



# CURRENT AFFAIRS FOR UPSC

26TH JUNE TO 2ND JULY 2022

DREAMIAS



## INTERNATIONAL

### FALLOUT OF POLICY FAILURE

In what appears to be the worst episode in recent times of migrant deaths associated with dangerous border crossings into the U.S., the bodies of at least 53 people were recovered from an abandoned tractor-trailer in San Antonio, Texas. Reports suggested that the migrants, hailing from Mexico, the Honduras, Guatemala, and El Salvador, died from the extreme temperatures inside the truck, amidst a lethal heat wave. The grim episode highlights yet again the perils faced by those seeking asylum or better economic prospects in the U.S., who come up against the country's immigration policies, which are yet very much a work-in-progress. On the one hand, the latest crisis underscores the serious lacunae in border policy enforcement. Despite the searing summer, border crossings in this region have remained stubbornly high over the past two years. In May 2020, the U.S. Border Patrol encountered 23,237 migrants, whereas in May 2022, that number was 2,39,146 — said to be more than in any single month in the past three years. Even worse, Mexican officials have confirmed that the truck passed through a federal immigration checkpoint within the territory of the U.S. and yet was not inspected. With approximately 20,000 trucks passing through the commercial corridor from Laredo to San Antonio every day, and even more across U.S.-Mexico crossing routes overall, there is a woeful shortage of manpower and surveillance systems.

Nevertheless, it is the bigger questions behind cross-border migration into the U.S. and its fallout, as shown above, that are troubling. Democrats and Republicans have locked horns over comprehensive immigration reform in a multitude of negotiations and across hundreds of bills proposed in Congress. Yet there is a fundamental unwillingness to find bipartisan solutions for immigration policy, in the way that the Bipartisan Safer Communities Act came out of a collaborative effort and now offers a glimmer of hope towards containing gun violence. While Democrats have dug in their heels on subjects such as a path to citizenship for law-abiding undocumented workers in the U.S. who meet certain conditions, including Deferred Action for Childhood Arrivals, Republicans have tended to focus more on keeping undocumented migrants out at the border. The problem with their refusing to hammer out compromise solutions is that the resultant failure to evolve a well-funded yet enlightened immigration policy leads to avoidable deaths of the kind seen in San Antonio. Whatever they cede or do not cede politically to liberals, conservatives must realise that there is no resisting the “melting pot” effect coterminous with the U.S.'s social and economic progress, and for that process to work smoothly, the U.S. must rationally and humanely manage the inflow of migrants across its southern border.

### WHY WESTERN SANCTIONS AGAINST RUSSIA ARE FLAGGING

Since February 23, the day before Russia invaded Ukraine, the European Union's Council has adopted six rounds of sanctions to “impose clear economic and political costs” on the government of President Vladimir Putin, and to “cripple the Kremlin's ability to finance the war”.

Western governments, including the United States and United Kingdom, have cut off major Russian banks from SWIFT, the interbank messaging system to enable cross-border payments. They have frozen some \$315 billion out of the \$550 billion of the Central Bank of the Russian Federation's (CBR) foreign exchange reserves held in currencies and gold within their jurisdictions, as on January 1.



On April 6, the White House issued a statement that the “most impactful, coordinated and wide-ranging economic restrictions in history” would cause Russia’s GDP to “contract up to 15 per cent this year, wiping out the last 15 years of economic gains”.

#### **Has the West’s intent been borne out by reality?**

More than four months into the war, the story hasn’t quite followed the West’s predicted script. To begin with, the latest median forecast of GDP decline for 2022 — based on a survey of 27 economists from various organisations (including the likes of Credit Suisse, Goldman Sachs and J P Morgan) conducted by the CBR between May 25 and 31 — is at 7.5%. This is better than the – 9.2% average growth forecast made in a previous survey from April 13-19.

The median forecast of consumer price inflation for the year too, has fallen from 22% to 17% between the two surveys.

The sanctions initially led to a free fall of the Russian ruble, from about 76 to the US dollar in mid-February to a low of 158.3 on March 7. The CBR was forced to raise its key interest rate from 9.5% to 20% on February 28, which was aimed as much at bolstering the currency — which US President Joe Biden had mocked as “rubble” — as at reining in inflation risks.

But as the ruble bounced back to 75-76 levels towards the second week of April — and is currently trading at over seven-year-high levels of 53.4 to the dollar. And the central bank slashed its key rate to 17% on April 8, to 14% on April 29, 11% on May 26, and to 9.5% on June 10.

With the ruble appreciating, inflation trending downwards (rather than upwards, as predicted by the White House) and GDP unlikely to shrink quite as much as predicted, the West’s sanctions have not had their intended effect.

Nor has Russia’s external trade really suffered. The country’s surplus of goods and services exports over imports has widened, from \$44.5 billion in January-May 2021 to \$124.3 billion in January-May 2022. So has its overall current account surplus — from \$32.1 billion to \$110.3 billion — for the comparable periods.

#### **Why do the sanctions appear not to have had the desired effect?**

The main reason is the dependence, especially of EU countries, on energy imports from Russia. In 2021, Russia accounted for 25.7% of the petroleum oil, 44.5% of natural gas, and 52.3% of the coal imported by the 27-nation bloc.

During the first 100 days of the war, from February 24 to June 3, Russia’s revenues from fossil fuel exports totalled 93 billion euros (\$98 billion), according to the Finland-based Centre for Research on Energy and Clean Air (CREA).

That included 46 billion euros from crude oil, 13 billion euros from refined oil products, 24 billion euros from pipeline gas, 5.1 billion euros from liquefied natural gas, and 4.8 billion euros from coal. Out of the 93 billion euros, the EU’s share alone was 57 billion euros or 61%.

In its sixth “package” of sanctions on June 3, the EU decided to phase out imports of crude oil and refined products from Russia over six and eight months respectively. Temporary exemption was granted to countries such as Hungary and Slovakia, which import crude oil by pipeline and “have no viable alternative options”.



This was preceded by an outright prohibition on Russian coal imports from August, as part of a fifth round of sanctions on April 8.

It remains to be seen how successful these import phase-out plans will be, in terms of implementation on the ground. The test will be in the winter, when energy demand peaks.

Fatih Birol, executive director of the International Energy Agency, recently warned that Europe is at risk of energy rationing, particularly “if we have a harsh and long winter”, and if the cold weather coincides with resurgent demand in China post the lifting of Covid lockdowns there.

The EU for now has not announced any ban on natural gas imports from Russia. This, even as the Russian state-owned energy giant Gazprom has cut gas supplies to nearly a dozen EU countries, including Germany, France and Italy, over the past few weeks.

#### **Have China and India had a role to play in this situation?**

It is significant that China and India have emerged as major buyers of Russian fossil fuels. CREA's latest tracker shows Russia's cumulative exports of oil, gas, and coal to the EU since February 24 at around 64.4 billion euros.

But among individual countries, China (16.6 billion euros) has surpassed Germany as the largest importer from Russia. At No. 8 is India. Its imports during this period are valued at 3.7 billion euros, comprising 3.2 billion euros of oil, and the balance coal.

While the EU is trying hard to wean itself off Russian energy, Moscow has aggressively diversified its exports towards China and India. China was the world's top importer of crude oil in 2021, with India ranked third behind the US.

In May, Russia overtook Saudi Arabia to be China's leading crude supplier. In 2021-22, Russia was the ninth biggest crude exporter to India. However, by May, it had jumped seven positions to displace Saudi Arabia and become No. 2 after only Iraq.

By continuing to sell to the EU, and at the same time ramping up exports to China and India by offering steep discounts on international prices, Russia has effectively blunted Western sanctions.

#### **Does this mean sanctions targeting Russia have ended up hurting the West?**

The table shows the share of oil and gas in Russia's merchandise exports at close to 50% in 2021. It was 66% during 2011-14, when crude prices averaged over \$100 per barrel. High prices are again benefitting Russia, although its average oil production has fallen to 10-10.1 million barrels per day (mbd) in April-May, from 11-11.1 mbd in February-March.

As Russia has increased efforts to find alternative markets and the world is figuring out ways to trade with it, the country's exports may not drastically drop from the \$494 billion of 2021.

Again, it isn't just fossil fuels. In the coming months, one can expect Russia to step up exports of wheat and fertilisers. Being also the world's biggest supplier of palladium and nickel — which are central inputs in emission control systems and electric vehicle batteries respectively — besides ferro-alloys, chromium and vanadium (required for steel production), makes it easier for Russia to cope with sanctions than it is for Cuba, Iran, or North Korea.

Europe and the West might be discovering that sanctions are perhaps hurting them more than they are hurting Russia.



## HOW A G-7 BAN ON RUSSIAN GOLD WOULD WORK

On Tuesday, the Group of Seven nations will formally announce a ban on Russian gold imports in the latest round of sanctions over Vladimir Putin's invasion of Ukraine.

The US says Russia has used gold to support its currency as a way to circumvent the impact of sanctions. One way to do that is by swapping gold for a more liquid foreign exchange that is not subject to current sanctions.

Some experts say since only a few countries are implementing the gold ban, the move is largely symbolic, while others, including those in the administration, say a ban on imports of Russian gold will target its ability to interact with the global financial system.

Secretary of State Antony Blinken told CNN on Sunday that since gold is Russia's second most lucrative export after energy and nearly 90% of the revenue comes from G-7 countries, "cutting that off, denying access to about \$19 billion of revenues a year, that's significant."

"It can't acquire what it needs to modernize its defense sector, to modernize its technology, to modernize its energy exploration," Blinken said.

Russia began increasing its gold purchases in 2014, after the US issued sanctions on Russia for Putin's invasion of Crimea. Now the country holds \$100 billion to \$140 billion in gold reserves, which is roughly 20% of the holdings in the Russian Central Bank, according to US officials.

## WHAT IS THE ISKANDER-M MISSILE SYSTEM RUSSIA HAS PROMISED TO ARM BELARUS WITH?

Russia has promised its ally Belarus delivery of nuclear-capable missiles in the coming months to take on an "aggressive" West. Russian President Vladimir Putin made the announcement as Belarusian leader Alexander Lukashenko arrived in Moscow. In a televised broadcast, Putin said: "In the coming months, we will transfer to Belarus Iskander-M tactical missile systems, which can use ballistic or cruise missiles, in their conventional and nuclear versions."

### **What is the Iskander-M missile system?**

Codenamed "SS-26 Stone" by NATO, Iskander-M is a term used by Russia to define both the transporter-erector launch system and the short-range ballistic missile (SRBM) it fires. The system can also fire ground-launched cruise missiles (GLCMs) – the SSC-7 and the SSC-8. The Iskander-M system has been exclusively used by the Russian military, whereas Iskander-E is the one meant for export.

### **What is the missile's capability and range?**

The Iskander-M missile has a range of 500 km and it can carry a payload of up to 700 kg. It is capable of carrying both conventional and nuclear warheads. The conventional warheads can be equipped with include cluster bombs, electromagnetic pulse (EMP) warheads and bunker-buster munitions, according to US-based Missile Defence Advocacy Alliance (MDAA). The export variant, Iskander-E, has a range of 280 km with a reduced 480 kg payload.

### **When was it inducted and first used in combat?**



While the Iskander system was inducted by Russia in 2006, its development picked pace in the late 1980s after the “Oka” SRBM or the OTR-23 was banned under the Intermediate Nuclear Forces Treaty.

The Oka was Russia’s first attempt to replace the Soviet Scud missiles. Iskander was the second. Russia first used the Iskander in combat in Georgia in 2008.

US-based think tank, the Center for Strategic and International Studies (CSIS), says that the Iskander missiles are designed to confuse missile defences by flying on a low trajectory and manoeuvring in flight to strike targets within 2 to 5 metres accuracy.

#### **What does its proposed delivery to Belarus mean?**

Russia has made the announcement at the time when the G-7 meets in Germany. It is also one more time that Putin has raised nuclear weapons as a sort of warning to the West against climbing the escalation ladder in the Ukraine war.

In the past too, Russia has used the Iskander system to project power against Europe, more so because of its ability to be fitted with tactical nuclear warheads. In 2012, Moscow said that the weapon could be used to target Europe’s missile defences. The Iskander system has already been deployed in Kaliningrad, a Russian exclave, from where it can be fired to target NATO forces in Poland, the Baltic States, and Sweden.

### **WHAT IS THE US-LED ‘PARTNERS IN THE BLUE PACIFIC’ INITIATIVE TO COUNTER CHINA?**

Amid China’s aggressive push to increase its Pacific sphere of influence, the US and its allies — Australia, New Zealand, Japan and the United Kingdom — have launched a new initiative called ‘Partners in the Blue Pacific’ for “effective and efficient cooperation” with the region’s small island nations.

The geostrategic competition in the region has intensified of late after China made the projected scope of its growing footprint clear by pushing for a sweeping, common cooperation agreement with 10 Pacific nations.

#### **What is Partners in the Blue Pacific (PBP) initiative?**

The PBP is a five-nation “informal mechanism” to support Pacific islands and to boost diplomatic, economic ties in the region. Announced on June 24, it speaks of enhancing “prosperity, resilience, and security” in the Pacific through closer cooperation. It simply means that through the PBP, these countries — together and individually — will direct more resources here to counter China’s aggressive outreach.

The initiative members have also declared that they will “elevate Pacific regionalism”, and forge stronger ties with the Pacific Islands Forum.

In a joint statement released to announce the initiative, the five member nations said that the forum remains open to cooperating with additional partners, adding that “at every stage, we will be led and guided by the Pacific Islands. We will seek Pacific guidance on the PBP’s selection of its lines of effort and its flagship projects”.

The areas where PBP aims to enhance cooperation include “climate crisis, connectivity and transportation, maritime security and protection, health, prosperity, and education”.



### **How is China trying to transform its ties in the Pacific?**

As China signed a security pact with Solomon Islands in April, the deal flagged serious concerns about the Chinese military getting a base in the southern Pacific, close to the US island territory of Guam, and right next to Australia and New Zealand.

The deal, which boosted Beijing's quest to dominate crucial shipping lanes criss-crossing the region, rattled the US and its allies. It also triggered urgent moves to counter China's growing Pacific ambition amid a power vacuum fuelled by apparent lack of US attention.

But Beijing followed up on that win with its Foreign Minister Wang Yi undertaking a multi-nation tour to push 10 Pacific nations to endorse a "game-changing" agreement called the "Common Development Vision".

The draft agreement, accessed by the Associated Press, spoke about China wanting to work with "traditional and non-traditional security," and expand law enforcement cooperation with these countries.

The diplomatic blitz saw Wang Yi visit the Solomon Islands, Kiribati, Samoa, Fiji, Tonga, Vanuatu, and Papua New Guinea, and hold virtual meetings with the Cook Islands, Niue, and the Federated States of Micronesia.

By the time he ended his tour, the deal ran aground amid warnings of the Pacific states becoming part of "Beijing's orbit". Despite that setback, China indicated that it would continue pursuing this goal.

This intention became even more clear on June 27, as the ABC reported that China was trying to arrange a virtual meeting between Wang Yi and the leaders of 10 Pacific Island states on the sidelines of the high-level Pacific Islands Forum gathering in Fiji in mid-July.

China and the US are among 21 PIF dialogue partners, but this year the regional forum had decided not to engage with the dialogue partners in-person during the Fiji meet.

### **What is being done by the US and its allies to counter China?**

Before launching the PBP this month, the US and its partners started the Indo-Pacific Economic Framework for Prosperity (IPEF), a trade-boosting play in the region with 13 nations — Australia, Brunei, India, Indonesia, Japan, Malaysia, New Zealand, the Philippines, Singapore, South Korea, Thailand, Fiji and Vietnam — as partners.

Away from the Pacific, the G7 on Monday (June 27) announced a plan — Partnership for Global Infrastructure and Investment (PGII) — to rival China's Belt and Road Initiative by promising to raise \$600 billion to fund development projects in low and middle-income countries.

### **Why is the Pacific region strategically important?**

In its 2019 strategy report, the US Department of Defence called the Indo-Pacific the "single most consequential region for America's future".

It said: "Spanning a vast stretch of the globe from the west coast of the United States to the western shores of India, the region is home to the world's most populous state (China), most populous democracy (India), and largest Muslim-majority state (Indonesia), and includes over half of the earth's population.



“Among the 10 largest standing armies in the world, 7 reside in the Indo-Pacific; and 6 countries in the region possess nuclear weapons. Nine of the world’s 10 busiest seaports are in the region, and 60 percent of global maritime trade transits through Asia, with roughly one-third of global shipping passing through the South China Sea alone.”

The US has long maintained a balance of power in the region with its hub-and-spoke system where America is the hub and its allies are spokes whose security is guaranteed by the US military power.

China, analysts believe, is trying to make its own version of the same system, even as it insists the sole aim of the US policy of having overwhelming influence in the region is to contain Beijing’s rise.

## HOW TURKEY MADE PEACE WITH SWEDEN AND FINLAND JOINING NATO

The story so far: On June 28, the North Atlantic Treaty Organization (NATO) Secretary-General Jens Stoltenberg announced the signing of a memorandum of understanding (MoU) between Turkey, Finland and Sweden in a trilateral meeting held in Madrid, Spain. The MoU was signed once the Finland President Niinistö and Sweden Prime Minister Andersson agreed to address the national security concerns of Turkey. Following this assurance, President Erdoğan agreed to support Finland and Sweden in their bid to join NATO.

### **What does the MoU say?**

The key provisions of the MoU include the following three points: a joint commitment between Turkey, Finland, and Sweden to counter terrorism; addressing the pending extradition of terror suspects through a bilateral legal framework, and investigating and interdicting “any financing and recruitment activities of the PKK and all other terrorist organisations.”

Besides the above, Finland and Sweden assured that “their respective national regulatory frameworks for arms exports enable new commitments to Allies”. Both countries also promised to stand against disinformation and to fully commit to EU’s CSDP (Common Security and Defence Policy) and Turkey’s participation in the PESCO (Permanent Structured Co-operation) Project on Military Mobility.

### **Why did Turkey withdraw its opposition?**

Turkey was initially against Finland and Sweden joining NATO. Though there were no direct bilateral issues between Turkey with Sweden and Finland, the former was against the latter for their position on the Kurdish issue and extradition of activists.

Turkey, after negotiations, agreed to withdraw its opposition for the following reasons. First, Finland and Sweden should promise to address counter-terrorism provisions within their countries. Finland has committed to modify its criminal code, and Sweden has assured to implement the new “Terrorist Offenses Act” from July 1. Second, Turkey had raised concerns about Finland and Sweden being home to Kurdish activists and militant organisations. Finland and Sweden have now agreed to execute the pending “deportations or extraditions” of listed ‘terror’ suspects made by Turkey. Third, lifting the arms embargo. There has been no clear definition about the category of weapons, but Finland and Sweden will remove the arms embargo against Turkey. Since Finland and Sweden have addressed all the above primary concerns of Turkey, Ankara has decided to withdraw its opposition to Helsinki and Stockholm.





### **Why have Finland and Sweden agreed to address the concerns raised by Turkey?**

Finland and Sweden have considered Mr. Erdogan as an authoritarian ruler against democratic norms and rights. The earlier positions of both countries on Turkey were based more on their principles relating to democracy, 'separatism', the rule of law etc. Their support to Kurdish activists from Turkey was based on their larger principles than any specific bilateral problem with Turkey.

Both Helsinki and Stockholm have agreed to revisit their position on Turkey, primarily due to the threat from Kremlin. The security threat from Russia looms large in the national capitals of Finland and Sweden today as Russia's military aggression on Ukraine continues. The fear of their own national security has pushed both nations to join NATO which in turn has made them agree to Turkey's conditions.

### **What does this mean for Russia?**

Russia shares a 1,340 kilometre long border with Finland. Sweden, though it does not share a land border, shares the Baltic Sea with Russia. The land/sea borders with Russia place both countries under direct threat from the Kremlin.

On June 28, Deputy Secretary of the Russian Security Council Dmitry Medvedev cautioned Finland and Sweden on continuing with their decision to join NATO. He referred to the relations with these countries as being respectful and mutually friendly. He underlined that there are no territorial disputes with these two countries; hence they should not worry about any security threat from Russia.

Since 1948, Finland, Sweden and Russia have maintained economic cooperation, but the relations always remained strained due to the Cold War and Finland's neutrality principle. If Sweden and Finland join NATO, it means an enlarged presence of the latter around the west and north of Russia. This would go against the very objective of Moscow interfering in Ukraine — maintaining Russian influence in its immediate neighbourhood. Also, whether the two countries joining NATO will undermine Russia's interests in the Arctic remains to be seen. Both Sweden and Finland are part of the Arctic States; Russia currently holds the Arctic Council chair and will remain the chair until 2023.

