two meals away from barbarism". Remove salt, and that would probably come down to 12 hours and one meal, as anyone who has been on a diet would attest. There is a unique joylessness to a saltless existence — bitter-tasting vegetables and bland soup — which can transform even the most compliant citizens into rioters and revolutionaries. Salt has been one of the most sought-after commodities for much of civilisational history and anytime a government has tried to monopolise control over, or impose taxes on salt, there have been consequences, whether in Dandi, Gujarat or El Paso, Texas.

It's not just that the human body needs salt for proper functioning — it hankers for it. Indeed, the craving for this humble mineral has been weaponised by the processed food industry to the extent that it has become, along with sugar and fat, the chief villain in the dietary nightmare that is the modern age. Which explains why a professor in Japan has invented a pair of chopsticks that uses mild electricity to deliver saltiness to the mouth. The chopsticks "adjust the function of ions such as sodium chloride and sodium glutamate to change the perception of taste by making food seem to taste stronger or weaker" and enhance the saltiness of food by one and half times. No doubt, a useful pair of implements to have around the house.



But as much as it is demonised, salt's ability to elevate any food, including desserts like chocolate and ice cream, cannot be denied. In an episode of the sitcom Seinfeld, the lead character declares, "Anytime anyone says, 'Oh, this is so good. What's in it?' The answer invariably comes back: cinnamon." Not really. The real answer, as anyone who has ever eaten saltless food knows, is salt.

## A BETTER MILLET FOR POTENTIAL IRON DEFICIENCY

Is iron deficiency universal and profound in India? Is it due to dietary iron deficiency? With the Indian vegetarian diet, containing 8.5 mg iron/1,000 Kcal-energy, women who eat adequately (enough energy for a sedentary lifestyle), should have an iron intake of about 15 mg/day, matching their daily iron requirement (15 mg/day). Adult men with their lower iron requirement (11 mg/day), and those eating for an active lifestyle with higher energy intake, are even better off. Therefore, dietary iron deficiency is not the major problem. Nor is iron deficiency the common cause for deficiency anemia in India; it is only one cause. Other nutrients like vitamin B12, folate and protein are also important. Indeed, anemia itself may be over-diagnosed, since surveys using capillary blood will overestimate the prevalence of anemia, and there is some doubt that the hemoglobin cutoff to diagnose anemia is incorrectly high, overestimating its prevalence.

Therefore, when body iron deficiency occurs, it is less likely to be due to an iron-deficient diet, and more likely due to poor absorption of dietary iron. With poor, cereal-based diets, iron is not well-absorbed, because of a substance called phytate that is present in cereal grains, which binds tightly to dietary iron and impedes its absorption. Similarly, drinking tea or taking paan after meals also blocks iron absorption because of other inhibitory substances called polyphenols, which also bind iron tightly. Chronic body inflammation also blocks iron absorption from the intestine.

This iron absorption blockade can be overcome by eating fruits (vitamin C) with meals, or simply changing behavior, like avoiding tea with meals. Alternatively, dietary iron intake could be increased in a natural manner, by eating iron-rich grains like millets, which will increase iron intake naturally, and not excessively. It is laudable that there is interest in promoting millet consumption in India for adults and children: these ancient grains are good for us in many ways, and not just for their rich iron content. They are also high in calcium, zinc, magnesium, potassium, dietary fibre, and important vitamins such as thiamine, riboflavin, folic acid, and niacin.

Millets are therefore a great solution for increasing dietary iron density, offering much more than a single nutrient to the diet. Replacing just 100 gm of the daily cereal (rice) intake with finger millet (ragi) will increase the daily iron intake by 50%, and calcium by 350%. These are spectacular benefits, but they can be offset due to the high intrinsic phytate content of the ragi grain, which could reduce iron absorption. Even so, this ancient yet local grain, offering more than a single nutrient, should be a dietary staple, with strategies devised to enhance absorption of its iron.

One such agricultural research strategy is to find a natural finger millet variety with the same rich iron content, but with a lower phytate content, to offer better iron absorption. A recently published collaborative study published in the journal *Frontiers in Nutrition* does just that. Teams at the University of Agricultural Sciences, Bengaluru (UASB) led by Prof M.S. Sheshashayee and our team at St. John's Medical College, Bengaluru screened hundreds of Indian finger millet accessions to identify a grain variety with low grain phytate content, but the usual high iron content. This specific accession was grown repeatedly over three years, to ensure that the low phytate content was consistent across seasons, without any yield penalty. Whole genome sequencing showed a variation in the phytate transporter gene responsible for storage of phytate



in grains. In this unique collaboration between agricultural and health sciences, iron absorption from this low-phytate millet grain was then measured in adult women in comparison with a market variety using a very accurate dual iron-stable-isotope erythrocyte incorporation method. Iron absorption was almost three-fold higher from the low phytate grain compared to the high-phytate market variety.

