

CURRENT AFFAIRS FOR UPSC

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3RD TO 9TH JULY 2022 CURRENT AFFAIRS FOR UPSC



INTERNATIONAL

DISORDERLY EXIT

For a leader who led the Conservative party to an 80-seat majority three years ago with a Thatcher-like charisma, Boris Johnson's fall from grace was so steep that a host of his Ministers, including those who were appointed days earlier, publicly called for his resignation on Wednesday. Mr. Johnson, a journalist-turned-politician who rose to the pinnacles of power riding the Brexit wave, tried to cling on to his position till the last minute. But despite Downing Street's fightback, the intra-party rebellion spread like wildfire, engulfing even the loyalist inner circle. Faced with no other choice, he agreed on Thursday to stand down as the Conservative Party leader immediately and resign as Prime Minister in October when the party chooses a new leader. His position within the party became untenable in June when 41% of lawmakers expressed no-confidence in his leadership in a vote. Signs of the rebellion had emerged much earlier as his government was rocked by the "partygate" scandal — the Prime Minister was fined by police for attending a birthday gathering at Downing Street in the midst of a nation-wide COVID-19 lockdown. The resignation of Chris Pincher as Deputy Chief Whip last week over allegations of sexual misconduct came as the final straw. As chaos prevailed, two of his senior Ministers — Chancellor Rishi Sunak and Health Secretary Sajid Javid — announced their resignations, triggering the disintegration of the government.

Mr. Johnson won the 2019 elections promising a quick, orderly Brexit. But the best he could deliver was a chaotic, painful divorce with the EU whose economic pains continue to haunt ordinary Britons and businesses. There is still no clarity on the post-Brexit trade relations with the EU and the Northern Ireland protocol remains a mess. As scandals began to hit his government, his moral authority within the party started slipping. Mr. Johnson could still argue that he got a colossal mandate and that he remained a vote-getter for the Conservatives. But even that position became untenable as a serious economic crunch began to bite. Last month, the Conservatives suffered humiliating defeats in two by-elections — Wakefield and Tiverton and Honiton — which practically sealed Mr. Johnson's fate. The rest was only a matter of time. His successor will inherit a crisis-ridden economy and polity. Inflation rose to 9.1% in May, the highest in 40 years, which, according to the Bank of England, could hit 11% this year. Some economists predict a recession. Brexit remains an unfinished business, which, if not resolved properly, could threaten peace in Northern Ireland. And the government in Scotland is demanding another referendum on independence. Mr. Johnson, who came to power offering a new post-Brexit future for the U.K., is leaving the country in economic pain and political disarray.

HISTORY OF THE PAN-AFRICAN FLAG, TARGET OF A FLAMETHROWER ATTACK IN THE US

A Pan-African flag, flying outside the headquarters of a Black socialist group in Florida, was set on fire using a flamethrower Saturday. In a video released by the group, the Uhuru Movement, a man is seen pulling a flamethrower from the trunk of his car and shooting at a tower 30-ft above the ground.

What does a Pan-African flag represent?

The Pan-African flag is a tricolour flag made up of red, black and green colours. It is a symbol of solidarity for people of African ancestry around the globe. In the flag, the red stripe represents a unifying bond of blood, and also that shed fighting for freedom. Colour black stands for the Black



people who can claim one identity under the flag. And finally, the green stripe is a symbol of the abundant natural wealth of Africa. It is also known as the Black Liberation flag, the RBG (Red-Black-Green) or the UNIA (Universal Negro Improvement Association) flag.

What is the flag's history?

The flag was adopted by the UNIA during its New York meeting in 1920. The outfit had been founded to promote Black nationalism and anti-colonialism.

It was a response to an offensive, bigoted song – Every Race Has A Flag But The Coon’ — that mocked African Americans. UNIA leader Marcus Garvey, in a 1921 speech, declared: “Show me the race or the nation without a flag, and I will show you a race of people without any pride. Aye! In song and mimicry they have said, “Every race has a flag but the coon.” How true! Aye! But that was said of us four years ago. They can’t say it now.”

How has it been used since its creation?

Seen as an emblem of Black pride and civil rights, the flag was commonly seen during protests against the 2014 police killing of an unarmed Black teenager Michael Brown in the US. In the 1960s, it stood as a symbol of the Black Liberation Movement. It routinely features during Juneteenth Day that commemorates the liberation of enslaved African Americans, and also Martin Luther King Day parades in the US. Outside the US, several African countries have used the same combination of colours in their own flags. There have also been suggestions to celebrate August 17, Garvey’s birthday, as Universal African Flag Day by flying the Pan-African flag.

IS NATO STRONGER AFTER UKRAINE INVASION?

The story so far: Leaders of the North Atlantic Treaty Organization (NATO), a 30-country regional security coalition that emerged from the crucible of Cold War rivalry, met on June 29-30 in Madrid, Spain, even as Russia’s war in Ukraine grinds on, with knock-on effects across the world in terms of supply chain disruptions, commodity price surges and broader inflationary pressures mounting fast. More than four months into the invasion of Ukrainian territory, which Russian President Vladimir Putin has called a “special military operation,” at least two nations in the region, Sweden and Finland, are seeking rapid integration into NATO.

How strong was NATO before the war?

NATO appeared to be weakened during the administration of former U.S. President Donald Trump, who frequently threatened to exclude from the U.S.’s protective umbrella any member states that did not pay enough for that privilege. A further blow, and brickbats for botched management, came when U.S. President Joe Biden pulled his country’s troops out of Afghanistan, a NATO military mission, more or less unilaterally. Meanwhile, Russia had steadily been upping the ante against NATO publicly, since the late 2000s, railing against NATO expansion, and since its annexation of Crimea in 2014, threatening further territorial expansion into Ukrainian territory.

What are the recent developments that have strengthened NATO?

Firstly, NATO allies other than the U.S. remained firmly committed to financing the organisation’s military needs. Their combined defence investments have jumped by \$130 billion from 2014-19, in part driven by Russia’s annexation of Crimea. Now, given the prolonged conflict in Ukraine, NATO has announced that it will increase its forces at “high readiness” from 40,000 to over



3,00,000 troops by mid-2023, a step that NATO Secretary General Jens Stoltenberg described as “the biggest overhaul of our collective defence and deterrence since the Cold War.”

Second, after decades of maintaining a position of neutrality, Finland and Sweden are set to join NATO possibly within a year, in a large part driven by the strategic insecurity they face as neighbours of Russia, and the precedent that Mr. Putin has set with his invasion of and alleged human rights violations and war crimes in Ukraine. While most NATO members are keen for Finland and Sweden to join the organisation, Turkey was the final holdout citing concerns over the two countries allegedly providing safe haven to a group that Istanbul considers a terrorist organisation. Nevertheless, after joint security negotiations in recent days, Turkey has also lent its support to Finland and Sweden joining NATO. The main point of such an expansion would be to tap into the military support that the two countries would provide to the alliance, the fact that Finland has a 1,340 km border with Russia and that both countries will, as required by NATO, spend 2% of their GDP on defence.

How might NATO view a prolonged war in Ukraine?

Meeting with NATO leaders this past week, Mr. Biden said Americans ought to be ready to pay higher fuel prices for “as long as it takes, so Russia cannot in fact defeat Ukraine and move beyond Ukraine.” Notwithstanding this apparent firmness of resolve to stay the course, NATO member states are presently hobbled by rising inflation, and high energy and food prices. Leaving aside the destabilising economic ripple effects of the war in Ukraine, leaders of the bloc, as well as international multilateral aid agencies, are waking up to the reality of having to meet the scorching demand for financing weaponry and critical supplies to Kyiv — Ukraine’s government is spending a staggering \$5-6 billion per month. It is now clear that they will have to work hard to sell their involvement in this conflict to their respective citizenries.

What happens next?

While NATO appears fortified and ready to face the strategic gauntlet thrown down by Russia, there is a real risk that the people of its member-nations are getting increasingly frustrated. There’s unending economic pain and the leaders have pledged to meet the burgeoning demand for weapons and other military support required by Ukraine to hold on to its territories in the east.

WHO ARE THE KARAKALPAKS, RESIDENTS OF AN UNREST-HIT UZBEKISTAN PROVINCE?

At least 18 people were killed and 243 wounded during last week’s government crackdown on protests in Uzbekistan’s autonomous province of Karakalpakstan. The protests had broken out in response to the government’s plan to restrict the region’s long-held autonomy.

On Friday, thousands took to the streets of the region’s capital, Nukus. In response, President Shavkat Mirziyoyev said on Saturday (July 2) that the government would abandon its plan to amend articles of the constitution relating to Karakalpakstan’s autonomy and its right to secede.

Mirziyoyev also declared a month-long state of emergency in the northwestern province.

Who are the Karakalpaks?

The name Karakalpakstan is derived from the Karakalpak people, an ethnic minority group of around 2 million. Karakalpak translates to ‘black hat’, referring to their traditional headgear.



The Karakalpakhs consider themselves to be a distinct cultural group in Uzbekistan. Their Turkic language – Karakalpak – is closely related to Kazakh and is one of the 7 languages of instruction in Uzbekistan’s public schools. Their separate language is a crucial aspect of their cultural identity.

In their genealogical narrative, the Karakalpakhs claim to share a common point of origin with the neighbouring Kazakhs, Uzbeks and Turkmen, but believe that over time they diverged from the others. This narrative marks the Karakalpakhs as culturally separate from their neighbouring groups, according to Reuel R Hanks, a scholar of Central Asia studies.

What is the region’s history?

The Karakalpak people settled around the Amu Darya (a river that feeds into the Aral Sea) in the 18th century. By 1873, they partly came under Russian rule and by 1920 were completely incorporated into the Soviet Union.

Their region, Karakalpakstan, was an autonomous area within the Russian Soviet Federative Socialist Republic (Russia during 1917-1922), before it was made a part of Uzbekistan as the Karakalpak Autonomous Socialist Republic (ASSR) in 1936.

When Uzbekistan declared its independence from the Soviet Union in August 1991, Karakalpak ASSR was re-established as the Republic of Karakalpakstan in December of the same year. Karakalpakstan was formally recognized as an autonomous republic in Uzbekistan’s constitution of 1992, and has the right to secede from on the basis of a nation-wide referendum.

Why triggered the recent protests?

Violent protests broke out in the impoverished Karakalpakstan after President Shavkat Mirziyoyev, who has been in power since 2016, published a draft amendment to the Uzbek constitution on June 27, which removed the region’s right to secede Uzbekistan by a referendum.

Uzbek media quoted government officials who said that the amendments were approved by Karakalpakstan legislators, due to “numerous demands to define Karakalpakstan as an indivisible part of Uzbekistan,” according to broadcasting company Radio Free Europe/Radio Liberty.

How has the government reacted?

The Uzbekistan government stated that protestors had marched through the provincial capital of Nukus on Friday, and allegedly attacked the police and tried to take over government buildings.

With official death toll indicating that 18 people were killed and 243 injured during the violent unrest, President Shavkat Mirziyoyev dropped the plans to curtail Karakalpakstan’s right to secede. However, the amendment which would allow presidential candidates to run for 7 year terms would continue to be in place, a change that would directly benefit Mirziyoyev who won his second 5 year term in October 2021, as reported by AFP.

Exiled opposition politician of the Berlik party, Pulat Ahunov, criticised the government’s use of lethal force and claimed that people were unable to obtain information due to the state of emergency imposed by the government. According to a BBC report, he said that he feared that the situation might escalate into an ethnic conflict between Uzbeks and the minority Karakalpakhs.



Accusing the government of waging a “punitive operation”, Aman Sagidullayev, Norway-based leader of the pro-independence Alga Karakalpakstan party, told Reuters, “Karakalpaks are not Uzbeks...They have their own traditions, culture and law,”

Why do the Karakalpaks feel neglected?

An environmental crisis, and the health and economic troubles it brought in its wake, has made Karakalpakstan an impoverished region and invoked a sense of neglect among the Karakalpak people.

At one point in time, Karakalpakstan was one of the most fertile provinces in Uzbekistan, due to its location next to the Aral Sea. However, the once 4th largest saline lake in the world, has been steadily shrinking and reducing the arable land in the province.

In the 1960s, the Soviet government began to divert water from the Amu Darya and Syr Darya rivers that feed into the sea, and used it to irrigate the nearby desert region for agriculture, mostly water-intensive cotton.

With the Aral Sea becoming increasingly drained of its water, the salt and mineral content began to drastically rise, making the water unfit to drink and killing off the fish in the lake. As a result, fishing industries and communities that relied on the sea collapsed.

It was accompanied by significant desertification of the region and Karakalpakstan, which primarily relies on agriculture and animal husbandry, has subsequently become Uzbekistan’s most impoverished region.

The Karakalpaks, who live south of the Aral Sea also face serious health problems, such as increased rates of throat cancer, kidney problems and the highest infant mortality rate in the world. This is because the fertilisers and pesticides that were used for cotton farming saturated the surrounding land and were carried across the region by wind blowing across the exposed seabed.

HOW WILL G-7’S DEVELOPMENT PLAN IMPACT INDIA?

The story so far: On June 26, the G-7 grouping of the world’s “most industrialised nations” — Canada, France, Germany, Italy, the U.K., Japan and the U.S. along with the European Union (EU) — launched a U.S.-led \$600 billion Partnership for Global Infrastructure and Investment (PGII) at their summit in Germany’s Schloss Elmau, where India was among five special invitees. The initiative was billed as a “values-driven, high-impact, and transparent infrastructure partnership to meet the enormous infrastructure needs of low- and middle-income countries and support the U.S. and its allies’ economic and national security interests.” Officials also made it clear that the PGII would offer a counter to China’s Belt and Road Initiative (BRI) for projects worldwide that was formally launched five years ago.

What was India’s response?

A day after U.S. President Joseph Biden made his PGII announcement, Foreign Secretary Vinay Kwatra said. “I think the [PGII]...is a separate G-7 initiative and to my recollection, unless there is some other input, I think it is not a G-7 outreach initiative,” adding, “We will have to see the details of that for us to be able to speak specifically on its elements.”



Why is the response significant?

To begin with, Mr. Kwatra's response indicates that India was not privy to PGII consultations, nor was the infrastructure plan part of the documents that were signed by India, Indonesia, South Africa, Senegal and Argentina, who were part of the "G-7 outreach" invitees to the summit. (The EU has participated in the G-7 since 1981 as a "nonenumerated" member).

The distinction is interesting because just a month ago, at the Quad Summit in Tokyo, Prime Minister Narendra Modi had attended the launch of the U.S. led "Indo-Pacific Economic Initiative" (IPEF) with similarly sudden plans, and India had joined as an "initial" or founding partner country. It also came as a surprise that India hadn't endorsed the PGII plan given that the U.S. billed it as a rival to China's BRI, with much more sensitivity to sustainable debt burdens and environmental concerns. India has actively opposed the BRI because it had ignored these reasons and for its "violation of territorial integrity".

Is there any specific role for India?

According to U.S. officials, the PGII will have four key priorities on infrastructure: climate and energy security, digital connectivity, health and health security, and gender equality and equity, all of which are priority areas for New Delhi as well. The PGII "factsheet" released by the White House also includes a specific plan for investment in an Agritech and Climate sustainability fund that would "invest in companies that increase food security and promote both climate resilience and climate adaptation in India, as well as improve the profitability and agricultural productivity of smallholder farms." According to the documents, the India fund would target \$65 million by September 2022, and a target capitalisation of \$130 million in 2023. The U.S. government's International Development Finance Corporation (DFC) would mobilise \$30 million in private capital for the fund.

What could be some of the reasons for India's reticence on PGII?