For Russia, Finland and Sweden joining NATO not only means an increased NATO presence in its neighbourhood but also questions its Arctic interests.

### **What does this mean for NATO?**

First, strengthening the alliance. Both Finland and Sweden which have followed the non-alignment principle have broken from their natural rule and decided to join NATO. This does not only mean guarantee of security against Russia but it also gives NATO the power to engage.

Second, NATO will gain strategic ground to counter Russia. The addition of more allies means a steady expansion of the NATO towards the East, through which it will now be able to exercise its military operations both on land and in the Baltic Sea, where Russia holds a strategic position. NATO will now also be able to position its weapon systems — further its combat formation and plan its attack techniques to power up deterrence and defence.

In 1997, NATO initiated the rapprochement in order to build bridges with Russia. However, with Russia annexing the Crimean Peninsula in 2014 and launching a war in Ukraine, NATO's



rapprochement efforts came to an end. So currently, this might seem an impossible act for both parties. However, with NATO encircling Russia from the West, Russia might consider the option to meet at the table at a later stage.

Third, a secured Euro-Atlantic. NATO presence in the region will securitise and safeguard the Baltic states, Estonia, Latvia and Lithuania, which were earlier at risk due to their close proximity to Russia and Russian attacks. This will not only help Ukraine win the war but will also enable NATO to bring in advanced weapons such as fifth-generation aircraft, technological weapon systems and strong political institutions across the allied countries.

#### NEPAL'S ABANDONED PARTNERSHIP WITH US TROOPS, AND HOW ITS ARMY WEIGHED IN

Nepal recently had to abandon at the last minute a plan to sign a State Partnership Programme (SPP) with the United States. Amid political outrage against the programme, the Nepal Army stepped in on June 15, asserting it will not accept a deal that goes against Nepal's non-aligned foreign policy. The Sher Bahadur Deuba government relented, deciding three days later that the Foreign Ministry would communicate with the US government.

The SPP would have brought the Utah State National Guard and the Nepal Army working together on "humanitarian and disaster management". It was to be signed during Deuba's proposed visit to the US in July. It is now shelved for the foreseeable future.

The widely expressed fear was that giving legitimate entry to US forces would have dangerous security implications for Nepal. The criticism has been on three concerns: that it would mean Nepal aligning militarily with the US; that India, which has close links with the Nepal Army, would not like a US presence of this nature; and that it would provoke China to retaliate in some way or the other.

These concerns are based on series of developments: Nepal and US signing the \$500-million grant of the Millennium Challenge Corporation (Nepal compact) after a US threat to review relations with Nepal in February; Nepal voting against Russia in the United Nations; US Deputy Secretary of State Zeya Ujra visiting a Tibetan refugee camp in Nepal; and Kathmandu recently rolling out the red carpet for Charles A Flynn, commanding general of United States Army Pacific.





## NATION

### KEEP UP THE PRESSURE

Reports in Pakistan's newspapers, that a Pakistani court has convicted Sajid Majeed Mir, one of the men who planned the Mumbai 26/11 attacks, on terror financing charges, is welcome proof that the search for each of the masterminds must never be given up on. In the case of Mir, Pakistan's security agencies had gone so far as to falsely declare him "dead". He was reportedly sentenced to more than 15 years in jail and is serving his term in a Lahore jail. Mir, the LeT's former deputy chief of "international operations", has been wanted for his role in recruitment for the 26/11 attacks, being the handler for David Headley, who carried out the reconnaissance for the LeT during several visits to India, and for being in the Karachi "control room" during the Mumbai siege. Headley named Mir in his deposition to a U.S. court, after he was given a "plea bargain" by the U.S. government, as well as in depositions via video link for the 26/11 trial in India. Mir is also wanted for LeT conspiracies to attack a Danish newspaper accused of publishing blasphemous cartoons and bomb a nuclear installation in Australia. He was also convicted by a French court for recruiting LeT operatives, and is believed to have also recruited terror-volunteers in the "Virginia Paintball Jihad" case in the U.S. The timing of Mir's conviction appears to be linked to the final stages of Pakistan's grey listing at the FATF this June, that voted to allow on-site visits in Pakistan with a view to de-listing it in the next few months. While Mir is not actually on the UN Security Council's 1267 list of terror-designated individuals that the FATF is mandated to pursue, the West has frequently brought his name up at FATF proceedings in demanding that Pakistan successfully convict leaders of terrorist groups.

If Mir is in fact behind bars, New Delhi must move quickly to demand his extradition to stand for trial in India. Admittedly, this is a virtually impossible task, given the poor state of bilateral ties. New Delhi must also rectify the error in not pursuing Mir's addition to the UNSC list thus far, and launch a concerted international effort for Mir to be prosecuted for the number of terror attacks he has been involved in — not just for terror financing. As with Hafiz Saeed, Zaki-ur-Rahman Lakhvi and other LeT members, it is necessary to keep the spotlight on Mir, given the predilection of Pakistan's legal authorities for reversing convictions and reducing the sentencing of terrorists once the heat from international agencies reduces. This will be particularly important, especially as Pakistan is expected to receive a full reprieve at the FATF in October, and it must be made clear that the Government will continue to pursue the legal process against each of the men behind the Mumbai attacks, until they are brought to justice.

### HASINA OPENS PADMA MULTIPURPOSE BRIDGE

The Government of India has congratulated Bangladesh on the completion of the Padma Multipurpose Bridge.

The Padma Multipurpose Bridge is the biggest infrastructure project of Bangladesh. It was inaugurated on Saturday morning by Prime Minister Sheikh Hasina by paying toll tax.

"This success proves the resolve of Prime Minister Hasina that we strongly believed in. India extended unwavering support when Bangladesh decided to self-finance the construction of the project," declared the official Indian statement. The bridge will connect at least 20 districts of Bangladesh and is expected to help in faster transportation of goods and commodities with India and other neighbouring countries like Nepal and Bhutan.



In a speech delivered on Friday, Prime Minister Hasina, however, said that the principal opposition BNP is linked with Pakistan. “They always sing dil me hei Pakistan, so it is obvious that they do not want prosperity of Bangladesh,” said Ms Hasina criticising those who used to oppose the construction of the Padma bridge.

## WHO ARE THE G7, WHOSE SUMMIT IN GERMANY INDIA HAS BEEN INVITED TO?

The G7 is an informal forum of leading industrialised nations, which include Canada, France, Germany, Italy, Japan, the United Kingdom and the United States. Representatives of the European Union are always present at the annual meeting of the heads of state and government of the G7. Germany holds the presidency of the G7 in 2022.

German Chancellor Olaf Scholz has invited India, along with Argentina, Indonesia, Senegal, and South Africa to the 2022 Summit as partner countries. Ukrainian President Volodymyr Zelenskyy, will take part virtually on June 27, the G7 presidency has announced.

A number of international organizations, including the United Nations, the World Health Organization (WHO), the World Trade Organization (WTO), the International Monetary Fund (IMF), and the World Bank, are also participating in the Summit.

### G6, G8, G7

A short history of the grouping on the G7 Germany website says the first “World Economic Summit”, which later became the G7, was launched in 1975 by former French President Valéry Giscard d’Estaing and then Federal Chancellor Helmut Schmidt. The heads of state and government of Germany, France, Great Britain, Italy, Japan and the US — a Group of Six — met for a fireside chat at Rambouillet Castle in France.

The participants exchanged ideas on the economic problems of the 1970s — the first oil crisis and the collapse of the system of fixed exchange rates (Bretton Woods) — and agreed on international economic policy and initial measures to fight the global downturn.

In 1976, Canada was added to the group, and the first G7 met in Puerto Rico. The first talks between the then European Community and the G7 took place in London in 1977, and since the Ottawa Summit of 1981, the European Community (now European Union) has been part of all working sessions.

In the 1980s, the interest of the G7 expanded to include foreign and security policy issues. Then Soviet General Secretary Mikhail Gorbachev was invited to talks on the sidelines of the London Summit in 1991. In 1998, the Group of Eight was constituted as Russia became a member. Russia was thrown out of the group after its violation of Ukraine’s sovereignty and territorial integrity in 2014.

Germany has the G7 presidency for the seventh time this year. Japan will be president in 2023.

### G7 numbers

As of 2022, G7 countries make up 10% of the world’s population, 31% of global GDP, and 21% of global carbon dioxide emissions, according to the Summit website. China and India, the two most populous countries with among the largest GDP figures in the world, are not part of the grouping.



In all G7 countries, annual public sector expenditure exceeded revenue in 2021. Most G7 countries also had a high level of gross debt, especially Japan (263% of GDP), Italy (151%) and the US (133%).

The G7 countries are important players in global trade. The US and Germany in particular are major export nations. Both sold goods worth well over a trillion US dollars abroad in 2021.

## HOME AND ABROAD

Geopolitics trumped economics at the annual summit of the world's "most industrialised" countries, as the G-7 is known, at the German resort of Schloss Elmau, a summit Prime Minister Narendra Modi attended, along with other special invitees from Argentina, Indonesia, Senegal, and South Africa. While the G-7 countries did have some economic initiatives on their agenda, including the launch of a \$600 billion U.S.-led Partnership for Global Infrastructure and Investment (PGII), commitments on fighting climate change, funding renewable energy changes, mitigating inflation and managing the continued global crisis over the COVID-19 pandemic, it was clear that most of the deliberations took aim at the twin challenges seen from Russia and China. The 28-page communiqué alternated between outlining the challenges to the international order that emanate from Moscow's war in Ukraine (including tightening sanctions, the impact on energy markets, and cybersecurity threats), and Beijing's "expansive maritime claims", rights violations, and unsustainable debt creation in lower income countries. The G-7 countries issued separate statements on support for Ukraine, food security and a 'Climate Club'. In addition, the G-7 and special invitee "partner countries" issued a statement on "Resilient Democracies", committing to free and fair elections, protecting freedom of expression, and gender empowerment. The message for Russia and China was made even more pointed at the subsequent NATO Summit in Madrid, where the U.S.'s Transatlantic allies invited the U.S.'s Trans-Pacific allies to discuss security challenges.

Given the targeted nature of the G-7 outcomes, India had its work cut out as a balancing power. Prime Minister Narendra Modi made it clear that it is the developing world that needs the most support, including to weather the "knock-on" effects of the Russia-Ukraine conflict. The Government sought to distance itself from the PGII, pitched as a G-7 counter to China's Belt and Road Initiative, and made it evident that India had only signed on to the statements on "Resilient Democracies" and a "Just Energy Transition", and not the many statements castigating Russia and China, much like Mr. Modi had, at the earlier BRICS summit, stayed away from President Putin and President Xi's stringent criticism of the West. On the global stage, the G-7 outcomes mean New Delhi will have to continue to walk a tightrope between these two blocs that are growing more polarised and inimical towards each other. On the Indian stage, Mr. Modi's G-7 commitments will be scrutinised for his pronouncements on democracy, and his written assurance that his government will protect civic society, freedoms of expression and "thought, conscience, religion or belief", which are facing challenges within the country.

## BRICS' LATEST OUTING NAVIGATED TIGHTROPE ON UKRAINE. IT IS YET TO LIVE UP TO ITS PROMISE OF AN ALTERNATIVE ECONOMIC OR TRADING BLOC

The most remarkable thing about the BRICS summit last week was that its five members managed to negotiate their way through the meeting in a way that sent no ripples of surprise through the post-February 24 world. This was the 14th summit of the Brazil-Russia-India-China-South Africa grouping set up in 2009. It was hosted by China this year and was its opportunity to showcase



multi-lateralism, Beijing's big foreign policy slogan, and to hit out once again at US "hegemony". Aside from the members, China had invited 13 nations from across continents, signalling its desire to expand the group. Getting Prime Minister Narendra Modi to attend despite the tensions owing to China's military incursions in Ladakh was a bonus. For India, BRICS was always about its commitment to building non-western alliances, but this time it was, more, an international balancing act. Ditto for Brazil. It voted for the UN Security Council resolution "deploring" the invasion of Ukraine and the General Assembly resolution condemning Russia, but President Jair Bolsonaro went to Moscow on a "solidarity trip" a week before the invasion and has insisted his country stands for "peace". South Africa too has been walking the neutrality tightrope on Ukraine. As for Russia, the summit gave President Vladimir Putin his first multilateral outing since February 24. The joint statement was able to find common ground on the invasion of Ukraine by asserting the sanctity of sovereignty and territorial integrity and the need to find a peaceful solution.

President Putin's proposal for an alternative reserve currency was received with caution. The Western sanctions on Russia have had a fall-out on economies around the world, but a post-dollar world is an idea whose time has not yet arrived. Barring Russia now, the other BRICS members are well-integrated members of the US currency-led, digitised global financial market. But in a nod to the concept, a BRICS Think Tank Network for Finance is to be set up, to "work independently and provide intellectual support, as and when tasked, for knowledge sharing, exchange of experiences and practices and cooperation on finance issues amongst BRICS countries, aiming at addressing global challenges and serving the interests of the EMDCs (Emerging Markets and Developing Countries)". The wording is suitably vague.

BRICS has yet to live up to its promise of an economic or trading bloc that can offer alternatives to developing countries. The New Development Bank, or the BRICS bank, is yet to catch speed as a multilateral lender of standing. China's push to dominate BRICS, and Russia's being in economic limbo, have set limits on what the grouping can hope to achieve.

## UNDERSTANDING THE SUPREME COURT VERDICT ON THE ZAKIA JAFRI PROTEST PETITION

The story so far: The Supreme Court dismissed the protest petition filed by Zakia Jafri, widow of late Congress leader Ehsan Jafri, challenging the clean chit given to Prime Minister Narendra Modi, then Chief Minister of Gujarat and 63 other senior officials of the State for their alleged role in the 2002 communal riots. The apex court in its 452-page verdict rubbished allegations of a "larger conspiracy" in the Gulberg Housing Society case in which Ehsan Jafri was among those killed. The massacre took place shortly after the Godhra train tragedy which had claimed the lives of 59 kar sevaks on February 27, 2002.

### What was the apex court's verdict?

The three-judge Bench headed by Justice A.M. Khanwilkar held that the inaction of "some officials of one section of the State administration" cannot be the basis to infer a pre-planned criminal conspiracy by the State government, and found no fault in the Special Investigation Team (SIT) report. "There is no material worth the name to even create a suspicion indicative of the meeting of the minds of all concerned at some level; and in particular, the bureaucrats, politicians, public prosecutors or the members of the state political establishment — for hatching a larger criminal conspiracy at the highest level to cause and precipitate mass violence against the minority community across the State," the judgment said. The court further upheld the report of the SIT, stating, "No fault can be found with the approach of the SIT in submitting final report dated



8.2.2012". It held "the final report backed by firm logic, expositing analytical mind and dealing with all aspects objectively".

"The SIT has not found any conspiracy, linking separate and disparate acts of arson and looting or outrageous claims made in sting operations or individual utterances/publications of purported hate speech." The Bench upheld the decision of the Additional Metropolitan Magistrate to accept the closure of the SIT — which was itself appointed by the Supreme Court in 2008 — rejecting the protest petition filed by Zakia Jafri.

#### **What were the criticisms of the Supreme Court?**

The court came down heavily on two State officers, Sanjiv Bhatt and R.B. Sreekumar and former Home Minister of Gujarat Haren Pandya, stating, "At the end of the day, it appears to us that a coalesced effort of the disgruntled officials of the State of Gujarat along with others was to create a sensation by making revelations which were false to their own knowledge. The falsity of their claims had been fully exposed by the SIT after a thorough investigation."

The court held that the officers were not part of the meeting to decide the future course of action when the violence had broken out on Feb 27, 2002. Mr. Bhatt, it may be recalled, had told the Supreme Court that on the night of Feb 27, 2002, Mr. Modi had asked the police brass to let the Hindus vent their anger. Likewise, Mr. Sreekumar had in his deposition before the Nanavati-Shah commission pointed to a dubious role by the administration during the violence.

Such officials need to be in the dock for "keeping pot boiling" the court said, pointing out, "Intriguingly, the present proceedings have been pursued for last 16 years with the audacity to question the integrity of every functionary involved in the process of exposing the devious strategem adopted. As a matter of fact, all those involved in such abuse of process, need to be in the dock and proceeded with in accordance with the law."

Incidentally, the SIT headed by former CBI director R.K. Raghavan had submitted a closure report almost a decade ago. Back in 2012, it gave a clean chit to Mr. Modi and 63 others, finding no prosecutable evidence against them. The Metropolitan Magistrate accepted the report following which Zakia Jafri went to Gujarat High Court. In October 2017, the State High Court dismissed her petition. In September 2018, Ms. Jafri knocked the doors of the Supreme Court and filed a protest petition against acceptance of the SIT report. In December last year, the apex court reserved its judgment.

#### **What happened in Gulberg Society?**

As tensions were on a high in Ahmedabad after the Godhra tragedy, around 90 local residents had gathered at the Gulberg residence of Ehsan Jafri, hoping for safety at the former Parliamentarian's place from the mob on the rampage. Mr. Jafri, apprehending violence, called many officers and leaders for help. In the absence of any practical aid, Mr. Jafri had lost hope. Around 9.30 in the morning, the first attack took place. The police assured help but soon a mob laid siege to Gulberg Society. Gas cylinders were hurled inside the premises from outside and kerosene cans were lobbed from the road. The house was set on fire. Mr. Jafri stepped out, pleading with the mob for the life of the people inside the house. He was then dragged to the road, mutilated and then killed. His body was not recovered. Sixty-nine people were killed, as claimed by local residents; officially 39 casualties were reported.



Further, as an eyewitness recalled in Rakesh Sharma's National award-winning documentary Final Solution based on the Gujarat violence, "The police removed the names of the main culprits of the Vishwa Hindu Parishad, Bajrang Dal from the FIR. We were offered money to take the case back, not to recognise the culprits."

#### **What was the aftermath of the verdict?**

within hours of the Supreme Court judgment, human rights activist Teesta Setalvad, said to be behind Ms. Jafri's prolonged legal battle, was detained by the police. Mr. Sreekumar was also arrested. Mr. Bhatt is already under custody.

### **BLARING RED**

The gruesome killing of Kanhaiya Lal in Udaipur in Rajasthan by two persons who have apparently acted in defence of their Islamic faith has, far from offering any reassurance to their community, made it even more vulnerable. The manner in which the violence was captured on camera and circulated, the premeditated nature of the murder itself, and the celebration that followed — all point to the peak of a communal volcano that India has climbed up through a relentless campaign of political parties and a cohort of pathetically irresponsible television anchors. The Rajasthan police have acted with alacrity and arrested the criminals, whose trial and punishment must be quick and exemplary. The State deserves credit for swift action, although the police should have been alive to the threat faced by Kanhaiya Lal. Rajasthan Chief Minister Ashok Gehlot who has noted the deteriorating situation, of communal hostility, in several parts of the country has requested Prime Minister Narendra Modi to issue an appeal for peace. The Bharatiya Janata Party (BJP), on the contrary, has accused the Congress in Rajasthan of appeasement of a community — in a reference to Muslims, who are at the receiving end of police violence and discriminatory policy at the national level and in many States. The Udaipur killing marks a major turn in the communal situation in India, and could potentially trigger more such violence.

No violence can be condoned; sadly, in India, some of the arms of the state are among the perpetrators. The clamour from BJP followers for collective punishment of Muslims — which the party's governments in Uttar Pradesh, Madhya Pradesh and Assam, for instance, are doing anyway — has become louder, aided by the party's official policy, following the Udaipur killing. An uneven application of law has led to serious disenchantment among Muslims. While Hindutva violence is being promoted and protected by the state in several instances, Muslims have been at the receiving end of police highhandedness even when they seek legal remedies for grievances. A significant section of the citizenry losing faith and hope in the rule of law can trigger chaos and anarchy that will self-perpetuate at a huge cost to the nation. Needless to say, enemies of the nation will be waiting in the wings to take advantage. Udaipur must act as a chilling tale of caution. The BJP governments do not seem to see any merit in observing constitutional niceties and equality before the law. But the party must dial down its dangerous communal frenzy — so that the very nation that it avowedly proclaims to protect does not fall into a cauldron of endemic violence.

### **UDAIPUR KILLERS AND DA'WAT-E-ISLAMI: THE GROUP, ITS IDEOLOGY AND ITS GROWTH**

The Da'wat-e-Islami (Del), the group to which Rajasthan police have linked Ghouse Mohammad who killed tailor Kanhaiyalal in Udaipur on Tuesday, is a Sunni Barelvi proselytising group that was founded in Pakistan four decades ago. It has chapters in several western countries. The





Da'wat-e Islami in India, based in Mumbai, is a breakaway Sunni group and has no links to the DeI Pakistan.