This is a promising and sustainable strategy. Yet, in India, the contrary path of iron fortification of staple foods is followed. This is a single nutrient approach that simply increases the chemical iron content of the diet, supplying about 10 mg/day per fortified food. It is counter-productive when iron deficiency is not universal, and absorption is the problem. Then, the fortified intake can be excessive when no iron deficiency exists, and excess iron is harmful: it is pro-oxidant, with many side effects, increasing the risk of diabetes, and unabsorbed iron can turn colonic bacteria towards an unhealthy typology.

Addressing the supply side of iron through natural means, like improving natural iron absorption from iron-rich grains, is a much better and holistic strategy than single nutrient efforts like chemical iron fortification of cereals, which has its own logistic problems, costs and health risks. As natural and ancient grains that provide a diversity of nutrients, millets, with their high natural iron content, low water requirement and low environmental footprint, would be an excellent and sustainable strategy to mitigate any existing iron deficiency in India, while promoting general health of populations, including risk-reduction for chronic diseases.

#### EXPLAINED: WHAT IS COLOUR BLINDNESS, AND CAN YOU GET IT LATER IN LIFE?

Men suffer from a higher incidence of colour blindness than women. Around the world, every tenth male is estimated to have some form of colour deficiency. (File Photo)

The Supreme Court has directed the Film and Television Institute of India (FTII) not to exclude candidates suffering from colour blindness from its courses on film making and editing and asked it to make changes to its curriculum instead.

The court agreed with the conclusion of an expert committee that the colour grading module of the editing course has “no relevance or nexus with the role of a film editor”.

“The conclusion (of the committee) shows a clear recommendation that all individuals will be allowed for all courses at FTII. Any limitation can be overcome,” the court said.

“FTII should make accommodation in its curriculum for candidates with colour blindness and the colour grading module in existing diploma and film editing course curriculum should be excluded or made elective.”

Earlier in March 2017, Bombay High Court had declined to provide relief to another student who had been denied admission by FTII after a medical test showed he was suffering from colour blindness.

“We are of the view that the Petitioner being a candidate suffering from disability of colour blindness, he cannot claim admission in the course in question in which according to the FTII Rules framed by the expert body of the first Respondent (FTII) he cannot be allowed,” the court had said.



Colour blindness, also known as colour deficiency, is the inability to see colours in the normal way. Colour blind individuals often cannot distinguish between certain colours — usually greens and reds, and sometimes blues as well.

Two types of cells in the retina detect light — the “rods”, which distinguish between light and dark, and the “cones” that detect colour. There are three types of cones that see colour — red, green, and blue — and our brains use the information from these cells to perceive colour.

Colour blindness can be the result of the absence of one or more of these cone cells, or their failure to work properly. In a situation where all three cone cells are present but one of them is malfunctioning, mild colour blindness may occur.

Colour blindness may be of different kinds and degrees. Mildly colour blind people often see all colours properly only when the light is good; there are others who cannot tell one colour apart from the another no matter how good the light is.

In the most severe kind of colour blindness, vision is black-and-white, that is, everything appears as a shade of grey. This is not very common.

#### **Clarity usually not affected**

Color blindness generally affects both eyes, and the condition remains roughly the same for as long as the individual is alive.

Unless the color blindness is of the most severe kind, the sharpness or clarity of vision is not affected. Many people are so mildly colour blind that they do not even realise that they have the condition.

Colour blindness cannot as yet be treated or reversed. However, it can be corrected to some extent by wearing special contact lenses or colour filter glasses. There is some research that suggests gene replacement therapy can help modify the condition.

#### **Detecting the condition**

In the case of a child, parents can notice the deficiency for the first time when the child is beginning to learn colours. The child may have difficulty in seeing colours or in recognising the brightness of colours in ways that would be considered ‘normal’.

The child may also show an inability to distinguish between shades of the same or similar colours. Parents and teachers often notice the child cannot tell between red and green, and blue and yellow.

#### **What causes colour blindness**

Most colour blind people are born with the condition (congenital colour blindness), but some can develop it later in life. Congenital colour vision deficiencies are usually passed on genetically.

A problem with colour vision that arises later in life could be the result of disease, trauma, or ingested toxins. If colour blindness arises out of disease, one eye may be affected differently from the other, and the difficulty could worsen over time.

Medical conditions that may increase the risk of getting colour blindness include glaucoma, diabetes, Alzheimer’s, Parkinson’s, alcoholism, leukaemia, and sickle-cell anaemia.



### Who is at risk?

Men suffer from a higher incidence of colour blindness than women. Around the world, every tenth male is estimated to have some form of colour deficiency. Men of Northern European descent are considered to be especially vulnerable.

With regard to India, the Supreme Court in the FTII case quoted from the report of the expert committee: "...Estimated 8% of male population and less than 1% female population have red and green colour deficiency being the most common form of colour-blindness."