The Ministry of External Affairs has not yet expanded on its initial response to the PGII, and it is quite possible, that once it has studied and verified its strategy, it will endorse it. One of the reasons for some scepticism in New Delhi is that the PGII is one of a number of U.S.-led economic initiatives announced globally and in the Indo-Pacific, without much clarity on whether they would overlap, or run concurrently with each other. At the Quad Summit, Mr. Biden committed to a \$50 billion infrastructure fund over five years.

The PGII announcement for \$600 billion over five years also comes a year after the U.S. led a G-7 initiative to counter China's "strategic competition" and to narrow the roughly \$40 trillion "infrastructure gap" in the developing world.

Last year, the Biden administration also revived a Trump administration project for the "Blue Dot Network Initiative" to certify infrastructure projects but had stopped short of funding them. Another reason for the Indian reaction, say analysts, could be to show consistency, given India's earlier reaction to the BRI, when it was first announced by Xi Jinping in 2013, years before the formal launch in 2017. "When China first unveiled the BRI, India's initial response was also that this was a plan with geopolitical consequences that India had not been consulted on. India said it would have to study before responding. It is possible that the Modi government's cautiousness on PGII is about striking a similar balance," said Sanjaya Baru, author, policy analyst and Distinguished Fellow at the United Services Institution of India (USI).



THE STATUS OF CHINA'S BELT AND ROAD INITIATIVE IN SOUTH ASIA

The story so far: At the recently concluded summit of G-7 leaders in Germany, U.S. President Joe Biden and his allies unveiled their \$600 billion plan called the Partnership for Global Infrastructure and Intelligence which is being seen as a counter to China's Belt and Road Initiative (BRI), valued at a trillion U.S. dollars by some experts. Therefore, there is a need to re-visit the various projects under the BRI in different South Asian countries.

What is China's Belt and Road Initiative?

In 2013, Chinese President Xi Jinping, during his visits to Kazakhstan and Indonesia, expressed his vision to build a Silk Road Economic Belt and a 21st Century Maritime Silk Road, to break the "bottleneck" in Asian connectivity. This vision led to the birth of the BRI. The initiative envisioned a Chinese-led investment of over \$1 trillion in partner countries by 2025. More than 60 countries have now joined BRI agreements with China, with infrastructure projects under the initiative being planned or under construction in Asia, Africa, Europe, and Latin America.

To finance BRI projects, China offers huge loans at commercial interest rates that countries have to pay within a fixed number of years. The west has accused China of debt-trapping by extending "predatory loans" that force countries to cede key assets to China. However, research indicates that low and middle-income countries are often the ones to approach China after not being able to secure loans from elsewhere. In recent years, the BRI seems to have experienced a slowing down as annual Chinese lending to countries under the initiative slimmed from its peak of \$125 billion in 2015 to around \$50 to 55 billion in 2021.

What have been the BRI's investments in Pakistan?

On his 2015 visit to Pakistan, Mr. Xi and then Pakistan Prime Minister Nawaz Sharif unveiled the BRI's flagship project and its biggest one in a single country — the China Pakistan Economic Corridor (CPEC). Over time, China pledged \$62 billion in low-interest loans and financing from Chinese state-owned banks and the Asian Development Bank (ADB), up from an initial \$46 billion pledge. The CPEC envisioned multiple projects involving energy, transport and communication systems.

At the centre of the CPEC was the \$700 million development of the city of Gwadar into a smart port city that would become the "Singapore of Pakistan". Gwadar is strategically important as it is an hour's drive from Iran and less than 320 km from Oman. According to the master plan for Gwadar's development under BRI, approved in 2020, it would increase the city's GDP to \$30 billion by 2050 and create over a million jobs. However, multiple reports have shown that shipping activities at the Gwadar Port is almost negligible so far, with only some trade to Afghanistan.

Additionally, Gwadar residents have also protested against the large security force deployed to protect Chinese nationals involved in projects after they became the target of multiple deadly attacks by Baloch nationalists. In late 2021, thousands of Gwadar residents staged a sit-in protest against the lack of promised basic amenities in Gwadar and Chinese deep-sea trawlers reducing fishing opportunities for locals. Other major projects are the orange line metro, coal power plants to tackle energy shortages and the Main Line 1 rail project from Peshawar to Karachi. While coal plants set up and managed by Chinese firms did help improve the power situation in Pakistan, former Prime Minister Imran Khan sought renegotiation of payments to China in 2020 alleging



that Chinese companies had overcharged the country by \$3 billion. In May this year, Chinese power firms operating in Pakistan threatened to close down if the latter did not pay dues worth 300 billion in Pakistani rupees (approximately \$1.5 billion).

What about Sri Lanka?

In Sri Lanka, multiple infrastructure projects that were being financed by China came under the fold of the BRI after it was launched in 2013.

The island nation in the last couple of years has witnessed competition between India and China in port terminal and energy projects. In 2021, Colombo ejected India and Japan out of a deal to develop the East Container Terminal at the Colombo port and got China to take up the project. It then awarded the project for the Western Side of the Terminal to the Adani Group.

Some BRI projects in Sri Lanka have been described as white elephants — such as the Hambantota port, a deep seaport on the world's busiest east-west shipping lane, which was meant to spur industrial activity. The port had always been secondary to the busy Colombo port until the latter ran out of capacity. The Sri Lankan government took \$1.4 billion in Chinese loans for the port's expansion. Unable to service the huge loan and incurring \$300 million in losses due to delays, the government handed Hambantota port to a Chinese state-owned company on a 99-year lease in 2017. Other key projects under BRI include the development of the Colombo International Container Terminal, the Central Expressway and the Hambantota International Airport among others.

Are there projects in Afghanistan?

Afghanistan has not comprehensively been brought into the BRI, despite a Memorandum of Understanding (MoU) being signed with China in 2016. China had promised investments worth \$100 million in Afghanistan which is small in comparison to what it shelled out in other South Asian countries. The projects have not materialised so far and uncertainties have deepened after the Taliban takeover last year.

How have projects from India and China progressed in Maldives?

Situated in the middle of the Indian Ocean, Maldives comprises two hundred islands, and both India and China have strategic interests there. One of the most prominent BRI projects undertaken in the Maldives is the two km long China-Maldives Friendship Bridge — a \$200 million four lane bridge.

Most of China's investment in the Maldives happened under former President Abdullah Yameen, seen as pro-China. Over the years, opposition protests grew against the large borrowing from China and Mr. Yameen was defeated in 2018. The Maldives' current regime of President Ibrahim Solih has tried to distance itself from the BRI, focusing more on its 'India First' policy. India has also in recent years sought greater ties with the Maldives under Prime Minister Narendra Modi's 'Neighbourhood First' policy.

What about Bangladesh?

Bangladesh, which joined the BRI in 2016, has been promised the second-highest investment (about \$40 billion) in South Asia after Pakistan. Multiple studies, including research by the Council on Foreign Relations, show that Bangladesh has been able to benefit from the BRI while maintaining diplomatic and strategic ties with both India and China. It has managed to not upset



India by getting India to build infrastructure projects similar to BRI in the country. In 2016, when the Chinese government promised Dhaka BRI investment worth around \$40 billion, India followed up in 2017 by extending a \$5 billion line of credit and economic assistance. BRI projects include China-Bangladesh Friendship Bridges, special economic zones, the \$689.35 million-Karnaphuli River tunnel project, upgradation of the Chittagong port, and a rail line between the port and China's Yunnan province. However, multiple projects have been delayed owing to the slow release of funds by China.

DIFFERENCES OVER RUSSIA DOMINATE G-20 MEETING

External Affairs Minister S. Jaishankar on Friday met with U.S. Secretary of State Antony Blinken and Russian Foreign Minister Sergey Lavrov in Bali on the sidelines of the G-20 Foreign Ministers' Meeting. The meetings indicated the emerging differences within the G-20 grouping as Russia accused the United States of forcing Europe and the rest of the world to abandon cheap energy sources while the U.S. blamed Moscow for "global food insecurity".

The interaction was held against the backdrop of increasing supply of Russian crude to India disregarding American pressure to reduce India's dependence on Russian petroleum supply.

In the June 26-27 G-7 summit in Munich, where both India and Indonesia were special guests, the leaders of the G-7 countries floated the idea of capping Russian petroleum prices that India has not supported so far.

The Indian Minister's interactions are indicative of the dynamics within the G-20, which will meet in India in 2023.

The G-20 — as many as 20 of the world's biggest economic powers such as the U.S., Russia, the European Union, India, Indonesia and Japan — has a mandate to discuss global economic matters, but the Foreign Ministers' Meeting in Bali was dominated by criticism of Russia by the western members.

The Ukraine war and its economic fallouts are hinting at a division within the ranks of the global grouping, with the U.S., EU, Japan, Canada, Australia and France forming one anti-Russia block while the rest of the countries prefer a cautious approach asking for peaceful resolution of the war in Ukraine.

CHINA BACKS PAK. IN OPPOSING G20 MEETINGS IN KASHMIR

China's state media and officials have lent support to Pakistan's opposition to India hosting any G20-related meetings in Jammu and Kashmir next year.

Those statements came even as the Chinese government has hailed the completion of its first major hydropower project under the China Pakistan Economic Corridor (CPEC) on the Jhelum river on the border of Punjab and the western part of Pakistan-occupied Kashmir (PoK), what Pakistan calls "AJK". The dam was built by China Three Gorges Corporation.

Holding G20-related meetings there — the main summit in 2023 is expected to be held in New Delhi — as well as the reorganisation of Jammu and Kashmir in 2019 were "operations aimed at highlighting the nationalist identity of the BJP, as a representative of Hindu interests", he said.



The comments underlined the Chinese views on the Kashmir issue that have only got sharper in recent times, particularly since 2019. Beijing said in that year that it opposed the reorganisation and subsequently raised the issue at the UN. The remarks also bring to the fore an increasingly close China-Pakistan tandem — coinciding with CPEC projects in PoK — on Kashmir, an issue that Beijing had largely been reluctant to wade into over the past two decades.

'Avoid unilateral moves'

The Chinese Foreign Ministry on June 30 said “parties concerned need to avoid unilateral moves that may complicate” the dispute. “The G20 is the premier forum for international economic and financial cooperation. We call on all major economies to focus on steady recovery of the world economy, avoid politicising relevant cooperation and make positive contribution to improving global economic governance,” spokesperson Zhao Lijian said.

Asked about China’s opposition to G20 meetings in Kashmir on the one hand and its continuing projects there on the other, Mr. Zhao said, “What you mentioned are two matters completely different in nature. China has undertaken some projects in Pakistan to help it grow its economy and improve people’s livelihood. These projects are in Pakistan-occupied areas of Kashmir.... This does not affect China’s position on the Kashmir issue.”

TALIBAN REGIME IN AFGHANISTAN SEEKS INTERNATIONAL RECOGNITION WHILE CONTINUING TO BELIE ALL EXPECTATIONS OF MODERATION IN POWER

The first public appearance by Haibatullah Akhundzada, the supreme leader of Afghanistan’s Taliban regime, has given no room for hope that those who have taken charge of that benighted country will change for the better. Akhundzada, who was at one time even rumoured to be dead, made his first trip outside Kandahar for a two-day meeting of Taliban clerics in Kabul last week. In recent weeks, the Taliban, faced with factionalism and internal divisions, have responded by going into default mode, and women have been the first target. New restrictions on their movement have been imposed, and there is no light at the end of the tunnel for girls who want to go to school. Any expectations that this conference may come up with a way forward were belied. A resolution adopted at the end of the two-day all-male conference had only vague references to “respect to the rights of women” and to the need for “religious and modern education”. The meeting was closed to the media, but Akhundzada’s speech was publicly broadcast. A hardliner in the Taliban system, he made no concessions to the demands both by Afghans and the international community that the regime must become inclusive of minorities and, more urgently, allow girls to go to school.

The rule by Taliban is not a normal arrangement. The armed group, whose luminaries include several designated terrorists, took power by force, and is determined to impose its extremist views on the people of the country. The overturning of the moderate progress in education and gender rights made over the last two decades is one thing. It has shown no sign of accommodation towards non-Pashtun, non-Sunni minority communities in Afghanistan. And it has given every sign of being in touch with the big transnational terror group, al Qaeda, and cross-border terror groups, Lashkar-e-Toiba and Jaish-e-Mohammed. Yet, this regime in Kabul wants international recognition as a legitimate government of Afghanistan and wants the world’s assistance to tide over its difficulties, including a devastating earthquake that caused large-scale destruction. Akhundzada and the Taliban must realise that just as the world is rushing to help with humanitarian assistance for this natural disaster, it can hardly stand by and watch a Taliban-made disaster unfold.



It is good that India, which re-opened its embassy in Kabul with a small team of security and other officials at the end of June, made a strong pitch for the rights of Afghan women at the Geneva conference even as it called attention to Delhi's dispatch of relief material in two special aircraft for survivors of the quake.

SHINZO ABE RADICALLY ALTERED JAPAN'S TRAJECTORY, ARTICULATED THE IDEA OF INDO-PACIFIC. HE HAD A SPECIAL AFFINITY FOR INDIA

The assassination, Friday, of former Japanese Prime Minister Shinzo Abe has taken away one of the tallest world leaders of our time. Abe radically altered the geopolitical trajectory of Japan, re-imagined the regional future by inventing the "Indo-Pacific" as well as the Quadrilateral security forum, and built a strong strategic partnership with India. What makes the assassination even more shocking has been the traditionally tranquil ethos of Japan that has largely been alien to the gun culture and political violence that has rocked other Asian and western societies. Abe, who had two stints at the helm during 2006-07 and 2012-20, was the longest serving prime minister since the Second World War in a country that saw a frequent turnover of the top leadership. Abe will be remembered not just for the length of time he served as prime minister. He will be recalled for his bold leadership that actively sought to shake Japan out of its post-War political passivity and turn it into a "normal nation" ready to pursue its national interests unapologetically and reclaim regional leadership.

After the Second World War, Japan focused on keeping its head down, rebuilding its shattered economy, and atoning for the nation's sins in the imperial era. Since the end of the Cold War, there have been mounting pressures on Japan — which had become the world's second largest economy — to take a larger responsibility for shaping Asian and global affairs. While most leaders ducked that call, Abe stepped out boldly to reboot Japan's role. Losing second place in the global economic hierarchy to China in 2010 and Beijing's growing political clout convinced Abe to radically rethink Japan's policies. Although he could not revise the terms of the post-War "peace constitution" that severely crimped Japan's regional military role, Abe took a number of steps to modernise its national security establishment, widened the set of military actions that Japan's self-defence forces could undertake, strengthened the military alliance with the US, and created the basis for stronger security cooperation with other Asian nations like Australia and India.

In Japan's traditional political imagination, Asia largely meant "East Asia". In a dramatic reframing of Japan's geopolitics, Abe articulated the idea of the "Indo-Pacific" in his address to the Indian Parliament in August 2007 and also called for the creation of a coalition of Asian democracies. When he returned to power in 2012, Abe took the lead in convincing the US, India and others in the region to adopt the Indo-Pacific construct and develop the Quad into a vehicle to promote regional peace and security. Abe inherited a special affinity for India from his maternal grandfather Nobusuke Kishi who served as Japan's Prime Minister during 1957-60. Kishi had sought to build a special partnership with Nehru's India, but bilateral relations steadily lost political vigour after the 1960s. Abe moved Japan-India ties away from a narrow financial assistance paradigm to developing a vision for shared leadership in the vast Indo-Pacific region stretching from the South China Sea to the Suez and the east coast of Africa. It is a legacy that the Indian political class will not forget for a long time.



NATIONAL

STRAINS ON INDIA-RUSSIA DEFENCE COOPERATION

The story so far: As the war in Ukraine stretches over four months with no end in sight, it has given rise to apprehensions on Russia's ability to adhere to timely deliveries of spares and hardware.

What is the status of India-Russia defence cooperation?