Tehreek-e-Labbaik Pakistan (TLP), the Barelvi group that has demonstrated its rallying ability and street power several times since 2016 on the issues of blasphemy and the finality of the Prophet, draws its inspiration from the DeI.

Many DeI members are now said to be part of Labbaik, which came up in 2015.

The Labbaik mobilised its cadres in 2020-21 to demand that Islamabad must cut off diplomatic relations with France over the Prophet cartoons controversy. It contested elections in 2018 and won two seats in the Sindh Assembly.

In January 2011, when Mumtaz Qadri, the police bodyguard, shot dead Salman Taseer, Governor of Pakistan's Punjab province, police said he had links to the Dawat-e-Islami. An AFP report had quoted DeI spokesman Mahmood Ahmed Attari as saying he had no information about whether Qadri belonged to his party. He said Dawat-e-Islami members are moderate followers of the Barelvi sect of Sunni Islam and do not believe in agitation or protest demonstrations.

Labbaik grew out of a movement to free Qadri, and gained followers rapidly after he was judicially executed for the killing of Taseer.

Formed in 1981, the DeI was the Barelvi response to what the Sunni sect saw as a virtual Deobandi takeover of Islam during a period that Pakistan was actively aiding Islamic radicalism and jihadism funded by the Saudis and armed by the US for the first Afghan War against the Soviet Army.

The jihadi tanzems were built in Deobandi mosques and were schooled in Deobandi teachings. The Pakistan military's training and backing to such groups gave the Deobandi image a huge shot in the arm, much to the concern of the Barelvi Sunni leadership in Pakistan. After the Soviet withdrawal, the Deobandis contributed to the emergence of the Taliban and their extreme interpretation of Islam.

Muhammad Ilyas Attar Qadiri, the founder of DeI, was born in 1950 in a Kutchi Memon family in Karachi. His parents hailed from Junagarh in undivided India. He modelled the DeI on the same lines as the Tableeghi Jamat (TJ), the influential transnational Deobandi missionary group that was formed in 1921. Like TJ, DeI sends followers on long tours of duty on missionary work and holds ijtimas or congregations at different places. Like the TJ, it also focusses on tableegh, the quest for inner spiritual reform and through this, the reform of society. But DeI and TJ differ in ideology, theology and doctrine. DeI members are distinguishable by their green turban, representative of the green dome of the Prophet's Mosque at Madina.

TJ itself disavows affiliation to any political ideology and denies links to the violent jihadist movements that took birth in Pakistan in the 1980s and 1990s. But the flurry of post-9/11 counter-terrorism investigations in the first decade of this century revealed that many radicalised individuals had overlapping membership with TJ.

Before the killing of Taseer, DeI was a low-profile organisation. But that incident and the higher profile of the Barelvis in recent years due to the activities of the TLP, and its apparent proximity to the Pakistan Army on and off, have thrust it into the limelight.



“The DeI has exactly the same relationship with Labbaik that the Tableeghi Jamaat has with Lashkar e Jhangvi and other Deobandi groups,” said Ayesha Siddiqa, the Pakistani author and commentator. “Many DeI have joined Labbaik now.”

The Barelvis are close to 50% of Pakistan’s population, but they saw themselves sidelined politically as the Pakistani military establishment threw in its lot with the Deobandis. While DeI aspired to become a massive international network like the TJ, members did not take to violent jihad in Afghanistan, Pakistan or Kashmir. Rather, Barelvis have been victims of terrorism by groups such as Lashkar-e-Jhangvi, Sipah-e-Sahaba, and the Taliban itself. The shrine worshipping Barelvis have seen all their important dargahs in Pakistan bombed including Bari Imam in Islamabad and Data Darbar in Lahore.

Sunni Tehreek, a Barelvi group formed to protect Barelvi mosques from being captured by Deobandis and Ahle Hadith (another Sunni reformist movement that was influenced by and influenced Wahabism), never recovered from the 2006 Nishtar Park, Karachi bombing in which all its top leaders were killed.

The Barelvi school of thought was once sought to be projected as the moderate face of Islam, and working with the US, Pakistan’s former military ruler Pervez Musharraf thought he could use Barelvisim to counter the Taliban ideologically. However, that project ended in 2011 after Taseer’s assassination by Qadri. The TLP has ensured that Barelvisim will no longer be associated with “soft” Islam and Sufism, as it used to be earlier.

To understand how the blasphemy issue has radicalised Barelvisim, consider that the Sunni Tehreek (now a political party called Pakistan Sunni Tehreek), which started off with a slogan about protecting its mosques — Jawaniyan lutaingai, masjidain bachayeingai — now uses the rallying cry “tauheen rasalat ki ek hi sazaa, tan sey sar juda” (beheading is the only punishment for anyone who insults the Prophet).

#### **DeI today**

Based in Karachi, the group is now present across the world. It runs a television channel called the Madani channel, charitable organisations and trusts.

In 1992, the Mumbai-based India chapter of the Dawat-e-Islami broke away from its Pakistani moorings as it differed on the replication of the TJ model. The head of the Indian branch, Maulana Mohammed Shakir Ali Nuri, started a separate organisation which he named the Sunni Da’wat-e-Islami in Mumbai.

The accused in the Udaipur case are said to have ideological affiliations with the Pakistani wing as both use the word Attari after their names, after DeI leader Muhammed Ilyas Attar Qadri. This is a practice followed by members of the Pakistani based organisation.

### **LAW & PRECEDENT ON CLUBBING OF CASES, AND SC DENIAL OF NUPUR SHARMA PLEA**

On Friday, the Supreme Court declined a plea by former BJP spokesperson Nupur Sharma to club the hate speech cases filed against her across the country. A vacation Bench of Justices Surya Kant and J B Pardiwala, while refusing to grant interim relief, criticised the remarks she had made leading to the case against her.



### **What was Sharma's plea?**

In the last week of May, when she was still BJP spokesperson, Sharma had made derogatory remarks about the Prophet and the Muslim community on several television debates. Following her suspension from the BJP, Sharma issued an apology and withdrew her statements. Several FIRs were registered against her including in Delhi, Mumbai, West Bengal and Assam. Sharma moved the Supreme Court seeking a transfer of all cases of hate speech against her to a court in Delhi.

### **What did the Supreme Court say?**

The court refused to grant interim relief to Sharma and instead asked her to approach High Courts. The Bench also made several observations against her remarks, underlining that her comments were "irresponsible".

"The way she has ignited emotions across the country... this lady is single handedly responsible for what is happening in the country," Justice Surya Kant said.

### **On what grounds are such cases clubbed?**

A person cannot be prosecuted more than once for the same offence. Article 20(2) of the Constitution guarantees the right against double jeopardy. Multiple FIRs on the same incident would virtually mean multiple trials. Approaching the Supreme Court in such situations is a procedural safeguard against excessive litigation.

In *T T Anthony v State of Kerala*, a 2001 verdict, the Supreme Court held that there cannot be a "second FIR" on the same issue.

"There can be no second F.I.R. and consequently there can be no fresh investigation on receipt of every subsequent information in respect of the same cognizable offence or the same occurrence or incident giving rise to one or more cognizable offences. On receipt of information about a cognizable offence or an incident giving rise to a cognizable offence or offences and on entering the F.I.R. in the station house diary, the officer in charge of a Police Station has to investigate not merely the cognizable offence reported in the FIR but also other connected offences found to have been committed in the course of the same transaction or the same occurrence and file one or more reports as provided in Section 173 of the CrPC," the court had said.

In 2020, the Supreme Court in the case of *Arnab Goswami v Union of India* expanded this ruling and said that similar FIRs in different jurisdictions also violates fundamental rights.

"Subjecting an individual to numerous proceedings arising in different jurisdictions on the basis of the same cause of action is a violation of fundamental rights," a bench headed by Justice DY Chandrachud said.

The court said that in such a situation, the petitioner can approach the Supreme Court to club the proceedings. "A litany of our decisions – to refer to them individually would be a parade of the familiar – has firmly established that any reasonable restriction on fundamental rights must comport with the proportionality standard, of which one component is that the measure adopted must be the least restrictive measure to effectively achieve the legitimate state aim. Subjecting an individual to numerous proceedings arising in different jurisdictions on the basis of the same cause of action cannot be accepted as the least restrictive and effective method of achieving the legitimate state aim in prosecuting crime," the court said.



### Why did the Supreme Court deny Sharma's plea?

The SC vacation Bench distinguished Sharma's case from the precedent in the Arnab Goswami case. It indicated that the court had granted relief to Goswami since he was a journalist and the same status cannot be extended to Sharma who was a party spokesperson.

Although the SC in Goswami's case emphasised press freedom, it noted that the Constitution guarantees the same free speech rights to all citizens.

"But to allow a journalist to be subjected to multiple complaints and to the pursuit of remedies traversing multiple states and jurisdictions when faced with successive FIRs and complaints bearing the same foundation has a stifling effect on the exercise of that freedom. This will effectively destroy the freedom of the citizen to know of the affairs of governance in the nation and the right of the journalist to ensure an informed society. Our decisions hold that the right of a journalist under Article 19(1)(a) is no higher than the right of the citizen to speak and express. But we must as a society never forget that one cannot exist without the other," the Court had said.

The Goswami and Anthony rulings are both valid precedents that were binding on the vacation Bench. However, in an oral observation, the vacation Bench said that "if the conscience of the Court is not satisfied, the law can be moulded".

## THEATRE OF THE ABSURD

Mohammed Zubair, co-founder of fact-checking website Alt News, is being made to pay for his role in drawing wide attention to the vile remarks made on live television by a ruling party spokesperson that caused international embarrassment to the Government. The inherent absurdity of the charge — that he sought to incite enmity between groups and insult religious feelings by sharing four years ago an image from a 40-year-old film — and that the complainant is a pseudonymous Twitter handle — make it clear that this is nothing but the establishment's vengeance playing out as a criminal case. Mr. Zubair's arrest is yet another instance of the regime's characteristic intolerance, and its resentment towards fact-checkers who frequently expose its claims. This reflects its well-demonstrated antipathy to anyone seeking to counter majoritarian bigotry. It is also consistent with the ongoing trend of targeting minority activists, ranging from administrative excesses such as demolition of houses of protesters and imprisonment of activists based on charges conjured up by the police and investigative agencies. Mr. Zubair and his website have been active in highlighting flagrant instances of hate speech, and the genocidal tenor of some rants at anti-minority conclaves. The objective, it appears, is not merely his prosecution for an alleged slur against the Hindu god Hanuman, but to embark on a lengthy spell of persecution.

The case itself will be seen in most jurisdictions as a prank rather than a prosecution. The image he had shared is from a film sequence that shows a couple finding to their dismay that 'Honeymoon Hotel' had been revised to 'Hanuman Hotel', apparently conveying a message that it is not open to couples. The idea that this is an insult to Lord Hanuman is breath-taking in its absurdity, as there is no insinuation against the deity. That a magistrate entertained the FIR as well as granted police custody might seem shocking. But in times when even constitutional courts are seen as cooperating with the executive when it comes to restrictions on the freedom of citizens, it would have been a miracle if the magistracy had not followed suit. However, any judicial examination of the FIR would show that neither Section 153A nor Section 295A is attracted. How something said four years ago will incite enmity is beyond anyone's comprehension. The Supreme Court has laid down that Section 295A punishes only insults to religion that are made with



deliberate and malicious intention, and anything said unwittingly or without malice is not an offence. Mr. Zubair's arrest has invited condemnation even beyond India. It is unfortunate that the Government wants to be seen as protective of free speech and democratic values abroad, but does not mind the odium that the hounding of or crackdown on activists and journalists invites. Instead of perpetuating this travesty of justice, the Government should see reason, drop the spiteful case and release him.

## REGRESSIVE, INHUMANE

When a democracy rolls back a constitutional right that has been in place for almost half a century, it must consider itself in deep peril. The U.S. stands at that fraught juncture now, after its Supreme Court, in a 6-3 majority, overturned the 1973 ruling in *Roe vs Wade*, and took away the constitutional right to abortion. In one blow, on June 24, it withdrew from women anywhere in the country their right to reproductive and bodily autonomy. With *Roe*, as well as the 1992 decision in *Planned Parenthood vs Casey* that upheld *Roe*, gone, the court returned "the issue of abortion to the people's elected representatives". States can now decide whether to ban abortion, and at what stage in a pregnancy and under what circumstances. The fight over abortion has been the U.S.'s most passionately waged ideological battle. With a focus that denies any space for compassion or respect for liberty, conservatives have prioritised the task of having *Roe* overturned for decades. With the court now having attained a conservative supermajority, the decision had been imminent — some Republican-ruled States have started banning abortion, with trigger laws in place in anticipation of such a judgment. Other Red States will follow.

This Supreme Court decision, *Dobbs vs Jackson Women's Health Organization*, has in effect divided the U.S. territorially — States where women have the right to abortion, and those where they do not. Where they do not, women with unplanned or unwanted pregnancies, including possibly in some jurisdictions those that endanger the mother's life or are a result of rape or incest, may have no option but to seek medical assistance in other States. This needs resources and support structures, and many women will be left with no option other than clandestine, unsafe abortions nearer home. Chillingly, there is fear that miscarriages could be subject to criminal investigations. On a positive side, major U.S. companies and some States (New York) have started offering financial support to employees and help for out-of-state abortion seekers who seek medical interventions in abortion-supporting States. This will, however, make already-bitter partisan polarisation worse. It must also alarm Americans that the logic of *Dobbs* — that abortion is not mentioned in the U.S. Constitution and is not covered by the landmark 14th Amendment of 1868 that safeguards liberty — has opened the process for other rights to be taken away. For now, President Joe Biden and his Democratic Party have vowed to put *Roe* on the ballot in November's mid-term elections. But the way the U.S. electoral system stacks up the numbers in the Senate against their efforts to break the filibuster, the effort to protect women will likely be carried out incrementally: legal challenges at multiple levels, support to women in Red States, and persuasive political campaigns at the grassroots.

## INDIAN LAWS ON ABORTIONS

The story so far: In a significant step backwards for women's rights in the U.S., the Supreme Court overturned the landmark *Roe v. Wade* judgement of 1973, which gave women in America the right to have an abortion before the foetus is viable outside the womb or before the 24-28 week mark. With the setting aside of the historic judgement on abortion in the U.S, here's a look at the laws that govern abortion in India.



### **How did abortion laws come about in India?**

In the 1960s, in the wake of a high number of induced abortions taking place, the Union government ordered the constitution of the Shantilal Shah Committee to deliberate on the legalisation of abortion in the country. In order to reduce maternal mortality owing to unsafe abortions, the Medical Termination of Pregnancy (MTP) Act was brought into force in 1971. This law is an exception to the Indian Penal Code (IPC) provisions of 312 and 313 and sets out the rules of how and when a medical abortion can be carried out.

Under Section 312 of the IPC, a person who “voluntarily causes a woman with child to miscarry” is liable for punishment, attracting a jail term of up to three years or fine or both, unless it was done in good faith where the purpose was to save the life of the pregnant woman. Section 313 of the IPC states that a person who causes the miscarriage without the consent of the pregnant woman, whether or not she is in the advanced stages of her pregnancy, shall be punished with life imprisonment or a jail term that could extend to 10 years, as well as a fine.

### **How has the MTP Act evolved from 1971 to 2021?**

The latest amendment to the MTP Act was made in 2021. Before that new rules were introduced in 2003 to allow the use of then newly discovered abortion medicine misoprostol, to medically terminate a pregnancy up to seven weeks into it. Broader amendments to the original Act were introduced in 2020 and the amended Act came into force in September 2021.

Under the Medical Termination of Pregnancy (Amendment) Act, 2021, abortion is permitted after medical opinion under stipulated circumstances. The 2021 Act increased the upper limit of the gestation period to which a woman can seek a medical abortion to 24 weeks from 20 weeks permitted in the 1971 Act. But this renewed upper limit can only be exercised in specific cases. Gestational age, calculated in weeks, is the medical term to describe how far along the pregnancy is and is measured from the first day of the woman’s last menstruation or period.

Another major amendment was that MTP could not be accessed on the opinion of a single registered medical practitioner up to 20 weeks of the gestational age. From 20 weeks up to 24 weeks, the opinion of two registered medical practitioners is required. In the previous version of the Act, the opinion of one registered doctor was required to access a medical abortion up to 12 weeks of pregnancy, while two doctors were required to endorse the abortion up to 20 weeks.

### **What is the MTP (Amendment) Act, 2021?**

Under the 2021 Act, medical termination of pregnancy is permitted if it is backed by medical opinion and is being sought for at least one of the following reasons — (1) If the continuation of pregnancy would involve a risk to the life of the pregnant woman (2) If its continuation would result in grave injury to the woman’s physical or mental health (3) In the case of a substantial risk that if the child was born, it would suffer from serious physical or mental abnormality.

The pregnancy can be terminated upto 24 weeks of gestational age after the opinion of two registered medical practitioners under these conditions — (1) If the woman is either a survivor of sexual assault or rape or incest (2) If she is a minor (3) If her marital status has changed during the ongoing pregnancy (i.e. either widowhood or divorce) (4) If she has major physical disabilities or is mentally ill (5) On the grounds of foetal malformation incompatible with life or if the child is born, it would be seriously handicapped (6) If the woman is in humanitarian settings or disaster, or emergency situations as declared by the government.



Besides, if the pregnancy has to be terminated beyond the 24-week gestational age, it can only be done on the grounds of foetal abnormalities if a four-member Medical Board, as set up in each State under the Act, gives permission to do so.

The law, notwithstanding any of the above conditions, also provides that where it is immediately necessary to save the life of the pregnant woman, abortion can be carried out at any time by a single registered medical practitioner.

Unmarried women can also access abortion under the above-mentioned conditions, because it does not mention the requirement of spousal consent. If the woman is a minor, however, the consent of a guardian is required.

#### **Have there been judicial interventions in cases of abortions?**

Despite the fact that existing laws do not permit unconditional abortion in the country, in the landmark 2017 Right to Privacy judgement in the Justice K.S. Puttaswamy v. Union of India and others, the Supreme Court had held that the decision by a pregnant person on whether to continue a pregnancy or not is part of such a person's right to privacy as well and, therefore, the right to life and personal liberty under Article 21 of the Constitution.

Several women annually approach the apex court and High Courts, when medical boards reject their application to access MTP beyond the gestational upper limit (now 24 weeks), seeking permission to abort a pregnancy, mostly in cases where it is a result of sexual assault or when there is a foetal abnormality.

A report authored by advocate Anubha Rastogi for the Pratiya Campaign said that in the 15 months leading up to August 2020, High Courts across the country were hearing 243 petitions of women seeking permission to abort. In February this year, the Calcutta High Court allowed a 37-year-old woman, who was 34 weeks into her pregnancy, to get a medical abortion as the foetus was diagnosed with an incurable spinal condition. This judgment allowed abortion for the furthest gestational in the country so far.

#### **What are the criticisms against the abortion law?**

According to a 2018 study in the Lancet, 15.6 million abortions were accessed every year in India as of 2015. The MTP Act requires abortion to be performed only by doctors with specialisation in gynaecology or obstetrics. However, the Ministry of Health and Family Welfare's 2019-20 report on Rural Health Statistics indicates that there is a 70% shortage of obstetrician-gynaecologists in rural India.

As the law does not permit abortion at will, critics say that it pushes women to access illicit abortions under unsafe conditions. Statistics put the annual number of unsafe and illegal abortions performed in India at 8,00,000, many of them resulting in maternal mortality.

### THE IRRESISTIBLE RISE

It is no secret that Droupadi Murmu, the National Democratic Alliance (NDA) nominee for the July 18 Presidential election, was on the short list for the same in 2017 as well. The candidate herself acknowledged it when the BJP leadership announced that she was in the fray this year.



At that time, at the age of 59, she was considered to have time on her side. In 2022, the time seems to have arrived for a woman tribal candidate to occupy the highest office in the country, the beating heart of the Indian Republic, so to speak.

When she was born in 1958, in the district of Mayurbhanj in Odisha, there was nothing to foretell that she was headed to the Rashtrapati Bhavan. She was educated at the Unit II High School and Rama Devi College (now University), both in Bhubaneswar.

She went on to work as a junior assistant in the State Irrigation and Power Department from 1979 to 1983, and then as a teacher at Sri Aurobindo Integral Education Centre at Rairangpur till 1997.

### Entering politics

It was during her stint in Rairangpur that she got interested in politics and joined the Bharatiya Janata Party (BJP). In 1997, she was elected to the Rairangpur Corporation and became the Vice-Chairperson of the civic body.

Her political rise has since then been steady. It was a time when the BJP was in an alliance with the Naveen Patnaik-led Biju Janata Dal. In 2000, as the parties contested together, Ms. Murmu won her first Assembly election.