### What you can or cannot do

Colour blindness impairs in some ways the ability to do certain kinds of jobs, such as being a pilot or joining the armed forces. However, whether you can or cannot do these jobs often depends on the severity of the colour blindness, and the rules in place in different jurisdictions.

In June 2020, India's Ministry of Road Transport and Highways amended the Central Motor Vehicles Rules 1989 to enable citizens with mild to medium colour blindness to obtain a driver's licence. The decision was taken after the Ministry received representations that colour blind citizens are not able to get a driver's licence because restrictions specified in the requirements in the declaration about physical fitness (Form I) or the Medical certificate (Form IA) make it difficult, a government release said.

The release noted that medical experts had recommended that mild to medium colour blind citizens should be allowed to drive, and that restrictions should be put only on the severely colour blind citizens. "This is also allowed in other parts of the world," the release said.

## WHY CATS AND DOGS ARE LESS SUSCEPTIBLE TO OMICRON

Besides the large-scale unrest in Shanghai following the prolonged lockdown of millions of people, several video clips of pets of people infected with SARS-CoV-2 virus being killed by people wearing hazmat suits have gone viral in recent days. This is not the first time that China has killed companion pets of people with confirmed virus infection and even pets of people who were only contacts of people who tested positive. In September and November last year, there were reports of people in hazmat suits entering people's homes and killing their pets without the consent or knowledge of the owners who were in quarantine. With China still clinging on to the Zero COVID strategy, the local governments are taking no chances as there is a perceived fear that pet dogs and cats that are infected could lead to spread of the virus.

But the results of a small study carried out in Spain and posted in a preprint server medRxiv, which is yet to be peer-reviewed, has found that dogs and cats do not easily get infected by the Omicron variant. This despite the owners having had high contact with their pets and the sampling done at the "best time for the detection of the disease". And even when they do get infected, the viral load is less and the shedding of viral RNA lasts for only a brief period. Even the pet dogs and cats that tested positive for Omicron did not show any symptoms. The authors note that there were slim chances of spread from dogs and cats to humans.

## COMMON DRUG FOUND EFFECTIVE AGAINST MILD & MODERATE COVID

A common anti-inflammatory drug has been found to be an effective antiviral agent in the treatment of mild and moderate Covid-19 patients. The drug, indomethacin, is widely used to treat

3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



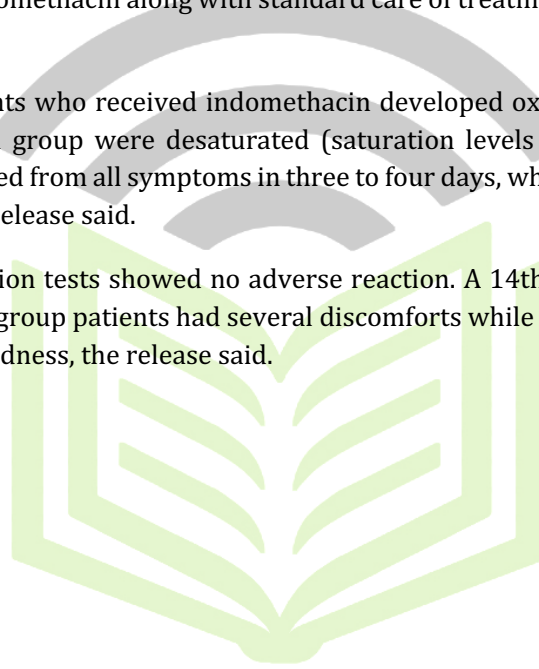
various types of inflammation-related conditions. The study on Covid patients, by IIT Madras, has been published in Nature Scientific Reports.

**The drug:** Indomethacin is a non-steroidal anti-inflammatory drug available as capsules and a liquid suspension, to be taken orally. According to the US National Library of Medicine, indomethacin works by stopping the body's production of a substance that causes pain, fever, and inflammation. It is used to relieve moderate to severe pain, tenderness, swelling, and stiffness caused by various kinds of arthritis, and pain in the shoulder caused by inflammation.

**The findings:** A randomised clinical trial was conducted by IIT Madras researchers at Panimalar Medical College and Research Institute, Chennai. Out of 210 patients admitted, 107 were randomly allocated to a control group and treated with paracetamol and standard care, while 103 patients were administered indomethacin along with standard care of treatment, a media release from IIT Madras said.

None of the 103 patients who received indomethacin developed oxygen desaturation, while 20 patients in the control group were desaturated (saturation levels below 93%). Indomethacin group patients recovered from all symptoms in three to four days, while it took twice that time for the control group, the release said.

Liver and kidney function tests showed no adverse reaction. A 14th-day follow-up showed that nearly half the control group patients had several discomforts while a few indomethacin patients complained only of tiredness, the release said.



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