When the war began in February, top officers stated that the Indian armed forces have stocks of spares and supplies for eight to ten months and the expectation was that the war would end quickly. However, as it stretches on with no clear endgame, there are apprehensions on Russia's ability to adhere to the timelines for both spares as well as new deliveries.

Responding to questions on this issue in early May, Army Chief Manoj Pande acknowledged the Army's dependency on certain weapon systems specially in the area of air defence, rockets, missiles and certain tanks from Russia and Ukraine and said that as far as the immediate impact was concerned "the supply chain of certain spares and ammunition has got impacted to some extent, but we have adequate stocks to last for a reasonable period of time." He added that they are also looking at certain alternative mitigation measures and identifying alternate sources from friendly foreign countries while in the long term, this is also an opportunity for the private industry to step up production and meet the requirements.

The Defence Ministry and Services have carried out assessments on the possible impact on timely deliveries due to Western sanctions on Russia. Officials have stated that while some timeline lapses and shipping delays were possible, there would not be any dent on the Army's operational preparedness along the borders especially the Line of Actual Control.

In addition, the armed forces have also made significant emergency procurements in the last two years since the standoff in Eastern Ladakh and have stocked up on spares and ammunition. Therefore, there shouldn't be any immediate urgency for spares and other requirements, officials noted. Russia has assured India that it would adhere to delivery timelines. However, as the war stretches on there are apprehensions that it could have an impact as the Russian industry would be caught up in replenishing the inventories of their own armed forces.

What is the status of payments?

With Russia being shut out of the global SWIFT system for money transfers, India and Russia have agreed to conduct payments through the Rupee-Rouble arrangement. With several big ticket deals including the S-400 under implementation, there are large volume of payments to be made.

The Central banks of the two countries had extensively discussed this issue, and officials recently said that small payments have been resumed and work is on to resolve larger payments. For the two countries, payments by the Rupee-Rouble arrangement is not new.

For instance, for the S-400 air defence systems signed in October 2018, with the looming threat of U.S. sanctions under CAATSA (Countering America's Adversaries Through Sanctions Act), the two sides had worked out payments through the Rupee-Rouble exchange. In fact, the delivery schedule got slightly delayed as the payment was tied up. However, at that time Russia was within the SWIFT system.



While India continues to remain Russia's largest arms buyer with a major chunk of legacy hardware from Russia and the Soviet Union, the volume of imports has reduced in the last decade.

SEXUAL RELATIONSHIP BETWEEN TWO WILLING ADULTS CANNOT BE RAPE UNDER SECTION 376: KERALA HIGH COURT

The Kerala High Court Friday observed that a sexual relationship between two willing adult partners will not amount to rape coming within the purview of section 376 of the IPC, unless the consent for sex was obtained by a fraudulent act or misrepresentation.

The bench of Justice Bechu Kurian Thomas made the observation while granting bail to advocate Navaneeth N Nath, 29, who was arrested last month alleging that he had raped a woman lawyer at various places after promising to marry her and thereafter backed out from the promise and decided to marry another woman.

The prosecution alleged that on coming to know about the proposed marriage, the victim attempted to commit suicide. Nath is a standing counsel of the Central Government in the High Court. The lawyer was arrested under sections 376(2)(n) and 313 of IPC on June 23.

The court said, "Even if a sexual relationship between two willing partners does not culminate in marriage, still the same will not amount to rape, in the absence of any factor that vitiates the consent for sex. A subsequent refusal to marry or a failure to lead the relationship into a marriage are not factors that are sufficient to constitute rape even if the partners had indulged in a physical relationship.

The court further stated that the sexual relationship between a man and a woman can amount to rape only if it was against her will or without her consent or when consent was obtained by force or fraud'.

The Bench, however, explained that the consent for sex obtained by a promise to marry will amount to rape "only when the promise was given in bad faith or is vitiated by fraud or was not intended to be adhered to at the time of making it".

"In order to convert a physical relationship between a man and a woman into rape due to the failure to abide by the promise of marriage, it is essential that the decision of the woman to engage in the sexual act must be based on the promise of marriage. To establish a false promise, the maker of the promise should have had no intention to uphold his word at the time of making it and the said promise should have induced the woman to submit herself to the physical relationship. There must be a direct nexus between the physical union and the promise of marriage," said the judge.

It was further submitted that the petitioner had induced the victim into a physical relationship and after promising to marry her, continued the heinous crime for the past four years.

HANDCUFFING, A JUDICIAL TAP, AND THE LONG ARM OF THE LAW

Recently, the Karnataka High Court passed a verdict on handcuffing, which is significant. In Suprit Ishwar Divate vs The State of Karnataka, while awarding two lakh rupees as compensation for handcuffing an accused, without recording the reasons in the police case diary, it gave liberty to the state to recover the amount from the delinquent police officer.



Principles of handcuffing

The High Court held that an accused, in normal circumstances, need not be handcuffed on arrest. It is only under exceptional circumstances (such as the possibility of escape and/or the possibility of causing harm to himself or others), that handcuffing an accused can be resorted to. Further, when there is such handcuffing, the arresting officer must record the reasons, which then would have to stand judicial/court scrutiny. The petitioner in this case was a law student against whom five criminal cases had been filed for offences under the Negotiable Instruments Act, 1881 for the dishonour of cheques. He had been arrested in furtherance of a non-bailable warrant issued by a magistrate.

There can be three occasions when a person can be (legally) handcuffed, i.e., an accused on his arrest and before he is produced before the magistrate; an under-trial prisoner during transit from jail to the court and back; and a convict being transported from jail to the court and back. The law with regard to handcuffing was settled in 1980 when the Supreme Court of India, in *Prem Shankar Shukla vs Delhi Administration*, held that 'the only circumstance which validates incapacitation by irons — an extreme measure — is that otherwise there is no other reasonable way of preventing his escape'. It said that where an arrestee or a convict can be prevented from escape by increasing security, such an increase is to be a norm rather than handcuffing.

On compensation

The Court mandated that in case of handcuffing, the reasons for this have to be recorded in writing and it is the duty of the court to make inquiries with the person arrested as to whether he had been handcuffed or not and then approve or reject the reasons. The Supreme Court passed similar directives in another case with regard to under-trial prisoners. Thus, irrespective of whether the person to be handcuffed is an accused or an under-trial prisoner or a convict, the principles governing handcuffing remain the same. However, if such a person is under the judicial custody of the court, the court's permission is required for handcuffing except under emergent circumstances.

The next point is about who should pay compensation. It is an established principle that the relief of monetary compensation for an 'established infringement of the fundamental right guaranteed under Article 21 of the Constitution is a remedy available in public law, which is based on the strict liability for contravention of the guaranteed basic and indefeasible rights of the citizens'. The constitutional courts are empowered to grant such relief 'against the state or its servants in the purported exercise of their powers'. So, who should pay such compensation?

In *State of Maharashtra vs Ravikant S. Patil* (1991), when there were allegations of handcuffing and the parading of an under-trial prisoner of murder on the streets, the Bombay High Court held the Inspector of Police responsible for violation of Article 21, ordering him to pay ₹10,000 as compensation. However, the Supreme Court (though it upheld the judgment of the High Court directing compensation) held that the police officer was not personally liable as he had acted in his official capacity.

The top court modified the order to that extent and directed the state (and not the police inspector) to pay the compensation. Therefore, the judgment of the Karnataka High Court (discussed above) as far as payment of compensation by the police officer is concerned, does not appear to be in sync with the ratio of the Supreme Court judgment. The police officer might have failed to implement the court's directives, but he was not acting in his personal capacity.



Possible solutions

However, the High Court rightly said that it is the state's responsibility to equip all police stations with adequate and necessary police personnel to discharge their obligations. Therefore, in absence of the required infrastructure, the blame of non-compliance cannot be shifted only to the police officer.

It is undisputed that a police station or a reserve police line is often unable to provide sufficient escort to jail authorities in the transportation of under-trial prisoners to court, the reasons being a lack of manpower or urgent law-and-order duties. It may also become difficult at times to predict the conduct of an arrestee on the spot.

A National Crime Records Bureau publication (Ministry of Home Affairs) on 'Crime in India- 2020' shows that 810 cases of prisoner escape from police custody (against 931) were reported in the year 2020. No less than 117 cases were registered against negligent police officers as well. These numbers may not be very high, but are sufficient to substantiate the fact that the use of handcuffs is generally done to prevent escape and not to dehumanise criminals.

Nonetheless, if any malice is found behind the use of handcuffs, it needs to be dealt with strongly by the department. Similarly, there cannot be a justifiable excuse for not mentioning the reasons for handcuffing in the case diary.

The Supreme Court, in the Ravikant S. Patil (supra) case, had rightly said that the authorities concerned may, if they think it necessary, hold an inquiry and then decide on action against the police inspector. Therefore, the right approach would be to initiate disciplinary action against the errant officer under service conduct rules, rather than to order the payment of compensation.

It would also be appropriate for State governments to review the mobility of the police, the requirement of additional manpower and technical gadgets (such as body cameras, as recommended by the Karnataka High Court) periodically, and exempt at least the police department from the ban on recruitment. Per contra, the enforcement agencies and lower courts are duty bound to implement, in letter and spirit, the Supreme Court's directives on handcuffing.

TECHNOLOGY IS NO PANACEA FOR CUSTODIAL DEATHS

India has a grim record in police brutality and custodial violence. Between 2001 and 2018, 1,727 persons died in police custody, but only 26 policemen were convicted for such deaths. The recent spate of custodial deaths in Tamil Nadu has yet again highlighted the methods used by the police during interrogation. It is not uncommon knowledge that the police, when they grow increasingly frustrated with the trajectory of their interrogation, sometimes resort to torture and violence which could lead to the death of the suspect. Custodial deaths are common despite enormous time and money being spent on training police personnel to embrace scientific methods of investigation. This is because police personnel are humans from different backgrounds and with different perspectives.

Use of technology

Given the problem of custodial deaths, technology has been proposed as a silver bullet by many. Several technological solutions are available to help prevent custodial deaths. These include body cameras and automated external defibrillators. There is no doubt that technology can help avert police custodial deaths. For example, body cameras could hold officers liable. Deception detection



tests (DDTs), which deploy technologies such as polygraph, narco-analysis and brain mapping, could be valuable in learning information that is known only to a criminal regarding a crime.

Among the DDTs, the Brain Fingerprinting System (BFS) is an innovative technology that several police forces contemplate adding to their investigative tools. BFS has proved helpful for solving crimes, identifying perpetrators, and exonerating innocent suspects. Laboratory and field tests for the BFS at the Federal Bureau of Investigation, the Central Intelligence Agency, and U.S. Navy demonstrated no errors and no false positives and false negatives. The technique helps investigative agencies uncover clues in complicated cases. In June 2008, India convicted an accused leaning on evidence from a BFS device. In 2010, the Supreme Court, in *Selvi v. State of Karnataka*, rendered the evidence inadmissible. The court observed that the state could not perform narco analysis, polygraph, and brain-mapping tests on any individual without their consent. With informed consent, however, any information or material discovered during the BFS tests can be part of the evidence. As the BFS is high-end technology, it is expensive and unavailable in several States.

Police departments are increasingly using robots for surveillance and bomb detection. Many departments now want robotic interrogators for interrogating suspects. Many experts today believe that robots can meet or exceed the capabilities of the human interrogator, partially because humans are inclined to respond to robots in ways that they do to humans. From his studies, human-computer interaction (HCI) researcher Joseph Weizenbaum concluded that suspects might be more receptive to opening up to automated conversational counterparts than the police.

Robots equipped with AI and sensor technology can build a rapport with the suspects, utilise persuasive techniques like flattery, shame and coercion, and strategically use body language. Researchers at the University of Arizona have created automated interrogation technology called The Automated Virtual Agent for Truth Assessments in Real-Time (AVATAR). The Canadian Border Services Agency tested AVATAR last year. The HCI system uses visual, auditory, near-infrared and other sensors to scrutinise a suspect's eye movements, voice, and other qualities throughout an interaction. The aggregation of information and its analysis by the system have been highly accurate.

Artificial Intelligence (AI) and Machine Learning (ML) are emerging as tool of interrogations. AI can detect human emotions and predict behaviour. Therefore, these are also options. ML can in real-time alert superiors when police are meting out inhumane treatment to suspects.

Valid concerns

There is a lot of concern about AI or robot interrogations, both legally and ethically. There exists the risk of bias, the peril of automated interrogation tactics, the threat of ML algorithms targeting individuals and communities, and the hazard of its misuse for surveillance. Therefore, while the technology available to the police and law-enforcement agencies is constantly improving, it is a restricted tool that can't eradicate custodial deaths. While it might provide comfort and transparency, it can never address the underlying issues that lead to these situations.

What we need is the formulation of a multi-pronged strategy by the decision-makers encompassing legal enactments, technology, accountability, training and community relations. The Law Commission of India's proposition in 2003 to change the Evidence Act to place the onus of proof on the police for not having tortured suspects is important in this regard. Besides, stringent action must be taken against personnel who breach the commandments issued by the



apex court in *D.K. Basu v. State of West Bengal* (1997). The draft bill on the Prevention of Torture, 2017, which has not seen the day, needs to be revived. Technology may make policing more convenient, but it can never be an alternative for compassionate policing established on trust between the police and the citizens.

THE FUNCTIONING OF THE NATIONAL INVESTIGATION AGENCY

The story so far: The National Investigation Agency (NIA) has taken over the probe into the June 28 killing of tailor Kanhaiyya Lal (48) in Rajasthan's Udaipur over a social media post supporting suspended Bharatiya Janata Party (BJP) leader Nupur Sharma. Now, the Union Home Ministry has handed over to the agency the investigation of a similarly executed murder of pharmacist Umesh Kolhe (54) at Amravati in Maharashtra on June 21.

What is the NIA?

It is a central agency mandated to investigate all the offences affecting the sovereignty, security and integrity of India, friendly relations with foreign states, and the offences under the statutory laws enacted to implement international treaties, agreements, conventions and resolutions of the United Nations, its agencies and other international organisations. These include terror acts and their possible links with crimes like smuggling of arms, drugs and fake Indian currency and infiltration from across the borders. The agency has the power to search, seize, arrest and prosecute those involved in such offences.

Headquartered in Delhi, the NIA has its branches in Hyderabad, Guwahati, Kochi, Lucknow, Mumbai, Kolkata, Raipur, Jammu, Chandigarh, Ranchi, Chennai, Imphal, Bengaluru and Patna.

When did the NIA come into being?

In the wake of the 26/11 Mumbai terror attack in November 2008, which shocked the entire world, the then United Progressive Alliance government decided to establish the NIA. In December 2008, former Union Home Minister P. Chidambaram introduced the National Investigation Agency Bill.

The Home Minister had then said the agency would deal with only eight laws mentioned in the schedule and that a balance had been struck between the right of the State and duties of the Central government to investigate the more important cases. The Bill was passed by the Lok Sabha and the Rajya Sabha.

The agency came into existence on December 31, 2008, and started its functioning in 2009.

Till date, the NIA has registered 447 cases.

What are the scheduled offences?

The list includes the Explosive Substances Act, Atomic Energy Act, Unlawful Activities (Prevention) Act, Anti-Hijacking Act, Suppression of Unlawful Acts against Safety of Civil Aviation Act, SAARC Convention (Suppression of Terrorism) Act, Suppression of Unlawful Acts Against Safety of Maritime Navigation and Fixed Platforms on Continental Shelf Act, Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act and relevant offences under the Indian Penal Code, Arms Act and the Information Technology Act.



In September 2020, the Centre empowered the NIA to also probe offences under the Narcotic Drugs and Psychotropic Substances Act that are connected to terror cases.

How wide is NIA's jurisdiction?

The law under which the agency operates extends to the whole of India and also applies to Indian citizens outside the country; persons in the service of the government wherever they are posted; persons on ships and aircraft registered in India wherever they may be; persons who commit a scheduled offence beyond India against the Indian citizen or affecting the interest of India.