When the coalition came to power, she was chosen to be a Minister, first for Transport and Commerce and then for Fisheries and Animal Husbandry.

She was given independent charge, a rare responsibility for a first-time MLA. When the alliance between the BJP and the BJD ended, Ms. Murmu continued to nurture her constituency, Rairangpur, and despite a Naveen Patnaik wave in 2009, she managed to retain her seat.

But this was also the year that she suffered the loss of her 25-year-old son, which she later said in an interview plunged her into depression, and drew her close to spirituality.

The personal tragedies, however, were not to end. She lost her second son in 2013, and her husband, Shyam Charan Murmu, a bank official, in 2014, leaving her with her daughter, Itishree Murmu.

In 2015, Ms. Murmu was appointed Governor of Jharkhand. It was never an easy assignment for the occupant of the Raj Bhavan in Jharkhand, the State born out of a people's struggle to foreground the political and social rights of tribal communities.

There were frequent changes of government and MLAs often switched loyalties. Ms. Murmu, however, created a record of being the first Governor to complete a full term and then served an extra year before exiting the office in 2021.

When Ms. Murmu became Governor, there was a BJP government in Jharkhand. The Raghubar Das-led government brought in two Bills to amend the Chota Nagpur Tenancy Act, 1908, and the Santhal Pargana Tenancy Act, 1949. These amendments related to allowing conversion of land use in tribal areas from agriculture to commercial purposes, and set off a major uproar among tribal groups and civil society.

These Acts were articles of faith in the battle for land rights and rights over natural resources for tribal communities, fought and won in the teeth of opposition and against the British colonial rule.





To amend these Acts was akin to a reversal of any gains made by tribal people in terms of land rights.

Ms. Murmu as Governor, someone constitutionally empowered to intervene in issues related to scheduled areas, soon intervened and rejected the two Bills when they were presented to her, an act which won her approbation from the Opposition, with current Chief Minister Hemant Soren lauding her for her “sensitivity” for “providing a balm to society that was on the boil for the last six months”.

### **Working relationship**

When the government changed in Jharkhand in 2019, Mr. Soren and Ms. Murmu managed a good working relationship. Ironically, Mr. Soren is part of the Opposition grouping, which has announced former Yashwant Sinha, a former Finance Minister (in the Vajpayee-led NDA government) as its presidential candidate.

The distance travelled by Ms Murmu, from Rairangpur to the Raisina Hills, is akin to the lonely, tough furrow ploughed by tribal communities in India, who, despite being at the forefront of India’s struggles against the British colonial rule, had to wait till the Republic’s 75th anniversary to get its shot at the top job.

## **A CAREER OF MANY TURNS**

Yashwant Sinha’s political career has come full circle. From being a trenchant critic of the Congress and the Left as a BJP leader for over two decades to a joint Opposition candidate in the July 18 Presidential election, supported by both.

Mr. Sinha was born in Patna on November 6, 1937, as the ninth of 11 siblings. His father was an advocate in the Patna High Court. At the age of 23, Mr. Sinha joined the Indian Administrative Service and was allotted the Bihar cadre. Fourteen years into the job, in 1974, answering the call for “Total Revolution” from Jai Prakash Narayan, Mr. Sinha wanted to quit the service. He writes in his autobiography, *Relentless*, that he was dissuaded by the family that was solely dependent on his salary and many leaders, including JP himself.

The high point of his bureaucratic career was his term as Principal Secretary to Bihar Chief Minister and socialist Karpoori Thakur, in 1977. In 1984, while serving as Joint Secretary in the Union government, he resigned to join politics. Through a mutual friend, he met Chandra Shekhar, who was heading the Janata party. Chandra Shekhar was his first mentor and guide. When Chandra Shekhar became Prime Minister in November 1990, Mr. Sinha was picked as his Finance Minister — at a time when the country was going through its worst financial crisis.

By the early 1990s, Chandra Shekhar’s political fortunes were sliding and with no future in sight for himself, Mr. Sinha drifted to the BJP. He left his first mentor at his lowest ebb. In 1993, a day after Deepavali, Mr. Sinha joined the BJP, which L.K. Advani termed a “Diwali gift” for the party.

In the 1998 Atal Bihari Vajpayee government, the Prime Minister was keen on appointing Jaswant Singh as Finance Minister, but he had lost the election. Mr. Advani persuaded Vajpayee to allot the portfolio to Mr. Sinha instead.



Though Mr. Advani was his closest ally in the BJP, Mr. Sinha was the first to attack him for his “Jinnah was a secular person” remark that he made in June 2005. Mr. Advani’s remarks eventually led to his resignation as the BJP president in December that year.

### **Stronger BJP**

When Mr. Sinha was asked if Mr. Advani’s resignation would create a vacuum in the BJP, he said the BJP would only emerge stronger. The cord was broken. He bitterly complains in his autobiography that he missed the opportunity to become the party’s leader in the Lok Sabha because of this episode.

But this was not the last time he was challenging the BJP leadership and testing its patience. In 2009, he wrote a letter to then BJP president Rajnath Singh, after the party’s consecutive defeats in two general elections. He wanted all BJP office-bearers to resign and a new team to be elected. This was his own version of the Kamaraj plan. Naturally, his idea was binned. Mr. Singh issued gag orders and Mr. Sinha was removed from the post of party spokesperson.

In 2013, he once again challenged the BJP leadership. This time, Nitin Gadkari was the party president whose term was ending. Many in the party assumed that he would return despite reports about corruption allegations. “I felt that in view of the allegations, he should not seek re-election to the post,” Mr. Sinha writes in *Relentless*. Though he called for the nomination form, he never filed it. But that was enough for the party to sideline him. In 2014 he did not get the party ticket to contest from Hazaribagh. The Prime Ministerial candidate, Narendra Modi, wanted those above 75 years of age to retire gracefully. It was the end of the road for Mr. Sinha. He still reached out to Mr. Modi and Mr. Singh for ticket for his son Jayant in his place.

While his son was a Minister of State in the Union Finance Ministry, the father started relentlessly criticising the Modi government’s economic policies. On April 21, 2018, he resigned from the BJP. He tried to set up an anti-BJP forum, *Rashtra Manch*, but failed to create a buzz. In 2021, he joined the Trinamool Congress and became its vice president. Though it was widely believed that he would secure a Rajya Sabha berth, the party didn’t oblige. But as a somewhat pale compensation, the Trinamool lobbied to make him the joint candidate for the presidential election.

On the day his candidature was announced, his son Jayant Sinha, who is a BJP MP in the Lok Sabha, said he would not support his father in this race. He said his constitutional duty was towards his party and that election was not a family matter. Mr. Sinha has the support of Opposition parties but as the numbers stand, the election is turning out to be a non-contest.

## **SPEAKER’S POWERS IN A REBELLION**

While granting interim relief to rebel MLAs of the Shiv Sena on Monday, the Supreme Court made a crucial but unusual judicial intervention that raises questions on the powers of the Speaker under the Tenth Schedule of the Constitution. The Speaker’s powers under the Tenth Schedule have been previously upheld by the Supreme Court itself; the court has allowed judicial review only once the Speaker has made a decision, and has ruled out interference with the process.

### **What does the interim order say?**

The interim order grants more time to the rebel MLAs — until July 11 — to reply to the disqualification notice served on them. It seeks affidavits from them, and also a counter-affidavit from the Deputy Speaker on his removal as demanded by the rebels.



In granting more time, the Supreme Court has essentially delayed the disqualification proceedings, which would have a direct impact on a trust vote in the Assembly, whenever it takes place.

The issue of considering the removal of the Deputy Speaker himself is more complex and raises questions on the sanctity of the Tenth Schedule.

#### **What does the Tenth Schedule say?**

The Tenth Schedule or the anti-defection law, introduced in 1985, gives the Speaker of the House the power to disqualify legislators who 'defect' from the party. In the landmark case *Kihoto Hollohan versus Zachillhu* in 1992, the Supreme Court upheld the power vested in the Speaker and said that only the final order of the Speaker will be subject to judicial review.

Courts have refrained from interfering with the process itself.

However, a 2016 ruling of a Constitution Bench of the Supreme Court has shifted the balance on the powers of the Speaker. In the landmark *Nabam Rebia v Bemang Felix* case, concerning a constitutional crisis in Arunachal Pradesh then, a five-judge Bench of the SC limited the Speaker's powers.

#### **What was the Nabam Rebia ruling?**

While the larger legal issue in the *Nabam Rebia* ruling was on the contours of the powers and limitations of the Governor, the issue of anti-defection also came up. On that point, the Supreme Court held that it is "constitutionally impermissible" for a speaker to proceed with disqualification proceedings, if a no-confidence motion against him is pending.

"The action of the Speaker in continuing, with one or more disqualification petitions under the Tenth Schedule, whilst a notice of resolution for his own removal, from the office of Speaker is pending, would 'appear' to be unfair. If a Speaker truly and rightfully enjoys support of the majority of the MLAs, there would be no difficulty whatsoever, to demonstrate the confidence which the members of the State Legislature, repose in him," the Supreme Court ruled.

This ruling gave a window to defecting legislators to stall or circumvent the Tenth Schedule by seeking removal of the Speaker when disqualification proceedings are anticipated — effectively tying the hands of the Speaker.

#### **Have legislators used this legal route?**

Yes, since 2016, this legal route has been a familiar playbook for legislators cutting across states and political affiliations.

In 2016, rebel MLAs of the Congress including Vijay Bahuguna sought removal of Uttarakhand Assembly Speaker Govind Singh Kunjwal after shifting ranks to the BJP to stall anti-defection proceedings.

In 2018, AIADMK legislator S Karunas sent a notice to the Tamil Nadu Legislative Assembly Secretary K Srinivasan, seeking removal of Speaker P Dhanapal at a time when the AIADMK leadership was mulling action against Karunas and three other MLAs for having pledged their support to T T V Dhinakaran.



In June 2020, the Congress in Manipur served a notice for the removal of Speaker Y Khemchand as nine of its MLAs defected to the BJP.

#### **How can the Speaker be removed?**

Under Article 179 of the Constitution, a Speaker can be removed by a resolution of the Assembly passed by a majority of “all the then members of the Assembly”. The process begins with notice of at least 14 days.

In the 2016 Nabam Rebia ruling, the Supreme Court interpreted Article 179, specifically the term “all the then members of the Assembly”, to mean the composition of the house at the date/time of giving the notice for the removal of the Speaker. This interpretation would mean that the composition of the Assembly cannot be changed from the date of issuing of a notice of the removal of the Speaker, and therefore the Speaker cannot make any decisions under the Tenth Schedule to change the composition of the House until the question of his removal is settled.

During the hearing on the Maharashtra situation, senior advocate Neeraj Kishan Kaul, appearing for the rebel Shiv Sena MLAs, referred to the 2016 Nabam Rebia ruling to argue that the Deputy Speaker of an Assembly cannot decide on disqualification of MLAs while a motion for his or her removal is pending.

#### **What were the reasons for the Supreme Court’s 2016 decision?**

The Supreme Court’s reasoning in barring the Speaker from acting under the Tenth Schedule when a notice for his own removal is pending, is to ensure that the Speaker who disqualifies legislators must enjoy the confidence of the Assembly.

“After all, disposal of the motion under Article 179(c), would take no time at all. As soon as the motion is moved, on the floor of the House, the decision thereon will emerge, forthwith. Why would a Speaker who is confident of his majority, fear a floor test? After his position as Speaker is affirmed, he would assuredly and with conviction, deal with the disqualification petitions, under the Tenth Schedule. And, why should a Speaker who is not confident of facing a motion, for his removal, have the right to adjudicate upon

disqualification petitions, under the Tenth Schedule?” the Supreme Court had said in Nabam Rebia.

This interpretation would mean defection is followed by an immediate floor test and not proceedings of the Tenth Schedule. A floor test is the ultimate step in ascertaining majority in the House, but legal experts have criticised that 2016 interpretation saying it would not lead to ascertaining “real majority” that is determined after punishing defecting MLAs.

### **IN SHIV SENA CRISIS, THE ISSUES BEFORE SUPREME COURT**

The Supreme Court on Monday passed an interim order extending until 5.30 pm on July 12 the time granted by the Deputy Speaker of the Maharashtra Assembly, Narhari Zirwal, to 16 rebel Shiv Sena MLAs to reply to the disqualification notices served on them.

The Maharashtra government undertook to protect the life and properties of 39 rebel MLAs and their families. The Supreme Court will now hear the petitions — filed by rebel leader Eknath Shinde, and Bharat Gogavale and 14 other MLAs of the Shinde camp — on July 11.



It, however, refused to restrain the holding of a floor test in the Assembly until it hears the pleas next.

### **The background of the petitions**

Shinde, and Gogawale, whom the rebels have chosen Chief Whip of the Sena legislature party replacing Sunil Prabhu, sought a stay on the disqualification notices issued on June 25 to 16 Sena MLAs who did not attend a party meeting convened by Chief Minister Uddhav Thackeray.

They have also challenged the appointment, on June 21, of Ajay Choudhari as leader of the Shiv Sena Legislative Party (SSLP), replacing Shinde.

Zirwal gave the 16 MLAs 48 hours until Monday, June 27, to respond, failing which action would be initiated against them. In his petition, Shinde claimed that Zirwal, who is an NCP MLA, cannot act on the disqualification petition against the 16 MLAs while notice for a resolution seeking his removal remains pending.

### **Key arguments before the Supreme Court**

**ZIRWAL'S ALLEGED BIAS:** The post of Speaker has been vacant since Nana Patole resigned in February 2021 to become president of the Maharashtra Congress. Shinde has argued that ordinarily, a member who has been elected as Speaker or Deputy Speaker resigns from the membership of his party — but Zirwal has not done so.

According to the rebel camp, since Zirwal's party (NCP) is supporting the "minority faction" of the Shiv Sena (that is still with Thackeray), his actions are "biased, based on mala fide and considerations totally against constitutional principles and to help his political party".

While the Deputy Speaker is supposed to decide issues objectively, Shinde has said he "does not expect justice at all from Zirwal, who, it seems, is bent upon acting on the directions of the leaders opposed to the Petitioner (Shinde) and his colleagues".

However, Shinde did not press this argument in court on Monday, and instead sought a stay on the disqualification proceedings as immediate relief.

**CHOUDHARI'S 'ILLEGAL' APPOINTMENT:** The petition claimed that Choudhari's appointment as leader of the SSLP was made by a "minority faction" of Sena MLAs — and under the Members of Maharashtra Legislative Assembly (Disqualification on Ground of Defection) Rules, 1986, it was "illegal" and "unconstitutional" for Zirwal to ratify it.

Also, Shinde has said, despite being from the minority faction of the SSLP, Choudhari and Prabhu unlawfully made a petition to the Deputy Speaker under the Tenth Schedule of the Constitution, based on which the 16 MLAs were served notices.

Senior advocate Devadatt Kamat representing the Maharashtra government, argued that while the notice sent by the Thackeray faction was on the official letterhead of the party, the letter from the Shinde group was "purported to be of Shiv Sena", claiming to be the majority faction.

Zirwal had rightly recognised Choudhari's appointment based on the authentic party letterhead, Kamat said.

**'UTTER DISREGARD' FOR SC 2016 RULING:** Shinde has said that a notice to move a resolution for removal of Zirwal as Deputy Speaker under Article 179(c) of the Constitution and Rule 11 of the



Maharashtra Legislative Assembly Rules, was submitted on June 21, before the disqualification notices were served on the rebels.

The petition refers to the Supreme Court's judgment in *Nabam Rebia & Bamang Felix v. Deputy Speaker, Arunachal Legislative Assembly (2016)*, in which the court had held that if the Speaker faces a motion for his own removal first, both the constitutional provisions under the Tenth Schedule and Article 179(c) would have their "independent operational space preserved".

The court had ruled that it would be "constitutionally impermissible for a Speaker to adjudicate upon disqualification petitions under the Tenth Schedule while a motion of resolution for his own removal from Office of Speaker is pending".

According to the rebel camp, the petition for disqualification was submitted to Zirwal after the notice for moving a resolution for his own removal was given, and therefore, the Deputy Speaker's decision was in "utter disregard" of the 2016 SC ruling and, therefore, "non-maintainable".

In response, Senior Advocate Abhishek Manu Singhvi for Choudhari submitted that the 1992 Constitution Bench judgment in *Kihoto Hollohan v. Zachillhu* had clearly laid down that courts cannot interfere until the Speaker makes a decision, and that the Speaker has sweeping discretion in deciding cases of disqualification of MLAs.

Singhvi argued that courts can only aid the procedure that the Speaker or Deputy speaker is supposed to follow, and that *Nabam Rebia* cannot be misused to restrain the Speaker. He said that Article 212 bars the courts from inquiring into the proceedings of the legislature, and asserted that the Speaker was competent to decide a disqualification plea under the Tenth schedule of the Constitution when notice of his removal is under consideration.

Singhvi also questioned the petitioners' "leap frogging" to the Supreme Court without approaching the High Court first, and challenged the maintainability of the plea. Senior advocate N K Kaul for the rebels argued that the apex court had the discretion to entertain the pleas.

Senior advocate Rajeev Dhawan representing Zirwal informed that the no-confidence motion against him was rejected as the genuineness or veracity of the notice could not be ascertained. The court asked whether the Speaker could be a judge in his own case, and asked Zirwal's lawyer to place the new developments pertaining to rejection of the notice on record.

48 HRS TO RESPOND 'AGAINST RULES': Referring to Rule 7(3)(b) of the Maharashtra Legislative Assembly (Disqualification on Grounds of Defection) Rules, 1986, Shinde has said that persons who are sought to be disqualified are entitled to at least a 7-day period (further extendable) to submit their reply. But the June 25 notice gave the rebels only 48 hours, he has said.

According to the rebels, Zirwal "completely bypassed" the Rules, and his action was "nothing but an eyewash to put a façade of compliance of the rules".

#### HAS THE ANTI-DEFECTION LAW FAILED IN INDIA?

The story so far: Maharashtra is in the throes of a constitutional crisis. Many ruling Shiv Sena legislators who seem to have revolted against the leadership of Chief Minister Uddhav Thackeray are now holed up in a hotel in distant Guwahati to keep out of the reach of party leaders. Their travel to Guwahati, via Surat, seems to have been facilitated by the BJP, the ruling party in Gujarat



and Assam. All indications are that there is a planned mass defection underway so that an alternative regime that includes the BJP is formed in the State.

#### **Isn't there a law against such defection?**

The Tenth Schedule of the Constitution, commonly known as the anti-defection law, was introduced in 1985 with a view to curb the tendency among legislators to switch loyalties from one party to another and facilitate the toppling of regimes and formation of new ones. It provides for the Presiding Officer of the legislature to disqualify any defector on a petition by another member. The law contemplates two kinds of defection: (a) by a member voluntarily giving up membership of the party on whose symbol he got elected (b) by a member violating a direction (whip) issued by his party to vote in a particular way or to abstain from voting.

While voting contrary to the party's whip is quite a straightforward instance of defection, the other mode of defection has proved to be a source of dispute and litigation. A member 'voluntarily giving up membership' does not refer to a simple resignation letter and formally joining another party. It is often an inference drawn by the party that loses a member to another based on the legislator's conduct. The Supreme Court has also ruled that 'voluntarily giving up membership' can be inferred from the conduct of a person.

#### **How do the MLAs plan to avoid disqualification?**

The Shiv Sena has 55 members in the Maharashtra Assembly. Eknath Shinde, who leads the rebel group, claims that he has 40 MLAs with him, but the figure may include Independents. The group may claim to be the 'real Shiv Sena' and seek to 'expel' the current leadership. As a legal defence, they may invoke Paragraph 4 of the Tenth Schedule, under which disqualification on account of defection will not apply in case of a merger of one party with another. However, there is a rider. There is a deemed merger only if two-thirds of the party's total strength agrees to the merger. In Maharashtra, the rebel group will need to have 37 MLAs to make the claim that they constitute two-thirds of the legislature party. However, it remains to be seen if the Deputy Speaker (the Speaker's office is vacant), initially, and then the law courts will recognise such a 'merger'. Disqualification proceedings have already been initiated against some of them.

Originally, the 10th Schedule had spoken of a 'split' in a legislature party as an exception to the disqualification rule. That is if one-third of a legislature party leaves it or joins another party, it amounts to a 'split' and such members would not attract disqualification. This proved to be an escape clause for legislators to form a group that amounted to one-third of the legislature party's total strength and then cross over. Paragraph 3, which allowed the use of a split to avoid disqualification for defection, was deleted by the Constitution (91st Amendment) Act, 2003.