How does the NIA take up a probe?

As provided under Section 6 of the Act, State governments can refer the cases pertaining to the scheduled offences registered at any police station to the Central government (Union Home Ministry) for NIA investigation. After assessing the details made available, the Centre can then direct the agency to take over the case. State governments are required to extend all assistance to the NIA. Even when the Central government is of the opinion that a scheduled offence has been committed which is required to be investigated under the Act, it may, suo motu, direct the agency to take up/over the probe.

Where the Central government finds that a scheduled offence has been committed at any place outside India to which this Act extends, it can also direct the NIA to register the case and take up investigation. While investigating any scheduled offence, the agency can also investigate any other offence which the accused is alleged to have committed if the offence is connected to the scheduled offence.

NUPUR SHARMA HEARING JUDGE SLAMS SOCIAL MEDIA OPINIONS, SAYS PARLIAMENT SHOULD REGULATE

Amid criticism on social media of the Supreme Court's oral remarks in the case of suspended BJP spokesperson Nupur Sharma this week, one of the judges who was part of the Bench has expressed concern over the use of digital and social media for "expressing personalised opinions" against judges, and called for mandatory regulation of such media to "preserve the rule of law" in the country.

"Social and digital media is nowadays primarily resorted to expressing personalised opinions more against the judges per se rather than a constructive critical appraisal of their judgments.

This is what is harming the judicial institution and lowering its dignity," Justice J B Pardiwala said on Saturday.

"Constitutional courts have always graciously accepted informed dissents and constructive criticisms", Justice Pardiwala said, "but their thresholds have always debarred the personalised, agenda-driven attacks on the judges".

"This is where digital and social media needs to be mandatorily regulated in the country to preserve the rule of law under our Constitution," he said.

The vacation Bench of Justice Surya Kant and Justice Pardiwala had lashed out against Sharma on Friday for her remarks on the Prophet, saying she had a "loose tongue", and was "single-handedly responsible for what is happening in the country", including in Udaipur.



Justice Pardiwala was speaking on the topic 'Vox Populi vs Rule of Law: Supreme Court of India' at the second Justice H R Khanna Memorial National Symposium organised by Dr Ram Manohar Lohia National Law University, Lucknow, and National Law University, Odisha, along with the Confederation of Alumni for National Law Universities (CAN Foundation).

"A trial is essentially a process to be carried out by the courts," Justice Pardiwala said. "However, in the modern day context, trials by digital media are an undue interference in the process of justice dispensation, crossing that Lakshman Rekha many a times."

This was "especially worrisome when that section of people starts scrutinising the judicial process, it presents only the half truth", he said. "Those for whom the concepts of judicial discipline, binding precedents and inherent limitations of judicial discretion are elusive, this section of people, the half-truth knowledgeable, are a real challenge to the dispensation of justice through the rule of law."

The "attacks attempted at judges for their judgments lead to a dangerous scenario wherein judges will have to pay greater attention to what the media thinks rather than what the law actually mandates," Justice Pardiwala said. "This puts the rule of law on the burner ignoring the sanctity of the respect for the courts".

HATE CRIME, PUNISHMENT

India's laws on freedom of expression are clear about the reasonableness of the right to exercise it. But hate speech, directed at communities and intended to fan communal hatred, is not clearly defined in the law. However, there are provisions in the law that can be interpreted as allowing for criminalising offences that are related to hate speech, in particular those that are likely to incite violence. There have been rightful demands, including from the Law Commission of India, to add specific provisions in the Indian Penal Code to tackle hate speech. It is imperative that lawmakers work on doing so, especially in the age of online media and messaging, where hate speech incidents have burgeoned into an even more significant problem. That said, there is no justification for any form of hate speech to be countered with violence. As the adage goes, sticks and stones may break bones, but words will not. There must be zero tolerance for violence. The incident in Amravati, Maharashtra, where a chemist, Umesh Kolhe, was knifed to death allegedly by three men in retaliation for his sharing a post in support of former Bharatiya Janata Party (BJP) spokesperson Nupur Sharma's comments on the Prophet was on the same lines as the dastardly murder of a tailor, Kanhaiya Lal, in Udaipur a week ago. In both cases, suspects who were incensed by the remarks took to violence as a counter to what they perceived as an insult to their religion. The two cases are being probed by the National Investigation Agency. The culprits, those involved in the planning and execution of these murders, must be brought to book and accorded strict punishment for their crimes.

Even as these hate crimes are investigated, it is imperative on the part of the Union and the State governments to quickly reassure citizens on the need for communal amity and that the purveyors of hate speech and those indulging in violence in retaliation will be prosecuted. Justice and the application of the rule of law should not only be seen to be done, but needs to be applied in a fair manner without prejudice for or against specific communities. The Union and State governments should not adopt repressive measures by using enforcement authorities to inflict collective punishment on communities for individual acts of transgression. Political parties of all hues, but especially those in power, must refrain from fanning communal hatred. The unevenness of government actions has resulted in disenchantment among Muslims; the actions of a few



criminals among the community have endangered others. It is unmistakable that the developing quagmire is related to the casual bigotry and the callousness of those who were in responsible positions in the BJP. Governments must reorient themselves to the rule of law and to strict adherence to constitutional values as the secular fabric of the country must be preserved at all costs.

FILMMAKER BOOKED FOR ALLEGED INSULT TO DEITY

The Delhi Police's Intelligence Fusion and Strategic Operations (IFSO) unit has lodged a case against documentary filmmaker Leena Manimekhalai for allegedly posting a "derogatory" image of a Hindu deity on her Twitter handle and "promoting enmity between different groups on grounds of religion".

The police said Ms. Manimekhalai, while sharing the news about the launch of her new documentary film Kaali, wrote on June 2: "Super thrilled to share the launch of my recent film - today at @AgaKhanMuseum as part of its "Rhythms of Canada."

A senior police officer said the content promoted enmity between different groups on the grounds of religion, race and so on and was prejudicial to the maintenance of harmony and was likely to disturb public tranquillity. "Such types of posts are likely to cause hindrance in the normalcy process after the disturbances in certain parts of India," the officer said.

The police also added that from the contents of the complaint and the alleged post, prima facie an offence under the Section of the Indian Penal Code pertaining to promoting enmity between different groups on grounds of religion and deliberate and malicious acts, intended to outrage religious feelings of any class by insulting its religion or religious beliefs, has been registered.

Assistant Commissioner of Police (Headquarters) Aman Yadav said the complaint was forwarded to the Cyber Cell of the Gurugram Police for action.

Trinamool stand

Meanwhile, the Trinamool Congress distanced itself from the remarks made by MP Mahua Moitra on Goddess Kali.

The comments and her views expressed on Goddess Kali have been made in her personal capacity and are not endorsed by the party in any form, the party said in a statement on social media.

MAN WRAPS FOOD IN PAPER WITH HINDU GODS; ARRESTED

The Uttar Pradesh police have arrested an eatery owner for allegedly wrapping food items in old newspapers with images of Hindu gods and goddesses. The family of the accused has, however, denied the charge.

"We had received complaints from locals that Talib Hussain was wrapping chicken and other non-vegetarian food items in newspapers with photos of Hindu gods and goddesses," said Sambhal Circle Officer Jitendra Kumar. "As it is a sensitive matter and can hurt the religious feeling of a community, we lodged an FIR under relevant sections and sent a team to investigate and collect evidence. The team found newspapers with images of gods being used to pack food items."



Attacked police

On why Section 307 of IPC has been invoked in the FIR, Mr. Kumar told The Hindu that Hussain attacked the police team with a knife when it entered the premises.

Apart from the attempt to murder, the Sambhal police have also invoked Sections 153A and 295A of the IPC against Mr. Hussain. "It is a serious matter. People should be sensitive towards each other's faith," added Mr. Kumar.

A member of Hussain's family told local media that the complaint was lodged at the instigation of Hindutva groups.

"We have been running the shop for the last 20 years, and packing food in old newspapers is a usual practice." Hussain's lawyer Danish described the charges as baseless.

Vijay Sharma, district president of the Congress, said Hussain and his restaurant are fairly popular in the city. "It is highly unlikely that a person like him would attack a police team," he said.

CONVENIENT LIES

Congress leader Rahul Gandhi's comments about SFI activists, where he forgave those who had vandalised his office in his Lok Sabha constituency, Wayanad in Kerala, were an act of sagacity that is rare. In a disturbing, but recurring sign of the toxicity that pervades the country's public space, his comments were presented by a TV channel as condoning the Islamist bigots in Udaipur who ruthlessly killed a man they suspected of supporting blasphemy. The channel and the anchor in question issued an apology, but only after the malicious act blew up as an indefensible scandal. BJP leader and former Union Minister — for Information and Broadcasting, no less — Rajyavardhan Singh Rathore, and some other party leaders who shared the same doctored video on social media did not feel any compulsion to retract their endorsement of the fake news. The doctored video clip, flagged 'out of context' by Twitter, remains on their timelines. Mr. Gandhi could be seen and heard as saying that it was children who did that, and while it was a mistake, the issue could be put to rest. The malicious misrepresentation of these words by the news channel and the BJP leaders is an extremely irresponsible act in a country that is deeply polarised. The Congress wrote to BJP President J.P. Nadda to take action against these leaders for spreading fake news, and get the doctored video removed. The BJP has not responded.

The police in Chhattisgarh, a State that is under Congress rule, have registered an FIR on the fake news video and complaints have been filed in other States as well. A police team from the State was prevented by the police in Uttar Pradesh — a BJP-ruled State — from taking the accused TV anchor into custody, adding yet another layer to the controversy. The BJP claims to be a party with a strong leadership that is serious about internal discipline. If its leaders are not expected to talk out of line from the official position of the party, the question that begs an answer is whether Mr. Rathore is acting in accordance with it. If his position is not the BJP's position, the party must immediately clarify that and consider action against Mr. Rathore and other leaders who are brazenly spreading misinformation that could ignite more violence. The fact is that communally provocative statements are an easy route to popularity in the BJP ecosystem, and the party is either helpless or has no capacity to contain the malaise. By scripting an outright lie, the channel and the anchor further exposed the deep crisis of journalism in the country; as the ruling party at the Centre, the BJP must distance itself from Mr. Rathore's act.



THE MAN WHO CHASED FACTS

“They cannot file a complaint against me for writing a story because we have facts with us in our stories,” Mohammed Zubair, the co-founder of fact-check website Alt News, said in an interview in October 2021. “They cannot attack us on the story that we’ve written, so they are looking to attack me for any other unrelated tweet.” A Twitter sensation with over half-a-million followers, Mr. Zubair was both loved and loathed on the social networks. While many applauded the efforts by Alt News, the website he co-founded with Pratik Sinha, to debunk disinformation and misinformation campaigns, his critics, mainly those in the right-wing online ecosystem, have repeatedly targeted him.

On June 27, the 39-year-old journalist was arrested by the Delhi Police, based on a complaint from an anonymous Twitter handle that alleged that Mr. Zubair hurt religious sentiments over a tweet he sent out four years ago and that he should be prosecuted for the same. The tweet was of an image from a 40-year-old film. The FIR lodged by the Delhi Police, which works under the Union Ministry of Home Affairs (MHA), initially invoked Sections 153-A (promoting enmity between different groups) and 295-A (malicious acts, intended to outrage religious feelings) of the Indian Penal Code. Subsequently, on July 2, additional charges, including criminal conspiracy and destruction of evidence, along with Section 35 of the FCRA, or the Foreign Contribution (Regulation) Act, were applied.

Rise to prominence

A computer engineer-turned-journalist, Mr. Zubair, who had earlier worked with Nokia, joined hands with Mr. Sinha, also a former software engineer, to launch Alt News in 2017.

Within no time, the website rose to prominence for its diligent work, at a time when fake news was being spread on digital platforms like wildfire. They have compiled a list of more than 40 fake news sources on various social media platforms, and repeatedly called out disinformation campaigns and fake reports. Recently, Mr. Sinha and Mr. Zubair were named by the Peace Research Institute of Oslo in its yearly shortlist for the Nobel Peace Prize.

This is not the first time Mr. Zubair is facing legal cases. In 2020, two FIRs were lodged against him — one in New Delhi and the other in Chhattisgarh — under the Protection of Children from Sexual Offences Act for alleged “online harassment and torture” of a minor girl.

In June 2022, before his arrest by the Delhi Police, he was named in an FIR lodged in Uttar Pradesh for allegedly hurting religious sentiments by calling Hindu religious figures Mahant Bajrang Muni, Yati Narsinghanand and Swami Anand Swarup “hatemongers” on Twitter after their inflammatory speeches, openly calling for violence against Muslims. Angry with his work, right-wing elements have often called him an “Islamist” and a “jihadist”, while demanding legal action against him and Alt News. His arrest came after he highlighted the controversial comments made by Nupur Sharma, now suspended from the BJP, that caused international embarrassment to the government.

After the Nupur Sharma controversy, Mr. Zubair had told media that the threats against him and his family had increased and this time the threats looked “serious and real”. Hashtags such as #ArrestZubair” started trending on Twitter. A day after his arrest, Mr. Zubair gave a statement, saying he was being targeted for his “name and his profession”. His lawyer Vrinda Grover, while



arguing for his bail, submitted that “many had tweeted the same; the only difference between those handles and mine is my faith, my name and my profession”.

The arrest has triggered sharp responses from both within and outside the country. Stephane Dujarric, a spokesman for the UN Secretary-General, said, while responding to Mr. Zubair’s arrest, “it is very important that people be allowed to express themselves freely, journalists be allowed to express themselves freely and without the threat of any harassment.”

Mr. Zubair is still in jail. But Mr. Sinha says the arrest would not have any impact on the journalism Alt News does. “We at @AltNews will continue to fight misinformation, disinformation and hate speech, and keep holding people and organisations accountable, and nothing can stop that,” he tweeted on June 28.

RAZORPAY HANDED OVER DONOR DATA WITHOUT TELLING US, SAYS ALT NEWS

Razorpay payments gateway “handed over Alt News donor data to the police” without informing them or without even a preliminary investigation of any violation, the fact-checking website said in a statement on Tuesday. This prompted several of its donors to raise concerns on social media about the privacy of their data.

This came a day after it was revealed that the payments gateway had blocked donations to Alt News on their platform for a day upon receiving “certain preliminary reports” from law enforcement authorities.

All donors are required to mandatorily share their Permanent Account Number (PAN), address, phone number, email, and Indian citizenship status before donating.

Responding to Alt News, Razorpay said while they “strive to ensure transactions on the platforms are safe”, they are also “fully abiding and compliant” with Indian laws and while continuing “to hold the highest standard of data security, defend our customers at all times”. The payments gateway said they had shared the information sought by the police during its probe against Alt News co-founder Mohammed Zubair in response to a notice under Section 91 of the Code of Criminal Procedure as it is mandated to.

The payments gateway “temporarily deactivated” the website’s account for around a day “as a safety precaution, while the investigation was ongoing” and restored it on Monday evening after “clarity on the issue from the authorities”, a spokesperson had said.

‘Exploring alternatives’

On Tuesday afternoon, Alt News said, “It has not been specified by them as to what this ‘clarity’ is. However, if Razorpay had indeed found that we had violated their terms of services, they wouldn’t have re-enabled our account.”

Alt News said they are still looking for other gateways to shift to and will be accepting donations through Razorpay till that time. It also reiterated that “only Indian bank accounts” can donate to Alt News and foreign credit cards “were never enabled in the Razorpay backend”.



WHY TWITTER HAS MOVED COURT AGAINST GOVT'S CONTENT-BLOCKING ORDERS

In its latest faceoff with the Ministry of Electronics & Information Technology (MeitY), Twitter has initiated legal action against some of the government missives ordering it to take down certain content posted on the microblogging site, according to sources in know of the matter.

Alleging disproportionate use of power by officials, the social media company moved the Karnataka High Court Tuesday against the Ministry's content-blocking orders issued under Section 69 (A) of the Information Technology Act, 2000. Last month, the IT Ministry had written to Twitter, asking it to comply with its orders by July 4 or lose its safe harbour protection under the intermediary rules.

What is Section 69 (A) of the Information Technology Act?

Section 69 (A) of the IT Act, 2000 allows the Centre to issue blocking orders to social media intermediaries "in the interest of sovereignty and integrity of India, defence of India, security of the state, friendly relations with foreign states or public order or for preventing incitement to the commission of any cognisable offence relating to above".

As per rules that govern these blocking orders, any request made by the government is sent to a review committee, which then issues these directions. Blocking orders issued under Section 69 (A) of the IT Act are typically confidential in nature.

Why has Twitter filed the lawsuit?

It is learnt that in its filing, Twitter has claimed that many of the blocking orders are procedurally and substantively deficient under Section 69 (A) of the Act. This includes aspects such as not giving prior notice to users before taking down content posted by them. According to another source, the company alleged that MeitY has failed to demonstrate how some of the content it wants taken down falls under the purview of Section 69 (A).

In several cases, Twitter has claimed that the basis on which multiple accounts and posts have been flagged by the Ministry are either "overbroad and arbitrary" or "disproportionate".

According to Twitter, some of the content flagged by the ministry may pertain to official accounts of political parties, blocking which could be violative of the right to free speech, a source said.

What were the events preceding the lawsuit?

Twitter's lawsuit against the Ministry comes days after MeitY had given the company "one last opportunity" to comply with its blocking orders.

In a missive issued late last month, the Ministry warned that if content flagged by it is not taken down by the microblogging platform, the company will risk losing its immunity as an intermediary. The Ministry had given Twitter time until July 4 to comply with its blocking orders.

The MeitY notice, addressed to Twitter's chief compliance officer, had said that while a designated officer of the Ministry has issued various directions for blocking certain pieces of content and accounts under Section 69 (A) of the IT Act, the company has "failed to comply with the directions on multiple occasions".



On June 26, Twitter submitted a list of over 80 accounts and tweets that it had blocked based on a request from the government in 2021. While the request from the government was to block multiple accounts and some tweets from the international advocacy group Freedom House, journalists, politicians and supporters of the farmers' protest, a senior official at MeitY said that the company was yet to comply with many take down notices.

How has the government reacted?

While the MeitY is yet to formally respond to Twitter's claims in the lawsuit, Rajeev Chandrasekhar, Minister of State for Electronics & Information Technology, in a an apparent reference to the case, said in a Twitter post, "In India, all including foreign Internet intermediaries/platforms have right to court and judicial review. But equally ALL intermediary/platforms operating here, have unambiguous obligation to comply with our laws and rules."

Speaking to media persons at the Entrepreneurship Development Institute of India in Gandhinagar, Ashwini Vaishnaw, Union Minister for Railways, Communications and Electronics & Information Technology, said countries across the world, including India, are moving towards making social media accountable.

"Social media is a powerful medium. It has a lot of influence in our lives today. Its accountability is a valid question across the world. Countries and societies across the world are moving in the direction to make social media accountable," he said.

What is Twitter's track record on complying with government orders?

According to Twitter's latest global transparency report, between January and June 2021, India accounted for the fourth highest number of legal content takedown requests to the company. In this particular reporting timeframe, Twitter received 43,387 legal demands to remove content specifying 196,878 accounts, of which India accounted for 11 per cent of global legal demands.

In the same period, Twitter saw a 1,060 per cent increase in blocking accounts, and said that the "spike in accounts withheld was particularly the result of Twitter's compliance of an Indian blocking order issued under India's Information Technology Act, 2000".

WHO ARE PASMANDA MUSLIMS, FOCUS OF BJP OUTREACH?

Prime Minister Narendra Modi was reported to have asked the BJP national executive in Hyderabad last weekend to reach out to "deprived and downtrodden sections" in communities other than Hindus, which was understood to be a message to the party to focus on groups such as Pasmanda Muslims in Uttar Pradesh and Bihar.

The direction came after the BJP's victories in the Lok Sabha by-elections in Azamgarh and Rampur, where Muslims are an important part of the electorate. The party is also thought to have gained some Pasmanda votes in the 2022 Assembly elections, and Danish Azad Ansari, a Pasmanda leader, was subsequently inducted into the second Yogi Adityanath government.

Who are the Pasmanda Muslims?

A Persian word, 'Pasmanda', means the 'ones left behind', and is used to describe depressed classes among the Muslims, while underlining their deliberate or conscious exclusion. Pasmanda



has become an umbrella identity used by backward, Dalit, and tribal Muslims to push back against caste-based discrimination against them within the community.

“The term ‘Pasmada Muslims’ was first used in 1998 by Ali Anwar Ansari when he founded the Pasmada Muslim Mahaz,” Khalid Anis Ansari, associate professor of sociology at the School of Arts and Sciences, Azim Premji University, said.

Ali Anwar Ansari, a former Rajya Sabha MP and national president and founder of the All India Pasmada Muslim Mahaz, said: “Pasmadas include Dalits as of now, but all Pasmadas are not Dalits. Constitutionally speaking, we are all in one category — the OBCs. But going forward, we want Dalit Muslims to be recognised separately.”

Are Muslims divided along caste lines?

Muslim society in India consists of several status groups or biradaris that are broadly sorted in three categories: the Ashrafs (the ‘noble’ elite or the ‘honourable ones’), the Ajlafs (backward Muslims), and the Arzals (Dalit Muslims).

Ashrafs in India are Muslims who either claim to have a foreign pedigree — descendants of Muslims from Arabia, Persia, Turkey, Afghanistan (Syeds, Sheikhs, Mughals and Pathans,) — or who are upper-caste converts from Hinduism (Rajput, Gaur, Tyagi Muslims among others).

Ajlafs are middle-caste converts, who were into ritually “clean” occupations, while the Arzals — who were first recorded in the 1901 census — are from the lowest, “untouchable” castes like halalkhors, helas, lalbegis or bhangis (scavengers), dhobis (washermen), nais or hajjams (barbers), chiks (butchers), and faqirs (beggars).

The momins or julahas (weavers), darzi or idiris (tailors), rayeens or kunjaras (vegetable sellers) fall in the Ajlaf bracket.

While Islam does not mandate the creation of such groups, these caste categories are a lived reality for Muslims across the country.

“One can discern three groups among Muslims: (1) those without any social disabilities, the Ashrafs; (2) those equivalent to Hindu OBCs, the Ajlafs, and (3) those equivalent to Hindu SCs, the Arzals. Those who are referred to as Muslim OBCs combine (2) (Ajlafs) and (3) (Arzals),” the Rajinder Sachar Committee, formed in 2005 to study social, economic and educational condition of Indian Muslims, said in its report.

However, The Constitution (Scheduled Caste) Order, 1950, had restricted SC status to Hindus, keeping Dalits from other religions out of its ambit. The order was later amended (in 1956 and 1990) to include Sikhs and Buddhists.

The implementation of the report of the Mandal Commission brought the non-Ashrafs — Ajlafs and Arzals — under the OBC category.

The National Commission for Religious and Linguistic Minorities, known as the Justice Ranganath Mishra Commission, which submitted its report in May 2007, acknowledged that the caste system impacted all religious communities in India, including Muslims.



What is the demographic distribution of Pasmanda Muslims?

In the absence of a caste census, a clear estimate of the present-day numbers and demographic distribution of Pasmanda Muslims is not available. The Sachar Committee in its report put the number of OBC and SC/ST Muslims at 40% (all India 2004-05).

Pasmanda activists and scholars do not agree with this figure. Those shepherding the fight for the rights of Pasmandas say that they make up 80-85% of the total Muslim population in India. This broadly tallies with the 1871 census that said only 19% of Muslims in India were upper caste, while 81% were made up of the lower castes.

“Even the Ashraf and Pasmanda ideologues, despite their sharp differences, agree on the proportional distribution of the upper castes and lower caste Muslims. An 80/20 ratio is an accepted estimate. But during Partition a lot of migration of the Muslim elite happened, so those numbers could be 85/15 now,” Prof Anis Ansari said.

Ali Anwar Ansari also said that the 80/20 ratio is a ballpark estimate that is largely agreed within the community. On their demographic distribution, he said: “They are present across all states. They may exist under different names, but wherever there are Muslims, there are Pasmandas.”

What do Pasmanda Muslims want?

Pasmanda Muslims say that despite their overwhelming numerical strength within the community, they are under-represented in jobs, legislatures and government-run minority institutions, as well as community-run Muslim organisations.

The Pasmanda versus Ashraf divide stems from a feeling of being deliberately ignored amid the ruling elites’ focus on “Muslimness”. Pasmandas are also opposed to the demand for giving religion-based reservation to the entire Muslim population, arguing that it ignores unequal access to state resources within the community.

The major Pasmanda demands include conducting a caste census, restructuring of the existing reservation categories, and state support for artisans, craftspersons, and agricultural labourers, who are among the most impoverished groups in the community.

In a resolution passed by several Pasmanda outfits in the run-up to the 2014 Lok Sabha elections, it was demanded that Dalit Muslims be included in the SC list and the OBC quota be redesigned to create an Extremely Backward Castes (EBCs) category at the Centre and the state level to include the most backward Muslims along with Hindu EBCs.

As an example, the Pasmandas hold up the Bihar model, where a separate MBC category was carved out within the OBC list and most backward Muslim castes — 27 according to the Sachar committee — placed in that category.

“We want a nationwide caste census. Bihar MBC model should be implemented across the country. Also, Dalit Muslims should be taken into the SC category but after increasing the quota limit, so that it does not create any confrontation with Hindu Dalits,” Ali Anwar Ansari said.

“Haryana, Delhi, MP, Rajasthan and UP — these five states have Meo Muslims who should be included in the ST category,” Ali Anwar added.



Pasmanda leaders say that including Dalit Muslims in the SC/ST category will also give them a shield against religious targeting under the SC/ST (Prevention of Atrocities) Act.

In all their demands, the Pasmanda narrative focuses on caste and socio-economic backwardness rather than religious identity.

What is the history of the Pasmanda movement?

While the movement to ensure social justice for Pasmandas, and the recurrent use of the term, gathered pace in the post-Mandal era, its best known flag-bearers in the period before Independence were Abdul Qayyum Ansari and Maulana Ali Hussain Asim Bihari, both of whom belonged to the julaha (weaver) community.

Both these leaders opposed the communal politics being propagated at the time by the Muslim League, and challenged the League's claim to represent all Muslims.

"These leaders were the pillars of the movement... Their other contemporaries fighting a similar fight were Maulana Atiqur Rehman Arvi (of the mansoori community), and Mian Abdul Malik Tanapuri (of the rayeen community)," Ali Anwar Ansari said.

"The first-wave leaders of the Pasmanda movement were leading an anti-colonial, anti-Ashraf, and anti-Muslim League fight," Prof Anis Ansari said.

About when the movement actually began, Prof Anis Ansari said: "India has a history of caste associations across communities... Among Pasmanda Muslims, such caste associations started emerging from 1910 onwards. There were caste collectives of weavers (julahas), butchers (qureshis), cotton carders (mansooris), saifis, rayeens, etc. These were reformist in nature, but also acted like pressure groups led by upwardly mobile lower caste communities... These outfits manifested the new kinds of demands from within the Muslim community."

In the 1980s, the All India Muslim OBC Organisation (AIMOBCO) from Maharashtra started spearheading the fight for the rights of Pasmandas, and went on to enlist the unwavering support of Bollywood thespian Dilip Kumar, a Pathan.

The 1990s saw the rise of two outfits: the All-India Backward Muslim Morcha (AIBMM) set up by Dr Ejaz Ali, and the Pasmanda Muslim Mahaz founded by Ali Anwar. This marked the phase of getting small caste-based outfits among Muslims to close ranks. Several other outfits started to work for the uplift of Pasmanda Muslims across states.

"Ali Anwar's book 'Masawat Ki Jung' (Fight for Equality, published in 2000) was an event in itself. It played a pivotal role in expanding the ambit of the movement beyond reservations by focusing on culture, social reform and also the need to form a new identity," Prof Anis Ansari said.

Why is the BJP reaching out to Pasmanda Muslims?

The bid to woo Pasmandas comes as the party prepares to face the crucial 2024 general elections.

"The BJP is trying to expand its voter base as UP and Bihar are crucial for the party's 2024 fortunes. However, the party has been working actively with the Pasmanda Muslims since 2014. It was during the BJP's 2017 Odisha national executive that Prime Minister Narendra Modi mentioned the term Pasmanda Muslims clearly for the first time. During the Hyderabad conclave, he mentioned it on both the days, and largely in the context of UP and Bihar," Prof Anis Ansari said.



About what's different this time, he said: "This time it goes beyond the immediacy of the political or the electoral, and is a larger cultural shift. Now, the Sangh, instead of engaging Muslims through the Ashraf elite, is engaging with sections at the margins of Muslim society."

The Muslim Rashtriya Manch (MRM), an affiliate of the RSS, says Pasmanda Muslims are progressing within the BJP and its sister outfits in a "natural" way.

"We want Muslim women and Pasmandas to understand their rights, grow in strength to solve their own and the nation's problems... BJP may or may not benefit from this decision to focus on the welfare of the Pasmandas, but the country certainly will," Girish Juyal, national convener of the MRM, said.

"It works for the BJP, and it works for the middle-rung political workers... There are political workers in all communities. And these workers are interested in their political ambition, and whichever party is in a position to fulfill that, they will go there irrespective of their ideological beliefs," Prof Anis Ansari said.

"Pasmandas have been against communalism, but if Modi wants to help them, the government must look into their demands sincerely," Ali Anwar Ansari said.

SUB-CATEGORISING OBCS

On Wednesday, the Centre extended the tenure of The Commission to Examine Sub-categorisation of Other Backward Classes (OBCs) headed by Justice G Rohini, former Chief Justice of Delhi High Court. The Commission, constituted nearly five years ago, has got 10 extensions so far, and now has until January 31 next year to submit its report.

What is sub-categorisation of OBCs?

The idea is to create sub-categories within the larger group of OBCs for the purpose of reservation. OBCs are granted 27% reservation in jobs and education under the central government. This has been a legal debate for other reservation categories too: in September last year, a Constitution Bench of the Supreme Court reopened the debate on sub-categorisation of Scheduled Castes and Scheduled Tribes for reservations.

For OBCs, the debate arises out of the perception that only a few affluent communities among the over 2,600 included in the Central List of OBCs have secured a major part of the 27% reservation. The argument for creating sub-categories within OBCs is that it would ensure "equitable distribution" of representation among all OBC communities.

What is the Commission's brief?

It was originally set up with three terms of reference:

1. To examine the extent of inequitable distribution of benefits of reservation among the castes or communities included in the broad category of OBCs with reference to such classes included in the Central List.
2. To work out the mechanism, criteria, norms and parameters in a scientific approach for sub-categorisation within such OBCs.



3. To take up the exercise of identifying the respective castes or communities or sub-castes or synonyms in the Central List of OBCs and classifying them into their respective sub-categories. A fourth term of reference was added on January 22, 2020.

4. To study the various entries in the Central List of OBCs and recommend correction of any repetitions, ambiguities, inconsistencies and errors of spelling or transcription.

This was added following a letter to the government from the Commission on July 30, 2019, in which it flagged “several ambiguities in the list as it stands now”.

When was it meant to submit its report?

At the time it was set up, the Commission was given 12 weeks to submit its report, but has since been given 10 extensions. The other member in the Commission is former journalist Jitendra Bajaj, director of the Centre for Policy Studies. In May this year, the government appointed Prof Bajaj the next chairperson of the Indian Council of Social Science Research (ICSSR).