#### **How foolproof is this plan?**

It remains to be seen if the defectors will get away by using the 'merger' argument. In a recent instance, the Bombay High Court at Goa ruled in favour of MLAs who had defected from the Congress to the BJP in Goa. The court noted that they satisfied the two-thirds requirement for a deemed merger and ruled that they were exempted from disqualification. The Congress has appealed to the Supreme Court.

The main ground of appeal is that the Court should not have accepted the existence of a merger, as the merger envisaged in Para 4 of the 10th Schedule is a two-step process under which one political party first merges with another, and then the legislators accept the merger. In the absence



of a merger of the parties, the mere fact that two-thirds of the MLAs cross over to the other party does not save them from disqualification.

In a similar case in Meghalaya, the Speaker recognised as a 'merger' the crossover of 12 Congress MLAs out of a total of 17 to the Trinamool Congress and refused to disqualify them.

The Supreme Court may have to adjudicate whether an actual merger is a condition precedent for bringing into play the 'deemed fiction' of a merger after two-thirds of a party's legislators cross over.

#### **Does the 10th Schedule mean anything?**

This brings us to the question whether the anti-defection law has been rendered meaningless by various events. What was introduced as a panacea for the menace of floor-crossing and toppling of elected regimes by engineering defections has proved largely ineffective in many cases. Recent instances give an idea of the various ploys adopted by parties, legislators and Speakers to either evade the law against defection or to achieve partisan political ends.

The most common these days is for a ruling party with a big majority to poach the main Opposition parties without any regard for the anti-defection law. When the aggrieved party moves for disqualification, Speakers choose not to act, thus formalising the defection.

In Manipur, for instance, seven Congress MLAs joined the BJP shortly after the 2017 Assembly election and one of them became a Minister too. However, the Speaker did not act on petitions to disqualify the Minister for over two years. In January 2020, the Supreme Court directed the Speaker to dispose of the matter within four weeks. As the Speaker passed no order even long after the deadline, the Court invoked its extraordinary powers to remove T. Shyamkumar Singh, the Minister concerned, from the Cabinet and barred him from entering the Assembly. Opposition members have crossed over to the ruling party in Andhra Pradesh and Telangana in large numbers in recent years, but did not suffer disqualification.

In Karnataka, in 2010, a group of BJP rebels against then Chief Minister B. S. Yeddyurappa met the Governor to express their resentment against his continuance in office and sought a 'constitutional process' to be initiated. The Speaker subsequently disqualified them on the ground that their action in meeting the Governor amounted to voluntarily giving up their membership. However, the Supreme Court ultimately set aside their disqualification on procedural grounds — they were not given sufficient time to file their replies and were not given advance copies of material relied upon by the Speaker.

In an attempt to capitalise on this precedent, a group of AIADMK MLAs revolted against Chief Minister Edappadi K. Palaniswami in 2017 and met the Governor seeking a similar 'constitutional process' against him. The Speaker disqualified 18 MLAs for 'voluntarily giving up membership' of the party which had fielded them as candidates. However, the Madras High Court by a 2:1 majority, upheld the disqualification. Though facts were similar to the developments in Karnataka, the High Court was of the view that there was nothing unreasonable or perverse in the Speaker coming to the conclusion from the MLAs' conduct that they were seeking to topple the regime.

In 2019, one saw the spectacle of some members submitting resignation letters to escape disqualification proceedings, while the Speaker questioned the voluntariness and motive behind the resignations. 'Defection through resignation' became a thing suddenly. The Supreme Court ultimately ruled that the Speaker has the authority to verify if a resignation is voluntary and





genuine, but it is constitutionally impermissible for the Speaker to take into account extraneous factors while considering the resignation. In other words, once it is clear that a member is resigning out of free will, the Speaker is bound to accept it.

As defections continue unabated and Speakers refrain from acting on these developments based on their political loyalties, there is a strong case to reform the anti-defection law.

Redefining the merger clause, shifting the adjudicatory power from the Speaker to some other credible authority and even dispensing wholly with the law are measures that jurists have suggested.

Some believe that the anti-defection law should be scrapped as it enslaves members to their party line, prevents them from representing their constituents and the people, and violates their freedom of expression.

## IMPLICATIONS OF INDIA'S NEW VPN RULES

The story so far: On April 28, India's cybersecurity agency passed a rule mandating Virtual Private Network (VPN) providers to record and keep their customers' logs for 180 days. It also asked these firms to collect and store customer data for up to five years. It further mandated that any cybercrime recorded must be reported to the CERT-In (Computer Emergency Response Team) within six hours of the crime. The new directives, if passed, will be effective from June 28. In response to the CERT-In rules, Nord VPN, one of the world's largest VPN providers, has said it is moving its servers out of the country. Two other firms, Express VPN and Surfshark, said they will shut down their physical servers in India and cater to users in India through virtual servers located in Singapore and the U.K.

### **Who all will be affected by the new rules?**

CERT-In directions are applicable to data centres, virtual private server (VPS) providers, cloud service providers, virtual asset service providers, virtual asset exchange providers, custodian wallet providers and government organisations. Firms that provide Internet proxy-like services through VPN technologies also come under the ambit of the new rule. Corporate entities are not under the scanner.

### **What is a virtual server, and what are its uses?**

A virtual server is a simulated server environment built on an actual physical server. It recreates the functionality of a dedicated physical server. The virtual twin functions like a physical server that runs software and uses resources of the physical server. Multiple virtual servers can run on a single physical server.

Virtualising servers helps reallocate resources for changing workloads. Converting one physical server into multiple virtual servers allows organisations to use processing power and resources more efficiently by running multiple operating systems and applications on one partitioned server. Running multiple operating systems and applications on a single physical machine reduces cost as it consumes less space and hardware. Virtualisation also reduces cost as maintaining a virtual server infrastructure is low compared to physical server infrastructure. Virtual servers are also said to offer higher security than a physical server infrastructure as the operating system and applications are enclosed in a virtual machine. This helps contain security attacks and malicious behaviour inside the virtual machine.



Virtual servers are also useful in testing and debugging applications in different operating systems and versions without having to manually install and run them in several physical machines. Software developers can create, run, and test new software applications on a virtual server without taking processing power away from other users.

#### **Can server relocation and virtualisation help VPN providers circumvent the new rules?**

The FAQs published by the Ministry of Electronics and Information Technology (MeiTY) regarding the cybersecurity directions offers some clarity on relocation and virtualisation. It says the rules are applicable to “any entity whatsoever” in the matter of cyber incidents and cyber security incidents, regardless of whether they have a physical presence in India or not, as long as they deliver services to Indian users. The service providers who do not have a physical presence in India but offer services to the users in the country, have to designate a point of contact to liaise with CERT-In. Also, logs may be stored outside India as long as the obligation to produce logs to CERT-In is adhered to by the entities in a reasonable time.

VPN companies, like Surfshark, on the other hand believe that by removing their physical servers to countries outside India they will comply with the laws applicable to their activities, the company said to The Hindu.

#### **How will the law impact India’s IT sector?**

In response to The Hindu’s queries on the impact of removal of physical servers from the country on jobs, SurfsharkVPN said “It would be difficult to estimate the exact number of individuals impacted in terms of employment because we were renting servers from Indian providers.”

VPN suppliers leaving India is not good for its burgeoning IT sector. Taking such radical action that highly impacts the privacy of millions of people in India will most likely be counterproductive and strongly damage the IT sector’s growth in the country, the company said in a release last week.

It estimated that 254.9 million Indians have had their accounts breached since 2004 and raised its concern that collecting excessive amounts of data within Indian jurisdiction without robust protection mechanisms could lead to even more breaches.

The Netherlands-based company further said that they have never received a similar directive on storing customer logs from any other governments in the world.

#### **Does China have similar rules regarding VPN usage?**

Though not all VPNs are officially banned in China, only government-approved VPNs are officially permitted to function, Syed Ali Akhtar, Fellow at the National Law University, Delhi told The Hindu.

Visitors and Chinese citizens use VPNs to circumvent China’s Great Firewall, which has blocked access to many websites, keywords and even IP addresses.

Government-approved VPNs have to register with the Chinese government and have to comply with data requests during investigations. However, cases of tourists being penalised for using non-government approved VPNs have not been reported, Akhtar said.



## AS AMARNATH PILGRIMAGE BEGINS, THE ORIGIN, ROUTE

After a gap of two years due to the Covid-19 pandemic, the Amarnath pilgrimage started from Jammu on Wednesday (June 29) morning, with the first group of devotees setting off on the yatra amid high security.

Some 3-4 times the usual strength of security personnel has been deployed around the yatra in the light of a greater potential threat from militants this year, PTI reported. Radio Frequency Identification (RFID) tags and drone surveillance are being used to ensure the pilgrims' security.

This year's Amarnath Yatra would be "historic", Union Information and Broadcasting Secretary Apurva Chand had said in April — some 6-8 lakh pilgrims would visit the shrine, "twice the size than ever before".

In 2019, the last time the yatra was held, the government had cancelled the pilgrimage mid-way, ahead of the constitutional changes in the erstwhile state of Jammu and Kashmir.

### **The origin myth of Amarnath**

The Amarnath Yatra to the cave of Lord Shiva, perched high in the Himalayas, is considered to be one of the most revered pilgrimages in the country. Each year, hundreds of thousands of pilgrims travel to the shrine.

Based on a legendary account, when Lord Shiva decided to tell Parvati the secret of his immortality (Amar Katha), he chose the Amarnath cave, located deep inside the Himalayas in south Kashmir.

According to lore, the cave was discovered by a Muslim shepherd named Buta Malik in 1850. Malik was in the mountains with his herd of animals, when a Sufi saint gave him a bagful of coal. After he returned home, Malik opened the bag, and found it to be full of gold. The ecstatic shepherd ran to the mountains to thank the saint, but he could not find him.

Instead, he found the cave and its famous ice lingam. Believed to represent Lord Shiva, it is formed by a trickle of water from a cleft in the roof of the cave. As the water drips, it freezes to form a tall, smooth ice stalagmite. It gets its full shape in May every year, after which it begins to melt, and by August, it is only a few feet in height.

### **The yatra route**

The Amarnath cave is situated 3,888 metres above sea level and it can only be reached on foot or by pony. Located deep inside the Himalayas, the cave shrine can be accessed through the Qazigund-Anantnag-Pahalgam axis and the Qazigund-Anantnag-Pulwama-Srinagar-Bandipore-Ganderbal-Sonamarg-Baltal axis.

There are two routes by which pilgrims can visit the holy site. Most people take the Baltal route, a shorter 16 km trek from Baltal to the shrine along a steep, winding mountain trail. This route takes pilgrims 1-2 days.

The other is the Pahalgam route, which is approximately 36-48 km from the cave and takes 3-5 days to cover. While this is a longer journey, it is a little easier and less steep.



## HOLOGRAM REMOVED, GRAND CANOPY AT INDIA GATE READIES FOR BOSE STATUE

The hologram of Netaji Subhas Chandra Bose has been removed from the Grand Canopy at India Gate, while the fittings for the actual stone statue have started.

Sources told The Indian Express that the hologram was switched off late last week, and for the next month and a half, fittings for the actual statue will be carried out, which is scheduled to be unveiled on August 15 this year.

### Mysuru-based sculptor

Arun Yogiraj — who had created the 12-foot statue of Adi Shankaracharya at Kedarnath — was roped in for the 30-foot statue of Bose to be installed at the India Gate. A huge block of black granite stone was selected for the statue, which has been transported to Delhi, where the carving is underway presently. Work on the Bose statue is slated to be completed before the August 15 deadline, sources say, adding that the statue will weigh around 90 tonnes.

It was in January when the Prime Minister had announced that a “grand statue” of Netaji will be installed beneath the canopy at India Gate.

Officials in the Ministry of Culture had said that Netaji’s hologram will be in place at the spot, powered by a 30,000 lumens 4K projector, until the granite statue is completed. The dimensions of the hologram statue — which was unveiled by the PM on January 23 to mark Bose’s 125th birth anniversary celebrations — were the same as the actual one being sculpted.

The sandstone canopy where Netaji’s statue will be installed was built in 1936, and housed the statue of King George V. After the Independence, there was opposition to the statue’s central location, but it stood at the site for another two decades, until it was moved to Coronation Park in 1968.

There have been deliberations during successive governments of installing a Mahatma Gandhi statue where King George V’s statue stood, or that of the first PM Jawaharlal Nehru. Several historians were of the view that the canopy should remain empty as a reminder of the country’s past. So, for more than five decades, the canopy remained empty, earning the name ‘Empty Canopy’.

Located at a junction of six roads, the 73-foot canopy is inspired by a sixth-century pavilion from Mahabalipuram.

## WILL BANNING SINGLE-USE PLASTICS IMPACT OUR HEALTH?

Single-use plastics, known as throw-away plastics, are manufactured to be used only once before being discarded or recycled. For everyday use, the ban applies to the following — plastic sticks used in earbuds, cigarette packets, plastic flags, candy and ice creams wraps, polystyrene (thermocool) used in decoration, balloons, plastic glasses, cups, plates, cutlery, trays, packaging or wrapping films around invitation cards, sweet boxes, plastic or polyvinyl chloride banners less than 100 micron and plastic stirrers.

### Why is the ban being enforced?



Combating pollution caused by single-use plastics has become a significant environmental concern for all nations. The detrimental effects of littered single-use plastic products on terrestrial and aquatic ecosystems, particularly on the marine environment, are acknowledged globally. Ingestion of single-use plastic can damage reproductive organs, lungs, and the neurological system. An estimated 150 million tonnes of plastic garbage are actually floating in our waters, harming species and altering the marine ecosystem. Therefore, by prohibiting these plastic items, the Government can reduce plastic waste production.

**What are the various health hazards associated with single-use plastic, and what are the sources from which it enters the human body?**

It is challenging to recycle single-use plastic; hence, it has spread in the earth's ecosystem and affected the human food chain. Exposure to microplastics impacts the human food chain and may damage human health in various ways.

We consume, inhale, and ingest microplastics daily. Once inside the body, these tiny plastic particles may harm organs and be linked to significant health issues, including hormone-related malignancies, infertility, and neuro-developmental disorders such as ADHD and autism.

Plastics degrade into microplastics after entering various ecosystems. These microplastics act as a platform for the growth of pathogenic micro-organisms. Exposure to such contaminated microplastics could add to the associated disease burden and sometimes may even cause death. Scientists have connected relatively low amounts of Bisphenol A (BPA) exposure to various health issues, including cancer, decreased immunological function, early onset of puberty, obesity, diabetes and hyperactivity. Few studies have related asthma, developmental, and reproductive consequences to endocrine dysregulation. Regular incineration of medical waste containing PVC and phthalates raises public health issues due to the release of dioxins and mercury. Long-term exposure can lead to cancer, congenital impairments, hormonal abnormalities, decreased sperm counts, infertility, endometriosis and immune damage.

According to the World Health Organisation (WHO), which compiles the most recent information on microplastics in drinking water, microplastic particles bigger than 150 micrometers are unlikely to be absorbed by the human body, and absorption of smaller particles is anticipated to be restricted. However, the absorption and distribution of microscopic plastic particles in the nano-size range may be more significant, despite the exceedingly little evidence available. Therefore, it is emphasised that additional research is necessary to establish a more precise estimate of exposure to microplastics and their possible health effects on humans. These include the development of standard methods for measuring microplastic particles in water, more research on the origins and occurrence of microplastics in fresh water and the evaluation of the effectiveness of various treatment processes.

**How will the ban help our environment and health?**

It is estimated that almost 15 per cent of our plastic is burnt. The burning of plastics emits hazardous chemicals such as dioxins, furans, mercury and polychlorinated biphenyls (PCBs) into the atmosphere, endangering the health of humans, animals and even plants.

We are irresponsibly destroying the environment for profits. Burning plastic contributes significantly to air pollution and even residents close to and employees of dumpsites are at a greater risk of getting respiratory ailments and cancer. It makes no sense to produce items such as plastic whose value is assessed in minutes and endures eternally without depreciating.



### **What are the alternatives to single-use plastics?**

The ban on single-use plastic will harbour innovation, specifically for plant-based rapid biodegradable products. Similarly, bio-based plastics or bioplastics are becoming increasingly prevalent. Bioplastics are manufactured in whole or in part from biological resources.

We can use bamboo, paper, or metal straws to replace plastic straws. Further, we can promote edible straws such as pasta straws or rice straws. We can encourage reusable water bottles and tap water to replace bottled water. Promote bamboo or another reusable and edible cutlery. Replace plastic shopping bag with a reusable cloth bag. Attach balloons with string/holder. Opt for kites, paper ribbons and flags, as well as tissue balls.

Promote a smoking ban; until then, cigarette buds should have biodegradable cigarettes and filters. Natural fibres can be used for sponges and dish rags with scrubbers. Replace plastic cotton buds with bamboo or paper cotton buds that are disposable or go for reusable cotton buds. Use washable cloth diapers, diapers without plastic and biodegradable wet wipes.

### **As a public health expert, how do you perceive this step?**

Indians must feel proud of this initiative and contribute the most. Despite an emerging economy, India is playing a leadership role in demonstrating to the rest of the world how to protect the environment and promote sustainability. India will now be a leader in outlawing single-use plastic products. We must review and analyse data of other countries for successful implementation of the ban. We must develop ways to make the transition smooth and economical. This will generate enormous benefits for people and the world, thereby preventing the exorbitant expenses on the downstream effects of pollution. Moreover, action will drive breakthroughs that will support the global economy of the future. Remember that plastic is not the issue. It depends on how we use it. Therefore, we must be considerably more conscientious in our use of plastic materials to improve the earth's sustainability and our health.

## **UDAIPUR'S 'BIRD VILLAGE' TO BE DECLARED WETLAND**

Recognised as the "bird village" following community-driven conservation efforts, Menar in Udaipur district is set to be notified as Rajasthan's new wetland. This will pave the way for getting the Ramsar site status for this rural heartland of the Mewar region. The two lakes in the village – the Brahma and Dhandh – play host to a large number of migratory birds in the winter season.

The State government's Forest Department has initiated the process for notification of Menar as a wetland, which will recognise its role in the storage of sediment and nutrients and enable the local authorities to maintain the Brahma and Dhandh lakes. With the status of wetland, the two lakes will be strengthened for increasing vegetation of aquatic plants and protecting biodiversity.

Environmental activists in the region have high expectations of the declaration of Menar as a Ramsar site under the 1971 Ramsar convention on wetlands of international importance. At present, Rajasthan has two wetlands recognised as Ramsar sites – Keoladeo Ghana in Bharatpur district and Sambhar Salt Lake in Jaipur.

The villagers in Menar, situated 45 km away from Udaipur, have built a healthy ecosystem for birds during the last four years with activities such as patrolling, rescue of injured birds and reporting any attempts for poaching. Menar sarpanch Pramod Kumar Dholi told The Hindu that



the volunteers known as Pakshi Mitras (friends of birds) were maintaining the lakes as a safe haven for birds.

More than 150 species of local and migratory birds inhabit the two lakes in the winter season. They include greater flamingo, white-tailed lapwing, pelican, marsh harrier, bar headed goose, common teal, greenshank, pintail, wagtail, green sandpiper and red-wattled lapwing. Bird lovers and tourists flock to the village after the arrival of migratory birds from as far as Central Asia, Europe and Mongolia.

## EXTREME WEATHER

The story so far: Assam received 1,891.9 mm of rainfall from March 1 to June 24, just 347.5 mm less than the annual precipitation the State receives. According to the India Meteorological Department (IMD), Assam's annual normal rainfall between 1961 and 2010 has been 2,239.4 mm. The outcome has been devastating. A total of 117 people have died since April, 17 of them in landslides. An arterial railway track linking southern Assam, Manipur, Mizoram and Tripura has been washed away, 55 lakh people have been affected across more than 5,000 villages and a town, Silchar, has been flooded for more than a week. At least 38 people have died in flash floods and landslides in Arunachal Pradesh and Meghalaya since April. Meteorologists and climate change specialists attribute the high pre-monsoon and monsoon rains to several factors.

### How has the monsoon been so far this year?

The country received 2% less rain this year than it usually does between June 1 and June 23 every year. The total rainfall was brought down by 34% over central India and 15% over peninsular India compared to the 32% more received by the east and northeast and 7% more by northwest India. According to the IMD, the rain deficiency — private forecaster Skymet pegs the deficit at 4% till now — is expected to be overcome by the first week of July. During the monsoons, whenever moisture-laden southerly or south-westerly winds from the Bay of Bengal hit the region's east-west oriented mountain ranges, Arunachal Pradesh, Assam, and Meghalaya receive more rainfall in comparison to other States of the north-eastern region. Meteorologists said the recent episode of heavy rainfall underlined the presence of the east-west trough in the lower levels of the atmosphere over the region and the incursion of large-scale moisture due to strong southerly and south-westerly winds from the Bay of Bengal.