“I am still a member of the Rohini Commission. That is just an honorary position. There is a lot of work to be done,” Bajaj told The Indian Express on Thursday.

In 2021, until August 31, the National Commission for Backward Classes (NCBC) incurred an expenditure of Rs 54.01 lakh on the Commission, according to the NCBC response to an RTI query this week. This includes the salaries of Justice Rohini and Prof Bajaj, salaries of consultant and outsourcing staff, and miscellaneous and hospitality items. In response to an earlier RTI query, the NCBC had said that until December 2020, over Rs 1.92 crore had been spent on the Commission including salary, consultant fees and other expenses.

What progress has it made so far?

In its letter on July 30, 2019, the Commission wrote that it is ready with the draft report on sub-categorisation. Following the new term of reference added in January 22, the Commission began studying the list of communities in the central list.

Among the challenges it has faced, one has been the absence of data for the population of various communities to compare with their representation in jobs and admissions. The Commission wrote to Minister of Social Justice and Empowerment Thawar Chand Gehlot on December 12, 2018, requesting for an appropriate Budget provision for a proposed all-India survey for an estimate of the caste-wise population of OBCs. But on March 7, 2019 (three days before the Lok Sabha poll schedule was announced), Justice Rohini wrote to Gehlot: “We have now decided not to undertake such survey at this stage.”

On August 31, 2018, then Home Minister Rajnath Singh had announced that in Census 2021, data of OBCs will also be collected, but since then the government has been silent on this, whereas groups of OBCs have been demanding enumeration of OBCs in the Census.

What have its findings been so far?

In 2018, the Commission analysed the data of 1.3 lakh central jobs given under OBC quota over the preceding five years and OBC admissions to central higher education institutions, including universities, IITs, NITs, IIMs and AIIMS, over the preceding three years. The findings were: 97% of all jobs and educational seats have gone to just 25% of all sub-castes classified as OBCs; 24.95% of these jobs and seats have gone to just 10 OBC communities; 983 OBC communities — 37% of



the total — have zero representation in jobs and educational institutions; 994 OBC sub-castes have a total representation of only 2.68% in recruitment and admissions.

What is the extent of OBC recruitment in central jobs?

According to data tabled in Parliament by Jitendra Singh, MoS for Personnel, Public Grievances and Pensions, in Rajya Sabha on March 17, the total number of Group A to Group C employees (including safai karmacharis) was 5.12 lakh (see table). Of these, 17.70% are SC, 6.72% ST, 20.26% OBC (Other Backward Classes), and 0.02% EWS (Economically Weaker Sections). In Group-A, the highest tier among these, the representation of SCs is just 12.86%, of STs 5.64% and of OBCs 16.88%. Reservation for these communities is 15%, 7.5% and 27% respectively.

These data cover 43 departments and government offices including Cabinet Secretariat, UPSC and Election Commission, but excluding the largest central government employers such as Railways and Department of Posts.

Separately, on February 2 in Lok Sabha, Jitendra Singh said that among Secretaries and Special Secretaries, only six belong to SCs and STs, and, “no data regarding OBC is maintained”. On March 31 in Rajya Sabha, he said: “Out of 91 Additional Secretaries, the number of officers belonging to SC/ST and OBC communities are 10 and 4 respectively and out of 245 Joint Secretaries, the number of officers belonging to SC/ST and OBC communities are 26 and 29 respectively in various Ministries/Departments under Central Staffing Scheme.”

IN THE POLITICAL THICKET

The office of the Speaker in the Maharashtra Assembly was vacant for nearly 17 months, but it was filled up by an election held within two days of a new regime taking over. Rahul Narvekar of the BJP won with 164 votes in his favour and only 107 against, a margin that reflects the extent of support that Chief Minister Eknath Shinde enjoys in the House now. What facilitated Mr. Narvekar’s election was the change of heart on the part of Governor Bhagat Singh Koshyari, who has been refusing to fix a date for the election. In a partisan manner that has become typical for Governors, Mr. Koshyari has been citing the pendency of litigation, related to amendments to the Assembly Rules on the mode of electing a Speaker, to avoid fixing a date as required by Rule 6. Even though the Supreme Court is yet to dispose of an appeal in this matter, the Governor seems to have quietly withdrawn his objection and fixed the date for the Speaker’s election. Significantly, the election took place by open ballot as envisaged by the changed rules. The BJP, while in the opposition, was rooting for a secret ballot in the Speaker’s election, apparently in the expectation, even much before the Shinde camp’s revolt, that some members of the Maha Vikas Aghadi (MVA) constituents will vote against the ruling alliance. On the other hand, former Chief Minister Uddhav Thackeray favoured an open ballot as a possible deterrent against crossvoting.

It is worth noting that the Constitution envisages no role for the Governor in the Speaker’s election, which is the prerogative of the House. It is only as a courtesy to the fact that the Governor is part of the legislature that the Assembly Rules say that the Governor shall fix the date for the Speaker’s election. It obviously means that the Governor shall do so on the advice of the Council of Ministers, but incumbents in Raj Bhavan entertain a perverse notion these days that they exercise power at their whim. If any Governor believed that he had any say in the matter of fixing a date for the Speaker’s election, it is both contrary to the constitutional scheme and a sign of playing a politically partisan role. One part of the problem was that the amended rule said the Governor shall fix a date “on the recommendation of the Chief Minister”, raising a doubt whether



it was an individual piece of advice. The Bombay High Court, however, noted that there is nothing to suggest that the CM's opinion did not have the support of his Cabinet or that any constitutional provision has been violated. As the erstwhile dissidents from the Shiv Sena have emerged the present-day rulers and demonstrated their majority in the Assembly, these controversies may mean little now. However, it again shows that constitutional functionaries never rise above the political thicket.

WHY IS DEFECTION A NON-ISSUE FOR VOTERS?

The reason why a poor record on honesty and frequent switching of candidates from one political party to another (defection) hardly concerns Indian voters is simply that a very large section of the electorate chooses the party and not the candidate during elections. If merits and demerits of candidates had any bearing on voting considerations of Indian voters, many defectors and candidates with questionable records would not have made it to the Indian Parliament or the Assemblies of different States.

In some instances, there may be well-founded reasons for an elected MLA or MP to defect from one party to another. But the reason why many legislators and parliamentarians defect to other parties for purely personal gains is that they know voters will not punish them for their actions and will support them if they contest election on the ticket of any "popular" political party. Similarly, many of them also know that it is the party's ticket and the popularity of its leader that helps them win the election. What they are careful about is to keep themselves accessible to people and help them in getting their work done. When some voters decide to choose the candidate rather than the party during elections, the ability to get work done remains the biggest asset for the candidate, no matter how.

The findings from the National Elections Studies conducted by Lokniti-CSDS indicate, during the 2014 Lok Sabha elections, 58% voters mentioned voting for the party while 33% said they voted for the candidate. The proportion of voters who voted for the party declined slightly to 52% during the 2019 Lok Sabha elections while 37% voters preferred voting for the candidate. There is a slight increase in candidate-centred voting amongst Indian voters during the last few years, but the evidence over the years for Lok Sabha and State Assembly elections suggests that a large majority of Indian voters vote for the party and not for the candidate. This party-centred approach is prevalent amongst both uneducated as well as educated voters, amongst urban and rural voters and amongst voters with various degrees of media exposure. It is this strong trend of party-centred voting which neutralises any displeasure, if at all, that voters may have about their chosen representatives defecting and contesting again on a different party ticket.

Relocating mandate

There are numerous examples, of defectors being re-elected, on a party ticket against which they had contested the previous election. Twenty-two sitting legislators of the Congress party, some of them Ministers in the Kamal Nath government, defected to the BJP in Madhya Pradesh in March 2020, of whom 19 were re-elected again to the House as BJP legislators. Another instance that is fresh in our minds is that of Mahesh Iranagouda Kumathalli, who became the MLA of Athani Assembly constituency in Karnataka in 2018 on a Congress ticket, but crossed over to the BJP and got re-elected to the House. How could one forget Suvendu Adhikari's defection from Trinamool Congress to the BJP, and his subsequent re-election to the West Bengal Assembly, defeating the sitting Chief Minister and heavy weight Mamata Banerjee. These are just few examples from the long list of defectors getting re-elected soon after their defections and occupying prime positions.



Let us not forget, Vishwajit Rane, who resigned as Congress MLA of Valpoi, Goa, and the Minister of Health, Agriculture & Craftsmen Training on March 16, 2017, joined the BJP on April 7, 2017 and became part of Parrikar government with health portfolio. While this has been the dominant trend, the 2022 Assembly elections in Goa came as an exception when nine of the 12 defectors lost the Assembly election, some very badly. Nevertheless, it is the broad trend which seems to encourage MLAs and MPs to change parties without any valid reasons except for personal gains.

We can broadly predict when the four seasons — winter, spring, summer and monsoon — set in, but one cannot predict when and where defections are likely to take place. Defection is not new to Indian politics, and has been around for a long time. Voters have seen it as a routine exercise in Indian politics, and do not consider it an evil practice. There have been several attempts by various governments at different points of time to strengthen laws to curb this menace in politics. It was first introduced in the 4th Lok Sabha in 1967 by the then Prime Minister Indira Gandhi, but the Act finally came into being in 1984 during Rajiv Gandhi government's tenure. Important amendments to Anti-Defection law introduced in 2003 by the Atal Bihari Vajpayee government to strengthen the legislation failed to bring about the desired results. The political drama that recently unfolded in Maharashtra involving 37 Shiv Sena legislators is another example of how Anti-Defection law is being misused by contesting groups/sides and dissident legislators for personal and political gains.

Voting preferences

Evidence from the National Election study indicates that the views of Indian voters are divided on what kind of representatives they would prefer to vote for. Many of them do not express strong reservations against candidates with tainted backgrounds or those involved in corrupt practices. While many are happy to vote for an honest but inaccessible candidate (48%), there are others (24%), who are happy to vote for a candidate who is corrupt but accessible.

Similarly, 36% voters are ready to vote for a candidate with criminal background, but gets works done, while 35% are ready to vote for an honest candidate, but can't get work done. I think we are close to answering why defection and corruption do not matter much to Indian voters.

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THE PROBLEM WITH OUR UNIVERSITY VISION

It has now become an annual ritual in India to discuss the international rankings of higher education institutions (HEI) only when global ranking systems such as the coveted QS World University Rankings are announced. The QS World University Rankings rank HEIs on the following components: academic reputation (40%), employer reputation (10%), faculty student ratio (20%), citations per faculty (20%), international faculty ratio (5%) and international student ratio (5%). The international research network and employment outcomes were 0% for this edition.

While it is heartening to see that the number of Indian institutes among the top 1,000 globally has risen to 27 from 22 last year, and that the Indian Institute of Science (IISc), Bangalore, has moved up 31 places to emerge as the highest ranked Indian institute in the 2023 edition, there is no serious debate on the abysmal performance of Indian universities barring the Institutes of Eminence (IOE). IOEs occupy a special place as they are granted more academic and



administrative autonomy, and public IOEs get additional funding. Therefore, their dominance in the top 500 in the QS World University Rankings comes as no surprise.

Step-motherly treatment

Among the other HEIs too, there is great inequality. As per the All-India Survey on Higher Education (2019-20), 184 of the 1,043 HEIs in the country are centrally funded institutions. The Indian government generously allocates financial resources to these institutions. However, the financial support provided by State governments to State HEIs is far from adequate even though the number of under-graduate students is largest in State public universities (13,97,527) followed by State open universities (9,22,944) of the total students' enrollment. State-sponsored HEIs barely manage to pay salaries and pensions.

While the number of universities increased by almost 30.5% in 2019-20 compared to 2015-16, academic and administrative infrastructure has not been strengthened commensurate to this growth. The lackadaisical attitude we see in filling up faculty positions has further worsened the quality of teaching and research in HEIs. In fact, quality education and the world class research output that policymakers expect from State public universities remain elusive as these HEIs have never had financial and other resources to attain academic and professional growth.

On the other hand, the institutions that are generously funded by the Centre perform better than their State-sponsored counterparts on all academic performance indicators — faculty strength, modernised laboratories, building infrastructure, digitised libraries, sponsored research project grants, computing facilities, etc. Therefore, that the State-funded HEIs would not perform well in these rankings was a forgone conclusion. It is a consequence of the unequal and unfair system in the Indian higher education system, where State-sponsored HEIs are provided step-motherly treatment and positioned poorly vis-à-vis centrally funded institutions. No ranking system seems to rationally rank institutions after examining their administrative challenges, infrastructural constraints and financial predicaments; they only pay attention to performance metrics based on academic strengths and other achievements. For India to perform better on these rankings, we need to pay more attention to the State HEIs.

The NEP vision

The National Education Policy (NEP) 2020 has envisaged all HEIs to become multidisciplinary institutions by 2040. The aim is to increase the Gross Enrolment Ratio in higher education, including vocational education, from 26.3% in 2018 to 50% by 2035. The NEP also aims to ensure that by 2030, there is at least one large multidisciplinary HEI in or near every district. This means that single-stream specialised institutions will eventually be phased out.

However, the fact that prominent multidisciplinary universities such as Jawaharlal Nehru University, Delhi University, the University of Hyderabad, and Jamia Millia Islamia have slipped in the QS World University Rankings should compel national think tanks to revisit the NEP's proposal in this regard. A close study of the QS World University Rankings reveals that single-stream specialised HEIs such as the Indian Institutes of Technology and IISc have performed better than their multidisciplinary counterparts. Eight IITs (Delhi, Bombay, Madras, Kanpur, Kharagpur, Roorkee, Guwahati and Indore) are placed among the top 500 globally, in addition to IISc, Bangalore. IIT-Indore ranked highest among the second-generation IITs by securing the 396th position and IIT-BHU made its maiden presence in the 651-700 band.



A plan in the NEP for multidisciplinary education and research universities is also being contemplated in order to achieve the highest global standards in quality education. While everyone is demanding multidisciplinary education, the performance of the specialised HEIs in the QS World Rankings bears testimony to their superiority over multidisciplinary/multi-faculty institutions. The idea of converting a specialised institution into a multi-faculty university does not seem to augur well for an economy driven by specialist professionals. It would be perplexing if the IITs decided to offer courses in physical education and medicine or the National Law Universities ran undergraduate degree programmes in mechanical engineering.

It is crucial to emphasise here that nobody is averse to the idea of multidisciplinary/multi-faculty education if there is a 15% to 20% flexibility in the total academic strength. But converting all HEIs into multidisciplinary institutions is not an idea that holds water given the unique conditions and demands in India. No study or data support the idea of transforming specialised institutions into multidisciplinary/multi-faculty universities either. Such an idea may have worked in the West where HEIs invest substantial resources in multidisciplinary research through private and public research grants and funding. But a 'one size fits all' approach may not be of help to India. The need of the hour is to build and develop our higher education system while taking into account Indian conditions and market demands.

THE RUSH TO OVERHAUL EDUCATION

The 2022-23 academic year is likely to be a turbulent one for school education in Andhra Pradesh. The YSR Congress Party government is keen on rolling out radical reforms at an accelerated pace. Chief Minister Y.S. Jagan Mohan Reddy has been saying that a child who walks into a government school should walk out as a global citizen and face the competitive world with confidence. To give shape to his vision, the School Education Department is focused on conceptual learning instead of rote learning. Emphasis is being laid not on evaluating the students on a three-hour examination but on their classroom participation, projects, communication skills, leadership skills and extra-curricular activities. The Department has been tasked with implementing a slew of government initiatives in sync with the National Education Policy (NEP), 2020, this academic year, starting July 5.

Besides the annual exercise of printing and supplying textbooks, officials are burning the midnight oil to complete training teachers in English; expedite the process of mapping Classes 3-5 in primary schools in the government sector to high schools located nearby; re-apportion teaching staff; implement Section 12(1)(C) of the Right to Education (RTE) Act, 2009, which mandates private, unaided schools to reserve 25% of seats in entry-level classes for children belonging to weaker sections; and bring select schools under the CBSE syllabus.

Educationists say there is too much to do and too little time. They have raised serious concerns about the "incoherence" of the initiatives. They worry that no homework was done before these initiatives were introduced and that the reforms lack sound footing.

The Chief Minister's English medium project was set aside by the High Court and the matter is sub-judice in the Supreme Court. Undeterred, the State has embarked on training teachers in English and has started printing textbooks with lessons in both English and Telugu to facilitate the smooth transition of children to English as a medium of instruction. It also has plans to shift from the State Board to the CBSE in phases.



There is also confusion about the school restructuring programme. The proposal is to categorise educational institutions into satellite foundational schools comprising pre-primary 1 and pre-primary 2, foundation schools comprising Classes 1 and 2, foundation plus schools with Classes 1 to 5, pre-high schools with Classes 1 to 8, high schools with Classes 3 to 10, and high school plus with Classes 3 to 12. Sceptics argue that merging primary classes with high schools would violate the 'neighbourhood school system' endorsed by the RTE Act and result in a higher school dropout rate, especially of girls in remote tribal areas.

The earlier deadline of June 30 for completing the school-mapping exercise has been pushed to July 31. People worry that there will be confusion if the merger exercise is carried out even as students attend classes in their old schools. Clarity also eludes the proposed re-apportionment of the teaching staff, the long-pending transfers, and promotions of teachers.

Two Government Orders which were issued recently, to reapportion teaching staff and to transfer the municipal schools to the administrative and supervisory control of the Department of School Education, have fuelled protests across the State. Teachers are demanding the repeal of these orders saying they will be overburdened and the quality of education will suffer. Given the formidable challenges, it may take a few years at least for the government to achieve its lofty educational goals. Its race against time is ill-advised; instead, it would serve everyone well if the process was gradual with all these concerns addressed.

A COMMUNITY AND A HEALTH ISSUE OF CONCERN

During the recent celebration of Pride month (June) globally and in India, we witnessed an incredible social media presence filled with striking images and stories. It would not have been amiss to also pause and reflect momentarily on the state of mental health of LGBTQIA++ communities in India. The reflection would undoubtedly have been a sobering one.

Despite the reading down of Section 377, the National Legal Services Authority (NALSA) judgment as also successive progressive movements, India's class, caste and regionally diverse LGBTQIA++ communities remain at risk of life-long mental illnesses and challenges. This can take the form of severe mental illness or transient and long standing dysfunctional harmful behaviours.

Stigma and suffering

Why? This is caused by life-long dissonance, deep-rooted stigma, discrimination and often abuse, that the community experiences. It often leads to extreme distress and poor self-worth, resulting in self-hate and suffering. The community is often fearful and has such deeply internalised stigma that it is challenging to even articulate what it feels like — forget about seeking help.

While the mental health needs of the LGBTQIA++ communities are not different from others, their identities, social contexts and the discrimination give them stressors that impact their mental health, relentlessly, from a young age. Sexual orientation and gender identity are rarely discussed in our social, educational or familial environments, and if ever done, these discussions are stigmatising. Society marginalises LGBTQIA++ people throughout life, no matter how accomplished they may be. This is payment extracted by a heteronormative society that demands assimilation.

In such an environment, it is hard to come out to yourself; forget the others. Even within the LGBTQIA++ communities, the lines are easily fractured by caste, class, and, more recently, by religious affiliation. It is difficult to find friends and family who understand what the person feels.



If they are able to cope with this, there is the constant othering. The life one leads and lived experiences have little or no overlap with those around oneself. In every sense, the person remains an outsider. If a person's gender identity is different from the sex assigned to them at birth, this conflict and othering is extreme. The person feels trapped and conflicted, that feeds their gender dysphoria.

This relentless dissonance and othering can result in internalised homophobia, often leading to anxiety, loneliness and substance use. It is not surprising then, that LGBTQIA++ youth are likely to suffer 1.75 times more anxiety and depression than the rest of society while the transgender community is even more vulnerable as its members suffer 2.4 times higher anxiety and depression.

In India and elsewhere, from an early age, everyone is pressured, openly or structurally, into accepting gender roles and sexual identities. Those who do not comply are bullied, abused, and assaulted under the pretence of correcting them.

Inadequate health services

When help is sought even by the most empowered, queer affirmative mental health services are hardly available. A large majority of the psychiatrists in India still consider diverse sexual orientations and gender identities as a disorder and practice 'correctional therapy'. This is also true of general health care as well. In an ongoing study, the Raahat Project found that a large number of trans and gay men preferred to pay and seek help in the private sector rather than access government health care due to harassment and stigma.

How then do we build communities that sustain the good mental health of LGBTQIA++ communities? What we need is a national focus on LGBTQIA++ mental health that has become further exacerbated by the global COVID-19 pandemic.

We need comprehensive long-term solutions that make queer mental health a priority and address community needs but also engage everyone to change the environment in which they exist. These solutions must engage with all stakeholders, including educational institutions, communities, health-care providers, mental health professionals, police personnel and families who are often a key source of mental health stress. This is not easy as this is not a priority for the Government and funding agencies, and is also neglected in society.

Awareness and other steps

One way to change the status quo is to ensure that every aspect of mental health work in India must include aspects of queer mental health issues, especially in schools and universities, to destigmatise diverse gender and sexual identities. A key aspect is building self-care skills among queer adolescents and youth. Strong components of behaviour change and awareness and also building capacity are important ways to build agency among these youth populations. What we need is a movement on queer mental health guided by non-discrimination and public awareness in order to change social attitudes.

Community building is an important part of improving the mental health for LGBTQIA++ people. We need to create supportive, safe and educative spaces, access points for health care and information on mental health. One such project that the Raahat Project has been working on through participatory methods has opened a host of issues that LGBTQIA++ communities face in



leading colleges on an ongoing basis. The challenge is on how to address these issues in a holistic way when institutions are so queerphobic.

In the end, ignoring the mental health needs of LGBTQIA++ communities comes at a great cost to them and to society. Without addressing both the preventive and support aspects of the mental health of LGBTQIA++ people we will compound an already neglected problem of mental illness that will be hard to handle in the future. This would not just be injustice, but also a crisis created by deliberate neglect.

TWEAKS PROPOSED BY INTER-MINISTERIAL PANEL TO FOOD SECURITY ACT COULD BE JUST WHAT THE DOCTOR ORDERED

An inter-ministerial panel has recommended significant changes to the National Food Security Act (NFSA) which the government would do well to implement. Pointing out that the Covid-19 pandemic is likely to have “aggravated the silent crisis” of malnutrition, the committee has made a strong case for giving more teeth to the Act. It has sought a legal mandate for the inclusion of protein-rich foods such as eggs, nuts and legumes in nutritional schemes at the school and anganwadi levels. Guidelines of programmes such as the Integrated Child Development Scheme and the Mid-Day Meal Scheme do have protein-related norms but, by all accounts, most state governments have failed to do adequate justice to them. Eggs, for instance, are served in mid-day meals in only 13 states and three Union Territories. State governments often cited food-related sensitivities to oppose their inclusion in nutritional programmes. The panel takes such reservations on board by proposing that “those who do not consume eggs may be provided double the proposed quantity of nuts and seeds”.

The committee’s report acquires urgency in view of the concerns documented by the National Family Health Survey-5. The percentage of anaemic children up to the age of five, for instance, has gone from 59 per cent in the last survey to 65 per cent. At the same time, obesity has gone up in children of all age groups. This clearly suggests unhealthy eating habits and the absence of micronutrients in diets. The inter-ministerial committee has suggested a corrective. Instead of the purely calorie-centric approach of the NFSA, it recommends the incorporation of micronutrients — iron, zinc, vitamin C, vitamin B12, folic acid, vitamin A and vitamin B2 — in diets. This, as a 2021 study conducted by the Hyderabad-based National Institute of Nutrition and the University of Baltimore shows, could be as simple as mixing a powder of these dietary essentials into a small portion of the cooked noon meal and serving it as the first few bites. Care should be taken to make sure that the meal comprises healthy ingredients in the first place. Moreover, anganwadis and schools need to have adequate stocks of capsules of vitamins and minerals. But a number of reports and surveys have revealed that this is not always the case. A legal mandate for micronutrients could be the first step toward pushing the Centre and state governments to address this deficit.

Despite being in place for more than nine years, the NFSA has, at best, led to marginal improvements in the nutritional status of people in large parts of the country. The tweaks proposed by the inter-ministerial panel could be just what the doctor ordered.

WHY INDIA SHOULD SUPPORT ANTIBIOTICS DEVELOPMENT

Antimicrobial resistance (AMR) is a looming public health crisis impacting every country globally with a disproportionate impact on lives and livelihood in low and middle-income countries. A recent report from the Global Research on AntiMicrobial resistance (GRAM) project found that in

3RD FLOOR AND 4TH FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



2019, an estimated 4.95 million people suffered from at least one drug-resistant infection and AMR directly caused 1.27 million deaths.

AMR is one of India's major public health problems, directly contributing to about 30% of deaths due to neonatal sepsis across India. These are due to multidrug-resistant (MDR) hospital-acquired infections in many cases. Over 30% of the COVID-19 deaths in India could be attributed to our failure to treat the secondary bacterial infections caused by MDR pathogens with the appropriate antibiotics.

Irrational antibiotic use by the medical community, the general public and the farmers generate drug-resistant superbugs. Inadequate infection control measures in the hospitals and the sanitation issues in the community result in the dissemination of these superbugs.

To tackle the AMR crisis, we need robust investment in research and development of new antibiotics, rapid and affordable diagnostics, strengthening infection control and prevention practices, formulating and implementing antibiotic stewardship programmes across the country and ensuring equitable access to life-saving antibiotics. One such immediate intervention is a welcome move by the Government of India to pass legislation banning the use of streptomycin and tetracycline in agriculture and the growth promotional use of colistin in poultry farming.

With India's reputation as the pharmacy of the global South, with numerous global compliant manufacturing plants, it's time to expand our focus and investment in early R&D of life-saving antibiotics. We have the intellectual firepower and critical talent pool. However, we need robust investment from Government and private sector in specialised training coupled with an investment mindset that can fund and sustain drug discovery and development.

Dry antibiotic pipeline

During the last decade, the success rate from Phase 1 to FDA approval for new antibacterial drugs was found to be 16.3% in comparison to the overall industry average of 7.9%. Despite this higher success rate, antibiotic development suffers from a lack of investment and quick market uptake of newly approved products. The exit of big pharma from antibiotic development coupled with a lack of investment from venture capitalists and the paucity of enabling regulatory and policy solutions to support the commercial viability of antibacterial agents has pushed AMR into a global health crisis.

Why is the market for antibiotics broken and the drug pipeline ultra thin? Unlike most new drugs, post-approval, new antibiotics are used sparingly (antibiotic stewardship practices) and reserved mainly for cases in which older antibiotics are ineffective. In addition, the reimbursement mechanisms in several countries discourage hospitals from using an expensive novel broad-spectrum antibacterial agent when a cheaper generic option is available. These unique challenges in the current treatment guidelines and archaic reimbursement models contribute to commercial failure and restricted or lack of access for patients in dire need of these live-saving agents.

Most major pharma companies have exited the AMR space because of the low return on investment (ROI). Surprisingly, around 80% of the antibiotics currently in the clinical pipeline are developed by small biotech companies. To reverse this trend, we need immediate solutions and sustainable mechanisms in the long term.



CENTRE TO PROMOTE DRAGON FRUIT CULTIVATION

Following in the footsteps of the Gujarat and Haryana governments, the Centre has decided to promote the cultivation of dragon fruit, known as a “super fruit” for its health benefits. The Centre feels that considering the cost effectiveness and global demand for the fruit due to its nutritional values, its cultivation can be expanded in India. At present, this exotic fruit is cultivated in 3,000 hectares; the plan is to increase cultivation to 50,000 hectares in five years.

The Gujarat government recently renamed dragon fruit as kalam [lotus] and announced an incentive for farmers who cultivate it. The Haryana government also provides a grant for farmers who are ready to plant this exotic fruit variety. The fruit is considered good for diabetic patients, low in calories and high in nutrients like iron, calcium, potassium and zinc. Addressing a national conclave on the fruit here on Thursday, Union Agriculture Secretary Manoj Ahuja said the demand for the fruit is high in domestic and global markets because of its nutritional values.

Win-win situation

“50,000 hectares in five years is an achievable target. The demand for the fruit will remain. Prices for farmers will also be good. The benefit is that this fruit can be cultivated in degraded and rainfed land,” Mr. Ahuja said. He added that the Centre will assist States in providing good quality planting materials to farmers.

Talking to The Hindu on the sidelines of the conclave, he said the Centre can also provide specific target-based help to States and farmers under the Mission for Integrated Development of Horticulture (MIDH). “Processing infrastructure can also be developed with the help of the Food Processing Ministry. Its cultivation will be beneficial for farmers and consumers. It is a win-win situation for all,” he added.

According to the authorities, and the Indian Council of Agriculture Research, the fruit plant doesn’t need much water and can be cultivated on dry land, too. Horticulture Commissioner Prabhat Kumar told The Hindu that dragon fruit is now sold at a price of ₹400 per kg and the effort is to make it available to consumers for ₹100 per kg.

ENFORCING THE SINGLE-USE PLASTIC BAN

The story so far: A ban on the use of single-use plastics that was notified by the Union Environment Ministry on August 2021 came into effect on July 1 this year. The notification said national and State-level control rooms would be set up to check illegal manufacture, import, stocking, distribution, sale and use of banned single use plastic items. The Plastic Waste Management Amendment Rules, 2021, will also prohibit manufacture, import, stocking, distribution, sale and use of plastic carry bags having thickness less than 120 microns with effect from December 31, 2022.

What is single-use plastic?

The Centre defines it as an object made of plastic that is intended to be used “only once” before being disposed off or recycled. For the purposes of the ban, there is a list of 21 items that come under the definition of single-use plastic including ear buds with plastic sticks, plastic sticks for balloons, plastic flags, candy sticks, ice-cream sticks, thermocol for decoration, plates, cups, glasses, cutlery such as forks, spoons, knives, straw, trays, wrapping or packing films around



sweet boxes, invitation cards, and cigarette packets, plastic or PVC banners less than 100 microns, stirrers.

These objects were listed by the Environment Ministry in August when it notified the Plastic Waste Management Amendment Rules, 2021. Single-use plastic items such as these had “low utility and high littering potential,” it noted. Plastic packaging waste, a major contributor to the much larger problem of plastic waste pollution, isn’t yet covered under the phase-out of single-use plastic items. Mineral water bottles or plastic bottles of aerated drinks are unaffected by the ban, though, in popular imagination, they are representative of ‘plastic pollution.’

How will the ban be implemented?

So far 32 States/UTs have reportedly constituted a dedicated Task Force to eliminate the use of single-use plastics. Of these 14 states/UTs and 12 Central Ministries, as of March, had developed action plans describing how they would be enforcing this.

A few States, for example Maharashtra, already have legislation banning the manufacture and storage of such plastic. But implementing it wasn’t always successful as there was regular supply from States where such bans were not in force. An all-India ban, it’s hoped, would make enforcement more effective.

According to the Environment Protection (EP) Act, violating the ban could invite “punitive action”. Manufacturers and distributors of single-use plastic goods were directed to have zero inventory by June 30, according to officials in the Union Environment Ministry. The EP Act says that violating the ban could invite a five-year imprisonment and a fine of upto ₹1 lakh, or both. If the violations are repeated, it could mean additional fines up to ₹5000 for each day. There are different penalties for companies, organisations, and government departments under the EP Act.

What is the history of the single use plastic ban in India?