### What are the factors determining rainfall pattern?

Assam, which receives rainfall beyond the June-September monsoon phase, does not always get above-normal or excess rain. But this year, according to the IMD, it received 41% above normal rainfall during the pre-monsoon season (March to May), and it has received 71% more than normal rainfall up to June 25. A 2018 study based on IMD data conducted by Pune-based Indian Institute of Tropical Meteorology revealed that the State had been witnessing a significant decreasing trend in the average monsoon rainfall since 1870 while experiencing sudden downpour days leading to frequent flooding. It found that the average rainfall deficiency was 5.95 mm per decade between 1981 and 2016. A 2017 study published in the International Journal of Current Microbiology and Applied Sciences said Assam's valleys experience both excessive and insufficient rainfall from time to time "due to ecological and climate difference from one place to another". Climate change is said to have increased the water and surface temperature of the Arabian Sea and the Bay of Bengal by up to 2 degrees, causing the frequent formation of low-pressure areas and cyclonic circulations, resulting in heavy rains. A recent study by the Indian



Institute of Technology, Guwahati said aerosols, including black carbon, released by biomass burning, influence the western part of northeast India close to the Indo-Gangetic Plain the most. Rising black carbon emissions, it said, leads to a decrease in low-intensity rainfall while pushing up severe rain in the pre-monsoon season in northeast India.

#### **Was the monsoon late this year?**

The seasonal monsoon winds are an extremely complex and intricate combination of physical processes that operate not only in the atmosphere but also involve land and ocean. In India, June 1 is regarded as the date of arrival of the monsoon, which accounts for about 80% of the rainfall in the country. The monsoon landed early in Kerala this year, three days ahead of the normal date of June 1, but then it turned sluggish on its western branch's upward journey. But if central India suffered a deficit, the east and north-eastern parts battled a diametrically opposite problem — excess rain — leading to widespread floods in Assam and Meghalaya. Historically, June rainfall is patchy and contributes less than 18% of the total monsoon rainfall. The key monsoon months are July and August and they bring nearly two-thirds of the monsoon rains. The most important synoptic disturbances during the monsoons over India are disturbances (lows, depressions, etc.) that form mostly over the Bay of Bengal, move westwards or west north-westwards along the monsoon trough, and produce a large volume of rainfall. The other synoptic disturbance which affects monsoon rainfall significantly is the position of offshore trough or vortex along the west coast of India. Monsoon in India is known to be affected by global phenomena such as El Nino or La Nina — large-scale warming or cooling events of the sea surface. Other factors such as the Indian Ocean Dipole and Madden-Julian Oscillation also influence monsoon rainfall.

#### **KERALA TO HAVE ITS OWN REGIONAL RED LIST OF BIRDS**

Kerala will soon have its own red list of birds. The Kerala Bird Monitoring Collective led by Kerala Agricultural University and the Bird Count India will conduct the regional red list assessment.

Once it gets ready, Kerala will be the first State to have a region-specific red list of birds. Assessment will be done on the basis of the International Union for Conservation of Nature (IUCN) guidelines, says P.O. Nameer, Head of the Centre for Wildlife Studies, College of Forestry, Kerala Agricultural University, Thrissur.

“What we have now is the global IUCN red list. But there are limitations for the global assessment as it is a process prepared in a global context. A species seen common at the global level may be a threatened species at the regional level. The regional red list assessment also will be conducted according to the IUCN guidelines,” says Mr. Nameer.

The IUCN guidelines for preparing the red list have five main criteria. The population size reduction measured over 10 years or three generations is one of the major guidelines. Geographic range on the basis of extent of occurrence or area of occupancy is another. Small population size and decline, very small or restricted population, and quantitative analysis indicating the probability of extinction in the wild are the other criteria.

According to the global IUCN red list, Kerala has 35 threatened species of birds. In that, Red-headed vulture and White-rumped vulture are critically endangered. Steppe Eagle, Banasura Chilappan and Nilgiri Chilappan are endangered and 11 species are vulnerable.

“This is the list according to the global assessment. There may be changes at the regional level,” says Mr. Nameer.

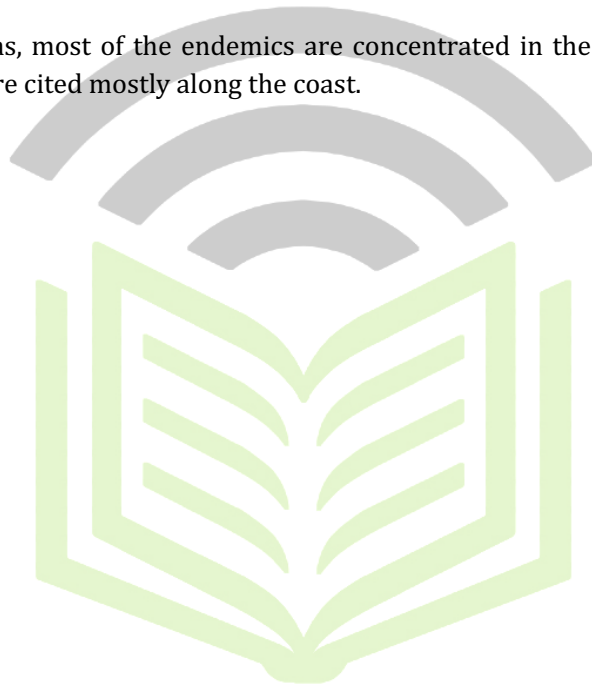


The Kerala Bird Monitoring Collective is planning to prepare the red list for the State in a year. It will be a decentralised process like how the Kerala Bird Atlas was prepared.

“We already have a good amount of data on the basis of the Kerala Bird Atlas. Conducted as a citizen science-driven exercise with participation of over 1,000 volunteers of the birdwatching community, the atlas, prepared between 2015 and 2020, provides a solid baseline data about distribution and abundance of various bird species in the State,” says Mr. Nameer, who coordinated the atlas project.

The Kerala Bird Atlas accounts for nearly three lakh records of 361 species, including 94 very rare species, 103 rare species, 110 common species, 44 very common species, and 10 most abundant species.

According to the atlas, most of the endemics are concentrated in the Western Ghats while the threatened species are cited mostly along the coast.



# DreamIAS



## BUSINESS & ECONOMICS

### GST COMPENSATION CESS EXTENDED TILL '26

The Centre has extended the time for levy of GST compensation cess by almost four years till March 31, 2026.

As per the Goods and Services Tax (Period of Levy and Collection of Cess) Rules, 2022, notified by the Finance Ministry, the compensation cess would continue to be levied from July 1, 2022, to March 31, 2026.

The levy of cess was to end on June 30 but the GST Council, chaired by Union Finance Minister Nirmala Sitharaman and comprising State FMs, decided to extend it till 2026 to repay the loans taken in the last two years to make up for the shortfall in their revenue collection.

After the 45th GST Council meeting in Lucknow in September last year, Ms. Sitharaman had said the regime of paying compensation to States for revenue shortfall resulting from subsuming their taxes such as VAT in GST, would end in June 2022. However, the compensation cess, levied on luxury and demerit goods, would continue to be collected till March 2026 to repay the borrowings that were done in 2020-21 and 2021-22 to compensate States for GST revenue loss.

In order to meet the resource gap of States due to short release of compensation, the Centre borrowed and released ₹1.1 lakh crore in 2020-21 and ₹1.59 lakh crore in 2021-22 as back-to-back loan to partly meet the shortfall in cess collection.

#### Principal repayment

The Centre has repaid ₹7,500 crore as interest cost for the borrowing in 2021-22 and ₹14,000 crore is to be paid this fiscal year. From 2023-24, the repayment of the principal amount would start and would continue till March 2026.

Goods and Services Tax (GST) was introduced with effect from July 1, 2017, and States were assured of compensation for the loss of any revenue arising on account of implementation of GST for a period of five years.

Though States' protected revenue has been growing at 14% compounded growth rate, the cess collection did not increase in the same proportion and COVID-19 further increased the gap between protected revenue and the actual revenue receipts.

**The Centre has released the GST compensation payable to States up to May 31.**

"The extension of the levy of compensation cess, although expected, will continue to impose a burden on the impacted businesses, especially sectors like automotive, which need to be encouraged as it is one of the sectors that has a multiplier effect on GDP and employment," said Deloitte India Partner M.S. Mani.

### THE FREE FALL OF THE RUPEE

The story so far: The Indian rupee hit an all-time low against the U.S. dollar this week weakening past the 79 rupees to a dollar mark and selling as low as 79.05 against the dollar on Wednesday. Many analysts expect the rupee to weaken further in the coming months and move past the 80



rupees to a dollar mark. In fact, the International Monetary Fund (IMF) expects the rupee to weaken past the 94 rupees to a dollar mark by FY29.

#### **What is happening with the rupee?**

The Indian rupee has been witnessing a steady decline this year, losing more than 6% against the U.S. dollar since the beginning of 2022. India's forex reserves have also dropped below \$600 billion, plunging by more than \$50 billion since September 3, 2021, when forex reserves stood at an all-time high of \$642 billion. The drop in India's forex reserves is believed to be largely due to steps taken by the Reserve Bank of India to support the rupee. RBI officials, however, have noted that the drop in forex reserves is due to a fall in the dollar value of assets held as reserves by the RBI. For instance, if a portion of the reserves are in euros and the euro depreciates against the dollar, this would cause a drop in the value of forex reserves.

It should be noted that, as a matter of policy, the Indian central bank has usually tried to slow down or smoothen, rather than reverse or prevent, the fall in exchange value of the rupee against the U.S. dollar. The aim of the RBI's policy is to allow the rupee to find its natural value in the market but without undue volatility or causing unnecessary panic among investors. State-run banks are usually instructed by the RBI to sell dollars in order to offer some support to the rupee.

By thus selling dollars in the open market in exchange for rupees, the RBI can improve demand for the rupee and cushion its fall.

#### **What determines the rupee's value?**

The value of any currency is determined by demand for the currency as well as its supply. When the supply of a currency increases, its value drops. On the other hand, when the demand for a currency increases, its value rises. In the wider economy, central banks determine the supply of currencies, while the demand for currencies depends on the amount of goods and services produced in the economy.

In the forex market, the supply of rupees is determined by the demand for imports and various foreign assets. So, if there is high demand to import oil, it can lead to an increase in the supply of rupees in the forex market and cause the rupee's value to drop. The demand for rupees in the forex market, on the other hand, depends on foreign demand for Indian exports and other domestic assets. So, for instance, when there is great enthusiasm among foreign investors to invest in India, it can lead to an increase in the supply of dollars in the forex market which in turn causes the rupee's value to rise against the dollar.

#### **What is causing the rupee to lose value against the dollar?**

Since March this year, the U.S. Federal Reserve has been raising its benchmark interest rate causing investors seeking higher returns to pull capital away from emerging markets such as India and back into the U.S. This, in turn, has put pressure on emerging market currencies which have depreciated significantly against the U.S. dollar so far this year. Even developed market currencies such as the euro and the yen have depreciated against the dollar and the dollar index is up more than 9% so far this year. In fact, some analysts believe that the RBI's surprise decision to raise rates in May could have simply been to defend the rupee by preventing any rapid outflow of capital from India. In 2013, the rupee fell 15% against the dollar in about three months after investors were spooked by the US Federal Reserve's decision to trim down its bond purchase program that had helped keep long-term interest rates low.



Moreover, India's current account deficit, which measures the gap between the value of imports and exports of goods and services, is expected to hit a 10-year high of 3.3% of gross domestic product in the current financial year. This means that India's import demand amid rising global oil prices is likely to negatively affect the rupee unless foreign investors pour sufficient capital into the country to fund the deficit. But foreign investors are unlikely to plough capital into India when investment yields are rising in the U.S. Yields on U.S. 10-year Treasuries, for instance, have risen from around 0.5% in mid-2020 to over 3% now.

The rupee, it should also be noted, has consistently lost value against the U.S. dollar for several decades now. A major reason for this has been consistently higher domestic price inflation in India. Higher inflation in India suggests that the RBI has been creating rupees at a faster rate than the U.S. Federal Reserve has been creating dollars. So, while capital and trade flows gain a lot of attention in discussions on the rupee's value, the difference in the rates at which the U.S. Federal Reserve and the RBI regulate the supply of their currencies may play a much larger role in determining the value of the rupee in the long run.

#### What lies ahead?

Analysts believe that, over the long run, the rupee is likely to continue to depreciate against the dollar given the significant differences in long-run inflation between India and the U.S.

At the moment, as the U.S. Federal Reserve raises rates to tackle historically high inflation in the country, other countries and emerging markets in particular will be forced to raise their own interest rates to avoid disruptive capital outflows and to protect their currencies. It should be noted that inflation in the U.S. hit a 41-year high of 8.6%.

The RBI too has been trying to rein in domestic consumer price inflation, which hit a 95-month high of 7.8% in April, by raising rates and tightening liquidity. As interest rates rise across the globe, the threat of a global recession also rises as economies readjust to tighter monetary conditions.

### WHAT UNCHANGED SMALL SAVINGS RATES MEAN FOR BANKS, SAVERS

The government's move to keep interest rates on small savings instruments unchanged comes as a setback for small investors. At a time inflation is ruling over 7% and bond yields have risen over 7.4%, not only will the decision result in negative real rate of return – after adjusting for inflation – for savers and pensioners, but the status quo is also likely to prompt banks to go slow in hiking deposit rates.

#### Are the rates attractive?

Considering that retail inflation hit 7.97% in April and 7.04% in May, the existing rates on small savings schemes might have disappointed savers even though these are higher than banks' fixed deposit rates. The RBI expects retail inflation to be above the upper tolerance level of 6% until the end of the year.

As per Thursday's decision, schemes like Public Provident Fund (PPF) and the National Savings Certificate (NSC) will continue to carry an annual interest rate of 7.1% and 6.8%, respectively, in the first quarter of the next fiscal. The one-year term deposit scheme will continue to earn 5.5% interest in the second quarter. Term deposits of one to five years will fetch a rate in the range of



5.5-6.7%, to be paid quarterly, while five-year recurring deposits will earn a higher interest of 5.8%.

Barring PPF and Sukanya Samridhi Yojana, all other small saving instruments are currently fetching negative real returns amid high inflation. What's more, as the RBI is expected to jack up the main policy rate – repo rate – further to bring down inflation, savers will have expected more returns from small savings schemes and bank deposits.

#### **What does it mean for banks and savers?**

Banks are now unlikely to go for a major hike in deposit rates. Had the government hiked small savings rates, they would have been forced to go for a steeper hike in deposit rates to prevent money flow from banks to small savings schemes.

Further, when stock markets boomed in 2021 after the crash of March-April 2020, investors pumped a record amount of money into stocks and mutual funds. Now with markets showing huge volatility in the wake of rising rates and foreign portfolio outflows, savers are looking at bank deposits and small savings. Much will now depend on the quantum of the rate hike that the RBI will announce in the coming months.

#### **What have been the recent trends in interest rates?**

Small savings rates are linked to yields on benchmark government bonds, but despite the upward movement in G-Sec (government securities) yields, the government has not increased interest rates. As of Thursday, the 10-year benchmark bond yield has risen to 7.45%, up 140 basis points in the last one year. The RBI has also raised the repo rate by 90 basis points to 4.90 % during the April-June quarter. The interest rates on small savings were slashed by 40-110 basis points for the first quarter of 2021-22 but the decision was later rolled back, with the Finance Minister saying the “orders issued by oversight shall be withdrawn”.

#### **What has been the impact of negative returns?**

While inflation is now over 7%, the one-year bank fixed deposit rate is now 5.3% (SBI). It means depositors are losing money after adjusting for inflation. There aren't many options for savers and depositors. Markets are risky and volatile. They can't play around with retirement money. On top of this, the country lacks a proper social security system, although government and semi-government employees get pension after retirement. Technically, negative real rates discourage savings and boost consumption. This, in turn, may fuel more inflation and lead to even more negative real rates. Keeping interest rates too low for too long can have negative consequences.

#### **How have banks responded?**

After the RBI hiked the repo rate since May, banks have started raising deposit rates. Earlier this month, SBI raised rates by 15 to 20 basis points on some retail domestic term deposits below Rs 2 crore. The rates for senior citizens are higher by 50 basis points for these tenures. Other banks have also increased rates. The hike in bank deposit rate will also depend on the credit demand, which has now started showing signs of growth.

The banking system has been sustaining a liquidity surplus since June 2019 on account of build-up deposits due to higher growth in bank deposits versus the credit disbursement, except for the last couple of fortnights. It is, however, important to note that if small savings rate are not raised, banks would not be forced to raise rates, unless they need to mobilise funds for credit demand.



Had the government raised small savings rates, banks would have been forced to raise fixed deposit rates.

## PASSING STRESS TEST

Despite concerns, the asset quality of the Indian banking system has continued to improve. According to the Reserve Bank of India's latest financial stability report, gross non-performing loans (GNPAs) of the banking system have declined from 7.4 per cent in March 2021 to a six-year low of 5.9 per cent in March 2022. While public sector banks continue to be more stressed than private banks — for the former, bad loans stood at 7.6 per cent of advances, while for the latter, the figure is lower at 3.7 per cent — the improvement is broadbased. Alongside, banks have also witnessed an improvement in their capital position, with the capital to risk weighted assets ratio rising to 16.7 per cent at the end of March 2022. This is good news. It is also comforting that the central bank's stress tests indicate that banks are well capitalised and are "capable of absorbing macroeconomic shocks even in the absence of any further capital infusion by stakeholders."

Data presented in the report shows that banks have seen an improvement in their asset quality across all major sectors. Bad loans have declined even in sectors such as engineering goods, gems and jewellery, and construction — sectors where they have been significantly elevated in the past. And even as fresh slippages into the bad loan category have declined, banks have been increasing their provisioning for bad loans. Further, the restructuring of loans under the resolution framework was at only 1.6 per cent of total advances in December 2021. The RBI report also shows that the share of large borrowers in the banks' loan portfolio has been declining, falling to less than 48 per cent of banks total advances, indicating a "reduction in concentration and diversification of borrowers". Bad loans of these large borrowers have also declined to 7.7 per cent of advances at the end of March 2022. As a consequence, their share in bad loans of all banks stood at 62.3 per cent in the second half of 2021-22, much lower than the levels witnessed in September 2020. However, the continuous rise in the SMA-0 and SMA-1 categories (loans where the principal or interest payment is overdue for upto 30 days are characterised as SMA-0, while where they are due between 31 to 60 days are SMA-1) requires close monitoring.

The central bank has also conducted stress tests to gauge the strength of banks' balance sheets against macroeconomic shocks. Under a baseline scenario, it estimates that banks' bad loans may fall further to 5.3 per cent by March 2023. If the macroeconomic environment worsens, bad loans may rise to 6.2 per cent in a medium stress scenario, deteriorating to 8.3 per cent in a severe stress scenario. However, even under the severely stressed macroeconomic environment, the RBI doesn't expect the capital position of any of the banks to fall below the minimum regulatory requirements.

## RBI EYES BNPL NORMS, TO ROPE IN FINTECHS AMID CONCERNS OVER CARDS BY NON-BANK PPI ISSUERS TO EXTEND SHORT-TERM LOANS

After slapping curbs on non-bank buy now pay later (BNPL) companies, the Reserve Bank of India (RBI) is likely to come out with guidelines for the BNPL segment which was using pre-paid instruments (PPIs) to extend short-term, interest-free loans to customers for online purchases.

"This novel method shall be examined, and issuance of appropriate guidelines on payments involving BNPL shall be explored," the central bank said in its Payments Vision 2025 document. The RBI had last week communicated to non-bank PPI issuers — or BNPL companies — to stop



issuing cards where the funds are loaded through a credit line from NBFCs, sending jitters in the segment.

According to banking observers, the Reserve Bank is not happy with fintech companies using PPIs as a credit instrument, circumventing the regulatory oversight. The banking regulator is in discussion with fintech players to find a way out and bring the segment under a regulatory framework so that PPIs are used as a payment instrument and not as a credit avenue.

While BNPL services have developed into a new payment mode alongside the existing payment modes like cards, UPI and net banking, it has remained outside the direct RBI regulation. This channel, facilitated by a few payment aggregators, leverages the existing nodal account (escrow account after authorisation) to route payments between a BNPL customer and a merchant.

#### **How does a BNPL company operate?**

A customer who holds a BNPL card or account can make a purchase at a participating retailer and opt for the 'Buy now, pay later' option. After the purchase, the customer can repay the BNPL firm in a series of interest-free EMIs – unlike credit cards which carry a high interest rate of 42 per cent – spread over 3 months or as a lumpsum amount. If it remains unpaid, interest will be charged. The BNPL company will pay the merchant immediately. However, for a purchase of Rs 500, instead of settling the full Rs 500, they would pay something like Rs 470 or Rs 450 and pocket the difference. The merchant agrees to give a discount to the BNPL firm.

BNPL is India's fastest-growing online payment method with a significant impact on banks, large merchants and card schemes. Due to its hassle-free on-boarding experience, extension of credit facility, low-cost structure for the customer and facilitating easy repayments, BNPL is growing popular among young income earners.

Some of the popular BNPL companies are LazyPay, Simpl, ZestMoney, Amazon Pay Later, Ola Money Postpaid, Paytm Postpaid, Flexmoney, Slice, UNI and EPayLater.

The RBI ban on credit lines from NBFCs is likely to hit fintech companies in the BNPL segment. BNPL companies are active on Zomato, Swiggy and other e-commerce sites.

For customers around the globe, e-commerce payment preferences continue to shift away from cash and credit cards towards digital wallets and BNPL. In its report 'Digital Payments in India: A US\$10 Trillion Opportunity', BCG said the digital payment market in India will be \$10 trillion in the next five years (by 2026), with non-cash contributions comprising 65 per cent of all payments and two out of three transactions will be digital in the next five years.

### **DELHI HC RECENTLY STRUCK DOWN POWERS OF BANKS BOARD BUREAU; NEW BODY TO SELECT CHIEFS OF PSU BANKS, INSURANCE FIRMS**

The Appointments Committee of the Cabinet (ACC) has approved a government resolution for establishing the Financial Services Institutions Bureau (FSIB) in place of the Banks Board Bureau (BBB). The FSIB will now select the chiefs of public sector banks and insurance companies.

The selection process of top officials of public sector insurance companies was in limbo in the wake of the Delhi High Court decision to strike down the power of BBB to select directors and chiefs of PSU insurers.



The ACC has also approved the appointment of Bhanu Pratap Sharma, former Chairman, BBB, as initial Chairperson of FSIB for a term of two years from the date of notification of government resolution or until further orders, according to a note issued by the Department of Personnel & Training to the Department of Financial Services (DFS).

Other members of the FSIB are Animesh Chauhan, former Chairman and Managing Director, Oriental Bank of Commerce; Shailendra Bhandari, former MD & CEO of ING Vysya Bank and ICICI Asset Management Company; and Deepak Singhal, former ED, RBI in-charge of departments of corporate strategy and budget, corporate services and human resource.

The new framework was proposed by the DFS. The Cabinet also approved the guidelines for selection of General Managers and Directors (GMDs) of non-life insurance companies.

“The Department (DFS) shall first carry out necessary modifications in the Nationalised Banks (Management and Miscellaneous Provisions) Scheme of 1970/1980 (as amended) with the approval of Finance Minister, and then notify the Government Resolution for establishing FSIB as a single entity for making recommendations for appointments of WTD (Whole-time Director) and NEC (Non-executive Chairmen) in PSBs, PSIs and FIs and Guidelines for selection of GMDs in non-life insurance firms modelled on the guidelines set aside, while substituting references to BBB with FSIB,” the note said.

While deciding another case involving a general manager of a PSU insurer, the Delhi High Court had struck down the BBB’s power to select directors of PSU general insurance companies and the government has already implemented the verdict by cancelling all the appointments of the then serving directors who were selected by the BBB.

Inderjeet Singh, General Manager, New India Assurance (NIA), had gone to Delhi HC on the issue of appointment of Satyajit Tripathy (who is currently CMD, United India Insurance) by the government on the basis of recommendation of the BBB.

In view of Delhi HC’s earlier decision on the BBB and Singh’s pending case in the same court, the Finance Ministry was unable to use the BBB’s platform to select any new CMDs for the PSU insurance companies which it has been doing since 2018.

Meanwhile, NIA, the country’s largest general insurer, has been functioning without a regular CMD for almost last 100 days after Atul Sahai retired from the post in February end. The CMD post at Agriculture Insurance Company also fell vacant. With the delay in starting the selection procedures, the aspirations of some of the senior officials, who are in the race for the top job, are getting thwarted as they are nearing their retirement.

The BBB was originally set up in 2016 to select the CEOs and Executive Directors of public sector banks. However, the government later entrusted BBB to select the chiefs of insurance companies. With the government now clearing the FSIB, the selection process of chiefs of insurance firms is expected to take place in the coming weeks.

## NITI AAYOG’S REPORT ON INDIA’S GIG ECONOMY: WHAT HAS THE THINK-TANK RECOMMENDED?

Government think-tank Niti Aayog has proposed fiscal incentives, like tax breaks or startup grants, for companies with about one-third of their workforce as women and people with disabilities. This is in an attempt to increase the participation of women in the gig economy.





In a report titled 'India's Booming Gig and Platform Economy', the organisation also recommended extending social security measures such as income support, paid sick leaves, insurance and pension plans to people working for platform companies like Swiggy, Zomato, Ola, and Uber.

#### **What were some of Niti Aayog's observations?**

The organisation, in its report, noted that female labour force participation in India has remained low, oscillating between 16 per cent to 23 per cent in the last few years. Similarly, persons with disabilities, who make up for 2.11 to 10 per cent of India's population, have a labour force participation rate of 36 per cent.

"Structural barriers like access to education and lack of skilling have hindered participation of the two demographic groups in the country's labour force," the report stated.

Based on a survey conducted across urban centres of India, the report also said women are more likely to take up platform jobs after their education and marriage.

#### **What are Niti Aayog's recommendations for the gig economy?**

NITI Aayog has said, "Fiscal incentives such as tax-breaks or startup grants may be provided for businesses that provide livelihood opportunities where women constitute a substantial portion (say, 30 per cent) of their workers. Likewise, a platform with high accessibility or high degree of participation of PwDs too may be rewarded with fiscal incentives."

Apart from incentivising platforms that focus on recruiting women workers, the report recommended that businesses have a higher share of women managers and supervisors in the organisation to ensure that communication to workers does not perpetuate gender stereotypes.

The report also recommended firms adopt policies that offer old age or retirement plans and benefits, and other insurance cover for contingencies such as injury arising from work that may lead to loss of employment and income. "Such plans and policies may be uniquely designed by a firm, in partnership with insurance companies, or could be designed and offered in collaboration with the government, as envisaged under the Code on Social Security, 2020," it said. A social security cover out of a corpus fund can also help gig workers in case of contingencies, it added.

The Aayog's report also said that social security benefits be extended to workers in a partnership mode, as envisaged in the Code on Social Security, 2020 — as such, the report said businesses should consider providing income support to workers as it would be a "critical step in providing assured minimum earnings and social security from income loss in the wake of uncertainty or irregularity in work". It also suggesting offering paid sick leave to workers apart from insurance cover.

#### **How big is the workforce engaged in the gig economy?**

Niti Aayog estimates that more than 7.5 million workers were engaged in the gig economy in 2020-21. This could grow to 23.5 million workers in the next eight years, making up for 4.1 per cent of total livelihood in India.

According to the report, at present, about 47 per cent of the gig work is in medium skilled jobs, about 22 per cent in high skilled, and about 31 per cent in low skilled jobs.



Gig workers can be broadly classified into platform and non-platform workers. Platform workers are those whose work is based on online software apps or digital platforms, while non-platform gig workers are generally casual wage workers, working part-time or full-time.

#### **Why are Niti Aayog's recommendations significant?**

While platform companies have created avenues of employment, it has often been marred by low wages, unequal gender participation, and a lack of possibility for upward mobility within an organisation. This has triggered protests from workers at companies like Swiggy, Zomato, Ola, Uber, and Urban Company, among others.

Gig workers are typically hired by companies on a contractual basis and are not considered their employees. As a result, they do not receive some of the benefits that an on-roll employee of the company may have — this means they often do not receive benefits like paid sick and casual leaves, travel and housing allowances, and provident fund savings, among other things.

### **A HISTORY OF THE STERLITE COPPER PLANT IN THOOTHUKUDI**

The story so far: In the last four years, teams from Sterlite Copper, a part of the Vedanta Group have been running around to get its legal issues fixed in order to re-open its plant at Thoothukudi which was closed in 2018. But now — even as the case is in the Supreme Court— the company suddenly announced that it is selling off the plant, raising eyebrows of the local people, industries, politicians and environmentalists who have been constantly tracking them.

#### **Is the Vedanta Group hiving off its copper plant in Tamil Nadu?**

On June 20, the Vedanta Group put out an advertisement which said that Sterlite Copper, Thoothukudi is up for sale. Vedanta, in conjunction with Axis Capital, has invited expression of interest (EOI) for the sale of its copper plant along with its other units, which includes the smelter complex (primary and secondary), sulphuric acid plant and copper refinery among others. The last day for submission of bids is July 4.

#### **Why is the Sterlite copper plant up for sale?**

Ever since the plant was sealed in 2018 by the Tamil Nadu government after seeking advice from the Tamil Nadu Pollution Control Board (TNPCB), the company has been running from pillar to post to re-open the plant.

Sterlite Copper has also been incurring a loss of five crore per day since it went under lock and key. During recent interactions the company officials indicated that even if the Supreme Court allowed them to re-open the company, it would need around ₹800 to ₹1,000 crore to revamp the plant. When questioned about the reason for the sale the company issued a statement in which it said that it was exploring options to make sure that the plant and the assets are best utilised to meet the growing copper demands of the nation.

#### **Why was the plant under lock and key?**

Trouble starting brewing for the company ever since it set foot in the Pearl city. The first blow for the company came from the fishermen in the region. The fishermen, backed by the Marumalarchi Dravida Munnetra Kazhagam (MDMK) a political party in Tamil Nadu, were worried that the effluents discharged by the plant would pollute the sea which will in turn ruin their livelihoods. In 2010, the Madras High Court ordered immediate closure of the plant for not complying with



environmental norms. The Supreme Court later stayed the High Court's order. The company got into troubled waters again in 2013 after a sulphur dioxide leak. But the Supreme Court allowed them to function after the payment of a fine of ₹100 crore for polluting land and water by running the company without approval for a considerable period of time. In 2018, after the company announced that it would be enhancing its capacity, large-scale protests from local and neighbouring localities broke out. On May 22, the protests turned violent and the police open fired which led to the death of 13 civilians. A week later the Tamil Nadu government sealed the plant.

**What has the company said about the many allegations against it?**

Officials at Sterlite have always emphasised the fact that the plant is equipped with full-fledged air pollution control measures and adequate solid waste management facilities. In the last four years, senior management has stressed that the plant follows Zero Liquid Discharge since inception — all the effluent is treated and recycled back into operations, so that there is no effluent discharge.

They also said that the regulator, TNPCB, carries out regular monthly sampling across all village bore wells and has found no abnormalities. All the allegations have already been dealt with in both the Supreme Court 2013 judgment and the National Green Tribunal 2013 judgment.

**What was the impact of the closure of the plant?**

India has shifted from being a large net exporter of refined copper to now being a net importer of copper during the last four years since the shutdown of the Tuticorin plant.

According to data provided by Care Ratings, India is now importing copper at a historically higher price close to around \$9600 per tonne which is around 50% higher as compared to the average prices of copper when India was a net exporter of the same (around \$6500 per tonne). Sterlite was a major domestic supplier of phosphoric acid with a capacity of 2,20,000 metric tonnes, which is a key raw material for fertilizer manufacturing companies. These fertilizer units were impacted due to stoppage of supplies and had to start importing.

While operational, it was the largest supplier of sulphuric acid (used in detergent and chemical industries) in Tamil Nadu, and had a 95% share of the market.

**Why was a part of the Sterlite plant allowed to function during the COVID-19 pandemic?**

On April 27, 2021, when the second wave of the pandemic was at its peak the Supreme Court granted permission to re-open two oxygen plants at Sterlite Copper's Thoothukudi plant.

While granting permission a bench comprising of Justices D.Y. Chandrachud, L. Nageswara Rao and S. Ravindra Bhat noted that this was done because of national need and that it does not mean they are favouring the Vedanta Group.

The Tamil Nadu government immediately constituted a seven-member committee headed by the then district collector to oversee proper functioning of the oxygen plants.

THE PHANTOM OF BOMBAY HOUSE HAS PASSED ON. THE TATA QUESTION REMAINS IN SEARCH OF A RESOLUTION

Billionaire industrialist and chairman of the Shapoorji Pallonji group, Pallonji Mistry, who died on Tuesday in Mumbai at 93, was nicknamed the "Phantom of Bombay House". His presence was felt



in the Tata Group's head-offices even though he was rarely heard or seen — the family holds a 18.4 per cent stake in Tata Sons, the holding company of the Tata group. Pallonji took over the reins of the SP group in 1975 after his father's passing and shepherded the group's foray into West Asia, showcasing its abilities by building the Sultan's palace in Muscat. This also served as a launchpad for the group's successful operations in the wider region.

The SP group, founded in 1865, operates across several verticals but it is widely known for having constructed some of Mumbai's most iconic landmarks, among which are the headquarters of the Reserve Bank of India, the buildings of the Hong Kong and Shanghai Bank and the Standard Chartered Bank, and the Taj Mahal Palace hotel. The family which has tended to avoid the spotlight — incidentally, it produced Mughal-e-Azam, one of the biggest blockbusters in Hindi cinema — was thrust into the public eye following the high-profile clash between Pallonji's son Cyrus Mistry and Ratan Tata. Cyrus had been appointed as chairman of Tata Sons in 2012. But after a falling out with Tata, he was forced out of the group in 2016 in one of the most high-profile corporate battles in recent times. In May this year, the Supreme Court dismissed the SP Group's petition that sought a review of the verdict that upheld the removal of Cyrus Mistry as head of Tata Sons.

Despite his immense wealth and influence, Pallonji was an intensely private man who kept a low profile. His death comes at a time when the group has been attempting to firm up its financial position by paring down its debt burden.

#### WHY TOYOTA FEARS WHEELS MAY COME OFF ITS FLAGSHIP ELECTRIC VEHICLE

Less than three months after it launched the bZ4X SUV globally, Toyota Motor Corporation has issued a recall of nearly 2,700 units of the new electric vehicle (EV) following concerns that its "loose wheels" may fall off. The Japanese auto manufacturer, in a recall notice issued to owners of the bZ4X on Friday through various channels, said the action is for all vehicles "in North America, Europe and Asia Pacific".

##### **What is the issue?**

According to a spokesperson for Toyota, the hub bolts on the wheels of the concerned bZ4X battery EVs run the risk of loosening "to the point where the wheel can detach from the vehicle" after "low-mileage use". In case one of the wheels detaches from the car while driving, it could result in the vehicle veering off, increasing the risk of a crash.

Even though the cause of the defect is "still under investigation", Toyota said it had alerted Japanese safety regulators about the issue. "No one should drive these vehicles until the remedy is performed," the company added. The recalled vehicles include nearly 2,200 in Europe, about 270 in North America, over 110 in Japan and 60-odd in the rest of Asia, Toyota said Thursday. All these vehicles were produced between March and June.

Moreover, nearly 400 units of the Solterra all-electric SUV by Subaru, developed in collaboration with Toyota, have been recalled for the same issue.

According to experts, the bZ4X recall comes early in its lifecycle, and as the defect pertains to a mechanical component rather than the vehicle's electric drivetrain, Toyota is likely to resolve it quickly. However, the fact that the recall affected its first mass-market electric car may pull Toyota back a bit in the global EV race – a competition where Tesla has a significant lead.



The US EV maker made a name for itself back in 2012 with the market-topping Model S sedan. Tesla cemented its status in 2015 with the launch of the mid-size crossover SUV Model X, now among the world's best plug-in cars.

Adding to Toyota's roadblocks is the global semiconductor shortage, which forced it to significantly curtail production across models and markets.

### Road ahead for Toyota

Vehicle recall is not a new trend: in one of the biggest recalls in recent times, Toyota and other automakers had flagged several millions of car models manufactured since 2013 due to faulty airbags manufactured by Japan's Takata Corporation, which subsequently went bankrupt. The bZ4X recall may turn out to be just a minor setback for Toyota, given its large plans across the globe.

In India, Toyota and Suzuki Motor Corporation signed a memorandum of understanding in 2017, to bring together their strengths and promote mutual supply of vehicles. On Friday, the Japanese majors announced that work will start on production of a new SUV developed by Suzuki at Toyota Kirloskar Motor – Toyota's India arm – in August. The companies plan to export the upcoming model to markets beyond India, including Africa.

## STATES, FREEBIES AND THE COSTS OF FISCAL PROFLIGACY

During the planning last year and the campaign ahead of the Punjab Assembly election, the Aam Aadmi Party (AAP) promised a sum of ₹1,000 per month to every woman in the State. To drive home the generosity of the promise, the AAP leader and Delhi Chief Minister, Arvind Kejriwal, emphasised that under AAP's 'Mission Punjab' for the Punjab polls 2022, if there were three adult women in a household (daughter-in-law, daughter, mother-in-law), each of them would get ₹1,000. When questioned how Punjab, already reeling under heavy debt, could afford this, Mr. Kejriwal said something to the effect that if there is good political management, money would not be a problem.

### Growing freebie culture

Electoral promises of this kind raise several questions. Is borrowing and spending on freebies sustainable? Is this the best possible use of public money? What is their opportunity cost — what is it that the public are collectively giving up so that the government can fund these payments? Should not there be some checks on how much can be spent on them?

I am using Punjab to illustrate a point and by no means to suggest that it is unique. In fact, many States are pursuing the freebie culture, some even more aggressively than Punjab.

Ideally, governments should use borrowed money to invest in physical and social infrastructure that will generate higher growth, and thereby higher revenues in the future so that the debt pays for itself. On the other hand, if governments spend the loan money on populist giveaways that generate no additional revenue, the growing debt burden will eventually implode and end in tears.

Concerned by an increasing number of States that are embarking on this financially ruinous path, senior bureaucrats reportedly flagged the issue at a meeting with the Prime Minister, telling him that 'some States might go down the Sri Lankan way'.



There is an argument that this concern is being exaggerated. After all, if you look at any analysis of State Budgets by the Reserve Bank of India or any think tank, the inference you will draw is that State finances are in good, if indeed robust, health, and that all of them are scrupulously conforming to the Fiscal Responsibility and Budget Management (FRBM) targets.

This is a misleading picture. Much of the borrowing that funds these freebies happens off budget, beyond the pale of FRBM tracking. The typical modus operandi for States has been to borrow on the books of their public enterprises, in some cases by pledging future revenues of the State as guarantee. Effectively, the burden of debt is on the State exchequer, albeit well concealed. The Comptroller and Auditor General of India (CAG) had in fact pointed out that in respect of some States 'if extra-budgetary borrowings are taken into account, the liabilities of the government are way above what is acknowledged in the official books'.

How big is the problem? There is no comprehensive information in the public domain to assess the size of this off-budget debt, but anecdotal evidence suggests that it is comparable in size to the debt admitted in the Budget books.

The obvious motivation for States in expanding freebies is to use the exchequer to build vote banks. A certain amount of spending on transfer payments to provide safety nets to the most vulnerable segments of the population is not only desirable but even necessary. The problem arises when such transfer payments become the main plank of discretionary expenditure, the spending is financed by debt, and the debt is concealed to circumvent the FRBM targets.

The more States spend on transfer payments, the less they have for spending on physical infrastructure such as, for example, power and roads, and on social infrastructure such as education and health, which can potentially improve growth and generate jobs. The truth of the Chinese saying, 'give a man a fish and you feed him for a day; teach a man to fish and you feed him for a lifetime' is self-evident to everyone, including politicians. But electoral calculations tempt them to place short-term gains ahead of long-term sustainability.

#### **Institutional checks, balances**

What about the institutional checks and balances that should prevent this downward spiral? Unfortunately, all of them have become ineffective. In theory, the first line of defence has to be the legislature, in particular the Opposition, whose responsibility it is to keep the Government in line. But given the perils of our vigorous democracy, the Opposition does not dare speak up for fear of forfeiting vote banks that are at the end of these freebies.

Another constitutional check is the CAG audit which should enforce transparency and accountability. In practice, it has lost its teeth since audit reports necessarily come with a lag, by when political interest has typically shifted to other hot button issues. Besides, our bureaucracy has mastered the fine art of turning audit paras into 'files' which run their course and die a quiet death.

The market is another potential check. It can signal the health or otherwise of State finances by pricing the loans floated by different State governments differently, reflecting their debt sustainability. But in practice this too fails since the market perceives all State borrowing as implicitly guaranteed by the Centre, never mind that there is no such guarantee in reality.

#### **The costs can be huge**



The costs of fiscal profligacy at the State level can be huge. The amount States borrow collectively every year is comparable in size to the Centre's borrowing which implies that their fiscal stance has as much impact on our macroeconomic stability as does that of the Centre. The need, therefore, for instituting more effective checks that can make wayward States fall in line is compelling.

**Here are two suggestions towards that end.**

First, the FRBM Acts of the Centre as well as States need to be amended to enforce a more complete disclosure of the liabilities on their exchequers. Even under the current FRBM provisions, governments are mandated to disclose their contingent liabilities, but that disclosure is restricted to liabilities for which they have extended an explicit guarantee. The provision should be expanded to cover all liabilities whose servicing obligation falls on the Budget, or could potentially fall on the Budget, regardless of any guarantee.

Second, under the Constitution, States are required to take the Centre's permission when they borrow. The Centre should not hesitate to impose conditionalities on wayward States when it accords such a permission. States slapped with conditionalities will of course balk and allege political motives. The challenge for the Centre will be to act transparently and in accordance with well-defined, objective and contestable criteria.

Finally, there is the draconian provision in the Constitution of India which allows the President to declare financial emergency in any State if s/he is satisfied that financial stability is threatened. This Brahmastra has never been invoked so far for fear that this will turn into a political weapon of mass destruction. But the provision is there in the Constitution for a reason. After all, the root cause of fiscal irresponsibility is the lure of electoral nirvana. It will stop only if the political leadership fears punishment. It is therefore important to ensure that the prospect of a financial emergency in case of gross and continuing fiscal irresponsibility is not just an abstract threat but a realistic one.

Disappointingly, the Centre itself has not been a beacon of virtue when it comes to fiscal responsibility and transparency. To its credit, it has embarked on course correction over the last few years. It should complete that task in order to command the moral authority to enforce good fiscal behaviour on the part of States.

## THE NAGGING DEFICIT

Going by the data on work demanded and availed by households under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), the employment scenario in the country continues to be dismal, even as the economy has recovered, though barely, to its pre-pandemic level. As reported in this paper, 2.61 crore households availed work under the scheme in May 2022. This is not only higher than the number of households who worked under the scheme over the same period last year (2.22 crore in May 2021), but is also significantly higher than the pre-pandemic level (2.1 crore households had availed work under the scheme in May 2019). This is a worrying sign.

In 2018-19, 5.27 crore households had availed of work under MGNREGA. In 2019-20, a year before the pandemic, this had risen to 5.48 crore. During the pandemic year of 2020, it rose further to a staggering 7.55 crore. While in the following year (2021-22), the number of households came down to 7.26 crore, it was still significantly higher than even the pre-pandemic trend. These

numbers indicate that reliance on the employment guarantee scheme has only been growing. This points to a few possibilities. First, that not enough productive jobs are being created in rural areas — 21 states and Union territories observed an increase in households availing work under the scheme. That the jobs that are being created aren't remunerative enough, requiring households to supplement their incomes by working under the scheme. After all, inflation pinches the poor more. Or, that, post the pandemic, households are trying to rebuild their emergency buffers. In urban areas, the latest periodic labour force survey shows that even as the unemployment rate among the youth (those aged 15-29) has dipped in recent quarters, it remained uncomfortably high at 20.2 per cent during January-March 2022.

Protests against the Indian railways recruitment process, against the government's Agnipath scheme for recruitment for the armed forces, pressures from various castes to expand the scope of reservation, attempts by state governments to reserve jobs for locals – all are symptomatic of growing concerns over inadequate employment generation in the country. These have only deepened since the pandemic. They reflect the failure, under the watch of successive governments, to absorb the millions of low and semi-skilled workers, who are entering the labour force each year, and those who are stuck in the low productivity agricultural sector.



# DreamIAS





## LIFE & SCIENCE

### WHAT IS HERMIT, THE PEGASUS-LIKE SPYWARE THAT TARGETED ANDROID, IOS DEVICES?

'Hermit' is the latest sophisticated spyware in the news, and it is believed to have targeted iPhones and Android devices in Italy and Kazakhstan. Hermit's deployment – the spyware has been developed by an Italian vendor called RCS Lab – was first reported by cyber security researchers at the Lookout, a San-Francisco-based cybersecurity firm. Then Google's Threat Analysis Group (TAG) put out a detailed blog post last week, explaining how they believed Hermit was used to target devices.

#### **What is Hermit and what exactly does it do on a device?**

Hermit is a spyware on the lines of Pegasus by NSO Group. Once installed on a device, it can record audio on the device, carry out unauthorised calls, and carry out many unauthorised activities. According to Lookout, the spyware can steal stored account emails, contacts, browser bookmarks/searches, calendar events, etc. It can also take pictures on the device, steal device information such as details about applications, the kernel information, model, manufacturer, OS, security patch, phone number, etc. It can also download and install APK (the app software files on Android) on a compromised phone.

The spyware can also upload files from the device, read notifications, and take pictures of the screen. Because it can gain access to the root or the 'privilege' access of an Android system, Lookout's research showed, it can uninstall apps like Telegram and WhatsApp. According to the researchers, the spyware can silently uninstall/reinstall Telegram. Except the reinstalled version is likely a compromised one. It can also steal data from the old app. For WhatsApp, it can prompt the user to reinstall WhatsApp via Play Store.

So, once Hermit has been deployed to a phone, it can control and track data from all key applications.

#### **How did Hermit get deployed on Android and iOS devices?**

Sophisticated spyware such as Hermit and Pegasus cost millions of dollars in licensing fees, and these are not simple operations. It's not like common malware targeting regular users. And in the case of Hermit, it appears the operations used were complex. According to Google's TAG team, all campaigns started with a unique link sent to the victim's phone. When the user clicked, the page installed the application on both Android and iOS.

#### **But how did they get past both Apple and Google's security measures?**

According to Google, they believed the actors targeting the victims had to work with the target's 'Internet Service Provider' or ISP. Google notes, "We believe the actors worked with the target's ISP to disable the target's mobile data connectivity. Once disabled, the attacker would send a malicious link via SMS asking the target to install an application to recover their data connectivity. We believe this is the reason why most applications masquerade as mobile carrier applications."

When ISP involvement was not possible, the spyware would pretend to be a messaging app. According to Google's screenshot example, the link would pretend to be a recovery page for a Facebook account and ask users to download a version of either WhatsApp, Instagram or



Facebook. This is when the device was an Android. These were obviously compromised versions of these messaging apps.

According to Lookout, some attacks in Kazakhstan masqueraded as pages for Oppo, Samsung and Vivo — all well-known phone brands. Further, their research shows that RCS Lab also worked with Tykelab Srl, a telecommunications solutions company. Lookout believe that this is likely a “front company” for RCS Lab, and their blogpost claims to show several links between these two.

In Apple’s case, Google’s research showed that the spyware exploited Apple’s enterprise certificate, which is given to apps by select enterprises. This certification allows companies to distribute their own in-house apps for direct downloads on iOS devices, bypassing the App Store. The ‘Hermit spyware’ apps had managed to get these certifications — which have since been revoked by Apple.

Google said that a company named 3-1 Mobile SRL had the necessary certificate, as it was enrolled in the Apple Developer Enterprise Program. Google also stressed they “do not believe the apps were ever available on the App Store.” These apps once installed exploited several known flaws and other zero-day exploits to gain more access and carry out surveillance. According to a new report by 9to5Mac, Apple has now revoked the certificates for these compromised apps.

#### **What next? How can users keep themselves safe?**

As noted, Hermit is not a common spyware. Lookout’s analysis shows that in Kazakhstan, “an entity of the national government is likely behind the campaign.” Google also noted that it had identified and alerted all Android victims in Italy and Kazakhstan. It also said it had implemented changes in Google Play Protect and disabled all Firebase projects used to command and control the campaign.

Lookout also states they’ve seen this deployed in Syria. In Italy, documents showed it had been misused in an anti-corruption operation. “The document mentioned an iOS version of Hermit and linked RCS Lab and Tykelab to the malware, which corroborates our analysis,” notes the blog.

According to them, “mobile devices are the perfect target for surveillance.” While not all of us will be targeted, users should continue to follow basic tips. This includes regularly updating your phones, as each update includes a patch for previously known or unknown vulnerabilities. Once again, users should avoid clicking on unknown links, even if done out of curiosity. It is also recommended that users periodically review apps on their device to keep track of whether something unknown was added.

Google’s blog post also offers strong condemnation of surveillance tools being used by the state, and notes that in many instances, these are being “used by governments for purposes antithetical to democratic values: targeting dissidents, journalists, human rights workers and opposition party politicians”.

Meanwhile, RCS Labs has denied any wrongdoing, saying its products and services comply with European rules and help law enforcement investigate crimes, as per a Reuters’s report.



## NEW RESEARCH: BETTER ROAD SAFETY MEASURES COULD SAVE HALF A MILLION LIVES ANNUALLY WORLDWIDE

New global and country-level estimates suggest that routinely wearing helmets and seat belts, obeying speed limits, and avoiding driving drunk could save between 347,000 and 540,000 lives worldwide every year.

The benefits of more motorcyclists wearing helmets would be the biggest in China, where 13,703 lives could be saved every year, followed by Brazil (5,802 lives), and India (5,683 lives), says the study published in *The Lancet*.

Analysis of data from 74 studies in 185 countries estimates that targeting four key risk factors for road injuries and deaths (speeding, drink driving, and non-use of crash helmets and seat belts) could prevent between 25% and 40% of all fatal road injuries worldwide every year.

Interventions to reduce speeding such as infrastructure changes and electronic speed control could save an estimated 347,258 lives globally each year, while measures to tackle drunk driving such as enhanced drink driving enforcement could save a further 16,304 lives, the study says.

An estimated 121,083 and 51,698 lives could be saved by passing and enforcing rules on wearing seat belts and motorcycle helmets respectively.

Improving seat belt use would have a particularly large effect on reducing road deaths in the United States (saving an estimated 14,121 lives every year) and China (13,228). Tackling speeding would be the single most effective measure to reduce road fatalities in most countries, preventing an estimated 88,374 deaths in China, 1,027 in Spain, and 815 in the United Kingdom.

The *Lancet Series* on road safety, published ahead of the first ever UN High-Level Meeting on Road Safety, calls for increased political and financial commitments, and for road safety to be included in mainstream development policies. It argues that this is essential to achieving the UN Sustainable Development Goals (SDGs), including the target to halve road traffic crash fatalities and injuries by 2030.

Deaths on roads are a major problem in India. Each year road accidents kill about 150,000 people and injure another 450,000 in the country. The World Bank noted in a report this month that with only 1 per cent of the world's vehicles, India accounts for almost 10 per cent of all crash related deaths.

## TO SAVE ITS HONEY INDUSTRY, AUSTRALIA IS KILLING BEES BY THE MILLIONS

The first step is pouring gasoline into the beehive. Then it's time to wait. The job is finished when the hive is burned the next day.

Since last week, this cycle has been on repeat near a port in eastern Australia, part of a government effort to protect the country's multimillion dollar honey industry.

Millions of bees have been destroyed to help contain the spread of the deadly varroa mite, which reappeared in the country last week near the Port of Newcastle.

"Australia is the only major honey-producing country free from varroa mite," said Satendra Kumar, the chief plant protection officer of New South Wales state, where the pest was discovered



on Friday. If the varroa mite became established in Australia, he said, it could cost the nation's honey industry more than \$70 million a year, in addition to its effect on the crops that rely on bee pollination.

The authorities have ordered a virtual lockdown of the beehives in the affected area of the state. Normally, beehives are moved from place to place, a process crucial to Australia's \$15 billion horticulture industry because they are used to help pollinate crops.

The mites, which are reddish-brown and about the size of a sesame seed, can spread from bee to bee and through beekeeping equipment, including combs that have been extracted. If left untreated, the mites could kill an entire colony of honey bees, the government has said.

It's not easy to contain the mite, with even the New South Wales government agency in charge of the eradication effort conceding that "it is generally accepted that it is inevitable that varroa mites will eventually establish in Australia."

Still, the government is trying hard to postpone the inevitable. Previous incursions, in 2016, 2019 and 2020, are considered to have been successfully eradicated, according to the Queensland Department of Agriculture and Fisheries.

One of the biggest challenges in the current containment effort is figuring out the location of infected hives and mapping their spread in a vast region, according to Danny Le Feuvre, the acting head of the Australian Honey Bee Industrial Council. It's necessary to contain the Port of Newcastle and the hives within a 31-mile radius of it, he said.

The port is a major shipping destination and one of the world's busiest export hubs for coal.

#### WHY WOMEN ITCH LESS THAN MEN: STUDY FINDS KEY IN A HORMONE

Compared to men, women have a significantly lower incidence of severe psoriasis — a skin condition that causes rashes and leads to itchiness. The underlying reason for the sex differences that made men more prone to this condition, however, had remained unclear so far.

Now a team of researchers has found that the female hormone estradiol suppresses psoriasis. The protective role of the hormone has provided a basis for its therapeutic potential, according to a media release from Kyoto University.

**The study has been published in the Journal of Allergy and Clinical Immunology.**

"Our results have not only revealed the molecular mechanisms of sex differences in psoriasis but also shed new light on our understanding of the physiological role of estradiol," the release quoted Hamamatsu University School of Medicine's Tetsuya Honda, formerly of Kyoto University, as saying.

The team tested conditional knockout mice (cko mice), which means mice with specific genes removed or inactivated.

Here, the mice had their ovaries removed, which were supplemented with estradiol pellets. In contrast to wild-type mice, the cko mice without the natural ovarian hormones estradiol showed symptoms of severe skin inflammation.



Once these mice were given estradiol, the production of cytokines in immune cells was reversed, reducing the inflammation. This effect was also observed in human cells in vitro.

“These results indicate that estradiol suppresses psoriatic inflammation by regulating neutrophil and macrophage cells,” the author was quoted as saying.

## HOW INDIA'S FIRST MRNA VACCINE FOR COVID-19 WAS CREATED

The country's first home-grown mRNA Covid-19 vaccine — GEMCOVAC-19 — developed at Pune's Gennova Biopharmaceuticals has got a 'restricted emergency use' nod for the 18-and-above age group. As mRNA vaccines are required to be kept at sub-zero temperatures, it was a mammoth task for Gennova scientists to develop a thermostable mRNA Covid-19 vaccine. Scientists had to innovate to suit local needs to make it affordable and deployable. The new vaccine can now be stored at the temperature of a standard medical refrigerator.

### The mRNA platform

As the Covid-19 pandemic spread, an mRNA vaccine candidate was the first to enter human trials globally. The first two vaccines that were made available for use in the US were based on mRNA technology.

Unlike vaccines that put a weakened or inactivated virus in your body to activate an immune response, these two Covid-19 vaccines (Pfizer-BioNTech and Moderna) used messenger RNA or mRNA to deliver a message to your immune system.

Basically, the technology uses genetically engineered mRNA to instruct cells to make the S-protein found on the surface of the Covid-19 virus. According to reports from US-based Mayo Clinic, after vaccination, the muscle cells begin making S-protein pieces and displaying them on cell surfaces. This causes the body to create antibodies.

But these vaccines have to be stored at sub-zero temperatures as mRNA is fragile and breaks down easily.

### Thermostable vaccine

“Unlike in the West, where the vaccine has to be stored at sub-zero temperatures, the challenge in India was to be able to store the vaccine between 2-8 degree Celsius. We had to innovate to suit our local needs as to what is affordable and deployable. GEMCOVAC-19 can now be stored at the temperature of a standard medical refrigerator,” says Dr Sanjay Singh, CEO of Gennova Biopharmaceuticals.

The conversion from liquid to powder form of the vaccine takes place via Lyophilisation — this is freeze-drying, a process where the water is removed from the product after it is frozen and placed under a vacuum allowing the ice to change directly from solid to vapor without passing through a liquid phase.

However, just removing water by Lyophilisation of the mRNA vaccine does not work. So, the surrounding pressure has to be tweaked and then kept stable to ensure the characteristics of the vaccine are the same as before Lyophilisation. For this to be achieved, the key was to add an external agent which at a certain critical concentration keeps it stable under lyophilized conditions. The Lyophilisation technology is not new, but a lyophilized mRNA vaccine is unique.



“We performed hundreds of trials before arriving at the right formulation and right condition to ensure a heat-stable mRNA vaccine,” Dr Singh said.

#### **Trials and safety**

Freeze-drying the large and unstable mRNA molecule with the nanoparticle was a daunting challenge. However, Gennova invested countless man-hours in the hope of lyophilizing the mRNA vaccine in a single vial within a year. This thermostable vaccine was thoroughly tested in various animal models to ensure its safety and immunogenicity before entering human clinical trials. Phase 1 and 2 trial data across 480 participants had been submitted earlier, and data from Phase 3 trial across 4,000 participants was then presented to the Central Drugs Standard Control Organisation (CDSCO). During the Phase 3 trials, 3,000 participants were administered the mRNA Covid-19 vaccine and 1,000 were given Covishield.

According to officials at Gennova, the trial data showed that the vaccine was safe and well-tolerated. Immunogenicity measured at 2 weeks post-dose showed that GEMCOVAC-19 is non-inferior to Covishield.

The two-dose vaccine will have to be administered intramuscularly, 28 days apart.

#### **Fight against emerging variants**

For the first time, the mRNA platform has been used to develop a Covid-19 vaccine in India. This total process may have taken one-and-a-half years, but for Dr. Singh, a biochemist who had worked on malaria vaccines at the US-based National Institutes of Health, and the team, designing an mRNA vaccine against the Omicron variant barely took 60 days.

Notably, this technology platform provides flexibility to quickly tweak the vaccine for any existing or emerging variants of the virus.

“A pandemic-ready platform technology has been created that can be used to quickly develop a vaccine should a variant-of-concern emerge due to the rapid mutation of the SARS-CoV-2 virus. Clinical trials need to be done to ascertain the effectiveness of the GEMCOVAC-19 against Omicron and sub-variants,” said Dr. Singh.

A short clinical trial will also be conducted with the Omicron-specific vaccine, which has also been

### **TWO VACCINE DOSES HIGHLY EFFECTIVE ACROSS PEOPLE OF DIFFERENT BODY WEIGHTS, STUDY SUGGESTS**

Obesity has been identified as a risk factor for severe Covid-19 since early in the pandemic, but little was known until now about the effectiveness of the vaccines for people with obesity. Now a new study published in The Lancet Diabetes and Endocrinology has found that body size was not a factor in the effectiveness of vaccines — two doses are highly effective against severe disease for people who are underweight, overweight, or who have obesity. In fact, the benefits were found to be slightly lower among underweight people compared to people with higher body mass index (BMI).

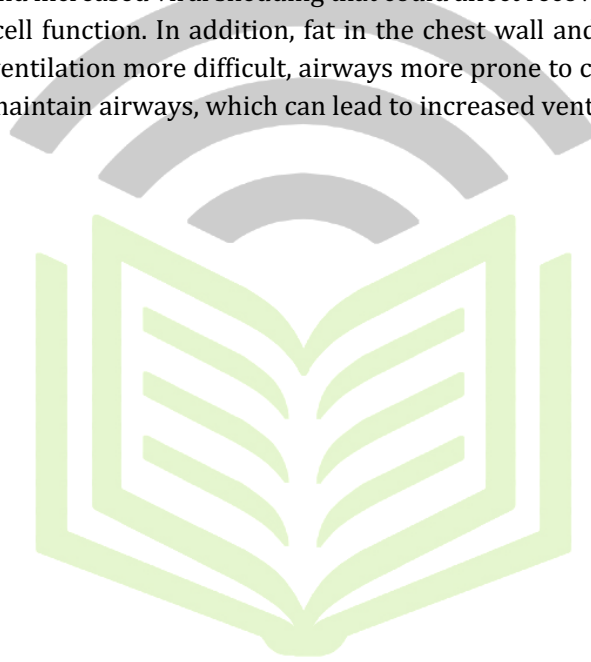
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**3<sup>RD</sup> FLOOR AND 4<sup>TH</sup> FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR**

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#### **Obesity as a risk factor**

One in five individuals worldwide are at increased risk of severe clinical outcomes after SARS-CoV-2 infection due to underlying health conditions, and there is now consistent evidence showing that obesity is a significant independent risk factor, according to the report. While the cause of the increased risk among people with obesity is unknown, there are several plausible explanations. These include fat deposited around the airways that could reduce functional lung capacity, obesity-related conditions that could exacerbate the pathology of Covid-19, higher viral load and prolonged and increased viral shedding that could affect recovery time, as well as factors that could impair T cell function. In addition, fat in the chest wall and abdomen in people with obesity could make ventilation more difficult, airways more prone to collapse, and could require higher pressures to maintain airways, which can lead to increased ventilation-induced damage.



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