The Environment Ministry told the Rajya Sabha last July of its plan to phase out some categories of single use plastic by 2022. A draft outlining the manner in which the ban was to be implemented was issued in March and involved amending the Plastic Waste Management Rules, 2016. Before the amendments came into force, the Plastic Waste Management Rules only prohibited the manufacture, import, stocking, distribution, sale and use of carry bags and plastic sheets less than 50 microns in thickness in the country. There is a ban on sachets using plastic material used for storing, packing or selling gutkha, tobacco and pan masala. Since October 2021, there is a ban on the manufacture, import, stocking, distribution, sale and use of carry bags made of virgin or recycled plastic less than 75 microns as opposed to 50 microns under the earlier version of the rules. At the 4th United Nations Environment Assembly in 2019, India piloted a resolution on addressing single-use plastic products pollution.

Is there popular support for the ban?

The All India Plastic Manufacturers Association has said that the ban would shutter 88,000 units in the plastic manufacturing business. These employ close to a million people and contribute to exports worth ₹25,000 crore. Fast Moving Consumer Goods companies (FMCG) would be severely affected by the the ban due to their dependence on plastic straws, plates. Their replacements, industry representatives say, are available but cost much more than their plastic alternatives. There is also limited capacity in India to provide biodegradable replacements. Average and prominent consumer goods companies have written to the government requesting a six-month



extension before the ban takes effect and that companies that are likely to go out of business be compensated. The government has, however, signalled its firm commitment to the ban. Environment Minister Bhupender Yadav said the government had multiple consultations with the industry since 2018. Stakeholders had nearly a year to find alternatives to the use of such plastic and that industries should work to introduce new technologies and alternatives to preserve livelihoods of those who worked in plastic manufacturing industries, he added.

What is the environmental damage from single-use plastic?

Unlike thicker and denser plastic material, single-use plastic objects being light and flexible are less amenable to being recycled. While 99% of plastic is recycled, they constitute heavier plastics that are likely to be collected by ragpickers and plastic waste recyclers. Single use plastics do not provide an incentive enough for the effort needed to collect them and hence they lie around, leach their toxins into the soil and cause environmental damage in both land and sea.

WHAT IS THE LINK BETWEEN HYDERABAD AND 'BHAGYANAGAR', AND THE TEMPLE TO GODDESS BHAGYALAKSHMI IN THE CITY?

News agency ANI on Sunday (July 3) quoted senior BJP leader Ravi Shankar Prasad as saying that Prime Minister Narendra Modi had said at the party's national executive that "Hyderabad is Bhagyanagar, which is a significance for all of us". The BJP's national general secretary (Organisation) B L Santhosh tweeted that Modi had mentioned that "Sardar (Vallabhbhai Patel) gave us 'Ek Bharath' here in Bhagyanagar".

The statements attributed to the Prime Minister have restarted conversations around an old BJP demand for renaming Hyderabad as Bhagyanagar.

In December 2020, Union Home Minister Amit Shah, while on a visit to Hyderabad ahead of municipal elections in the city, had visited the Bhagyalakshmi temple which, according to some BJP leaders, derives its name from Bhagyanagar, as Hyderabad was originally known.

Uttar Pradesh Chief Minister Yogi Adityanath, who too was campaigning in Hyderabad, pitched for renaming the city, saying, "Some people were asking me if Hyderabad can be renamed as Bhagyanagar. I said — why not?"

Where is the Bhagyalakshmi temple?

The temple in question is a small shrine dedicated to Goddess Lakshmi, adjacent to the southeast minar of the iconic Charminar, the late 19th century monument located in the heart of the Old City of Hyderabad.

The southeast minar constitutes the back wall of the temple, which is made of bamboo poles and tarpaulin, and has a tin roof.

How old is this temple?

There is no definitive history of how and when the temple came up, but it has been there since at least the 1960s, when the current idol of the goddess is said to have been installed. The construction of the Charminar was begun in 1591 by Muhammad Quli Qutb Shah, apparently to commemorate the end of the plague in his dominions — and according to Secunderabad MP G Kishan Reddy, the temple predates the monument.



Sources in the Archaeological Survey of India (ASI), which is tasked with protecting the Charminar, had told The Indian Express earlier that the temple encroaches on the protective perimeter of the monument.

According to ASI officials, a small guard pillar erected to protect the monument from vehicles negotiating the roundabout on which it stands, was found painted saffron some time in the 1960s, and some people had started performing aarti there. After a state road transport bus accidentally hit the guard pillar and damaged it, a small structure made of bamboo was built overnight, and the idol of the goddess was placed under it.

“After that incident, the shrine started expanding by a foot or two during every festival until the High Court directed police to stop any expansion in 2013,” Congress leader Mohammed Shabbir Ali, who is a former Leader of Opposition in the Telangana Vidhan Parishad, had told The Indian Express in 2020.

Who visits the temple now?

A large number of Hindu traders and businessmen who have shops in Charminar area visit the temple daily. During festivals, especially Diwali, the temple attracts many devotees and sees long queues.

Devotees associate the name with their belief that praying to the goddess in the temple will bring them good luck and fortune.

On the other hand, Hindu political organisations associate the name of the goddess with Bhagyanagar, and claim that Hyderabad was earlier known as Bhagyanagar, but its name was changed to Hyderabad by the Qutbshahi rulers after they moved their capital here from Golconda.

When did the temple become a site of political contestation?

The old city of Hyderabad is communally sensitive, and the temple has been at the centre of communal tensions and violence since at least the 1970s.

In November 1979, after extremists seeking to overthrow the House of Saudi in Saudi Arabia seized the Grand Mosque in Mecca, the All India Majlis-e-Ittehadul Muslimeen (AIMIM), the Hyderabad-based party that is now led by MP Asaduddin Owaisi, called for a bandh in the Old City of Hyderabad.

As Diwali was approaching, many Hindu shopkeepers requested the MIM to allow them to keep their shops open. This resulted in clashes, and the Bhagyalakshmi temple was attacked and desecrated.

A few years later, in September 1983, banners put up on the temple on the occasion of the Ganesh festival caused tensions after it was reported that the temple had expanded. Both the temple and the Allwyn mosque in the city were attacked by mobs.

In November 2012, clashes broke out after reports that the temple management was expanding it by replacing the bamboo structure with sheets. The Andhra Pradesh High Court had stepped in to halt all construction activity at the site.



GOVT REVIVES POETRY BANNED DURING BRITISH RULE

During India's struggle for Independence, many revolutionary pieces of literature were banned by the British, as these were considered 'dangerous' to the 'security' of their rule in India.

The government has now revived a section of this body of literature to mark the 75th year of Independence. To popularise these writings, a host of Union ministers have been roped in too.

A section of the Amrit Mahotsav website, called Swatantra Swar, showcases some of these poems written before 1947, in languages such as Bengali, Gujarati, Hindi, Kannada, Marathi, Odia, Punjabi, Sindhi, Tamil, Telugu and Urdu.

The section also has videos of "some representative pieces from these proscribed publications" being recited by as many as nine Union ministers, including Culture Minister G Kishan Reddy, MoS Culture Meenakshi Lekhi, I&B Minister Anurag Thakur, Education Minister Dharmendra Pradhan and Health Minister Mansukh Mandaviya, each in a different language.

While Thakur recites Hindi poem "Rashtriya Pataka" from the book "Azaadi ki Bansuri", Reddy recites Telugu poem "Bharatha Matha Geetham" by Vaddadhi Seetharaamanjaneyulu and Pudipeddhi Kashi Viswanatha Sashtri. Pradhan recites "Daridra Nian" by Odia poet Gangadhar Mishra, Mandaviya recites Gujarati poem "Kasumbi No Rang" from the book Sindhudo by poet Jhaverchand Meghani.

The Ministry of Culture, the nodal ministry for the 75-week-long Amrit Mahosav celebrations, has identified poems, writings and publications that the British Raj banned and put them together as catalogue, which has been published on the website by the National Archives of India. These works are in nine regional languages — Bengali, Gujarati, Hindi, Marathi, Kannada, Odiya, Punjabi, Sindhi, Telugu, Tamil and Urdu.

These are mostly revolutionary pieces penned during India's struggle for Independence and were considered "dangerous" to the "security" of the British rule in India, officials say. Culture Secretary Govind Mohan says: "In the 66 weeks of Azadi Ka Amrit Mahotsav, more than 47,000 programmes have been organised — from commemorating unsung heroes of freedom struggle to documenting local history, from spotlighting states and their contribution to the freedom struggle to poetry based on banned literature."

THE LEGEND OF ALLURI SITHARAMA RAJU, AND THE POLITICAL SIGNIFICANCE OF HIS LEGACY

Prime Minister Narendra Modi unveiled a 30-foot-tall bronze statue of Alluri Sitharama Raju at Bhimavaram in Andhra Pradesh as the year-long celebrations of the freedom fighter's 125th birth anniversary began on Monday.

The government has said that as part of Azadi Ka Amrit Mahotsav, it is "committed to giving due recognition to the contribution of freedom fighters and making people across the country aware of them". On the campaign website, Alluri's life is featured under the "Unsung Heroes" section.

The Prime Minister noted that the history of the freedom struggle went beyond just a few years, a few areas, or a few people — it is "a symbol of the strength of our diversity, culture and of our unity as a nation".



Union Culture Minister G K Reddy said the celebration of 75 years of Independence had provided an “opportunity to celebrate the unsung, unknown, and underappreciated in a structured manner”. Last month, Home Minister Amit Shah had named Raju, along with Ramji Gaur and Kumaram Bhim, as prominent leaders who stood against the Nizams.

Alluri Sitharama Raju

Raju is believed to have been born in present-day Andhra Pradesh in 1897 or 1898. He is said to have become a sanyasi at the age of 18, and gained a mystical aura among the hill and tribal peoples with his austerity, knowledge of astrology and medicine, and his ability to tame wild animals.

Struggle against British

At a very young age, Raju channelled the discontent of the hill people in Ganjam, Visakhapatnam, and Godavari into a highly effective guerrilla resistance against the British.

Colonial rule threatened the tribals’ traditional podu (shifting) cultivation, as the government sought to secure forest lands. The Forest Act of 1882 banned the collection of minor forest produce such as roots and leaves, and tribal people were forced into labour for the colonial government.

Strong anti-government sentiment, shared by the muttadars who were aggrieved by the curtailment of their powers by the British, exploded into armed resistance in August 1922. Several hundred tribals led by Raju attacked the Chintapalle, Krishnadevipeta and Rajavommangi police stations in the Godavari agency.

The Rampa or Manyam Rebellion continued in the form of a guerrilla war until May 1924, when Raju, the charismatic ‘Manyam Veerudu’ or Hero of Jungle, was finally captured and executed.

The Rampa Rebellion coincided with Mahatma Gandhi’s Non-Cooperation Movement. The NCERT textbook notes that “Raju talked of the greatness of Mahatma Gandhi, said he was inspired by the Non-Cooperation Movement, and persuaded people to wear khadi and give up drinking. But at the same time, he asserted that India could be liberated only by the use of force, not non-violence.”

Presence in culture

In 1986, the Indian Postal Department issued a stamp in honour of Raju and his contribution to India’s struggle for Independence. Raju has long been a folk hero in the region, and the 1974 Telugu film Alluri Seetarama Raju, featuring actor Krishna, became very popular.

S S Rajamouli’s 2022 Telugu blockbuster RRR is a fictional account of the friendship between Raju and tribal leader Komaram Bheem, with actor Ram Charan portraying Raju’s role.

While the tribals were subjected to exploitation by muttadars, village headmen commissioned by the colonial government to extract rent, the new laws and systems threatened their way of life itself.

Political claims

In July 2019, on the occasion of Raju’s 122nd birth anniversary, the government of Y S Jagan Mohan Reddy announced the naming of a district after the legendary freedom fighter, acceding to a long-standing demand of the tribal population of Andhra Pradesh.



The district of Alluri Sitharama Raju came into being on April 4 this year, made up of Paderu and Rampachodavaram of the existing districts of Visakhapatnam and East Godavari respectively. These two areas have tribal populations of 10.4 per cent and 4.1 per cent, according to a May 2014 estimate by the Andhra Pradesh government.

Prime Minister Modi's speech and the unveiling of Raju's statue can be seen as part of his outreach to tribal communities, and the BJP's efforts to appropriate the legacy of folk heroes. In November last year, on the occasion of the first Tribal Day celebration on the birth anniversary of Birsa Munda, the government announced the setting up of 10 Tribal Museums across the country. The PM said it was "our duty to take this soul of India which draws its energy from the tribal community to newer heights".

JUST FINE

The Union Environment Ministry, tasked with safeguarding India's forests and its environmental assets, proposes to amend sections of key environmental legislation and make them less threatening to potential violators. India has eight cornerstone pieces of legislation that define a regulatory framework to ensure that natural resources are not wantonly exploited, acts of pollution are apprehended and there is a mechanism to punish and deter violators. Under provisions in the existing legislation, violators are punishable with imprisonment up to five years or with a fine up to one lakh rupees, or with both. Were violations to continue, there is an additional fine of up to ₹5,000 for every day during which such failure or contravention continues after the conviction. There is also a provision for jail terms to extend to seven years. Under the new amendments proposed, the Ministry says it wants to weed out "fear of imprisonment for simple violations", and therefore have such violations invite only monetary fines. However, serious environmental crimes that cause grave injury or death would invite imprisonment under the Indian Penal Code. These penalties would be decided by an 'adjudication officer' and transferred to an 'Environment Protection Fund'. Moreover, the quantum of potential fines has been raised from beyond the one lakh rupees to as much as five crore rupees. These proposals are not yet law and have been placed in the public domain for feedback.

The question of whether the threat of imprisonment acts as a deterrent has a long history with both proponents and opponents. The proposed amendments do not cover the destruction of forests and wildlife, which make up a substantial fraction of environmental crime, and would continue to invite existing penal provisions. Research on environmental crime in the United States and Europe suggests that fining is the most common mode of punishment. India has a long history of corporate violations as well as a woefully slow redress system. An analysis by the Centre for Science and Environment found that Indian courts took between 9-33 years to clear a backlog of cases for environmental violations. Starting with 2018, close to 45,000 cases were pending for trial and another 35,000 cases were added in that year. More than 90% of cases were pending for trial in five of seven major environmental laws. While fines could theoretically help with faster redress, large environmental fines will continue to be contested in courts, adding to the prevailing practice of tardy justice. The threat of imprisonment might have acted as a deterrent in India where the effectiveness of environment regulation is under par. Justice for environmental crimes must be dispensed quickly and equitably before tinkering with the law to make it less foreboding.



BEATING THE HEAT

The steady rise in the planet's temperature as a consequence of humanity's unfettered use of fossil fuel forms the backdrop to altered weather patterns everywhere. India too has been registering instances of anomalous weather with alarming frequency with an erratic monsoon and coastal erosion. However, some recent changes are seemingly paradoxical. An analysis of public weather data over the last half a century by the Centre for Science and Environment (CSE), suggests that the all-India average temperature during the monsoon months (June-September) is higher than the summer months (March-May). Monsoon temperatures are 0.3°C higher than average summer temperatures when compared from 1951-80. In 2012-2021, this anomaly rose to 0.4°C. The India Meteorological Department has said that India's average temperature has risen 0.62°C from 1901-2020 but the CSE analysis says — supporting similar studies on these lines — that this has not meant a uniform rise in temperatures across seasons. It is the winter (January and February) and post-monsoon (October-December) average all-India temperatures that have risen faster than even the monsoon and summer temperatures. Average daily maximum temperature for north-western States in March was 30.7°C, whereas the all-India average was 33.1°C or 2.4°C hotter. The average daily minimum temperature showed an even larger (4.9°C) difference. Central India's normal maximum was 2°-7°C higher, while south peninsular India's normal minimum was 4°-10°C higher than temperatures in northwest India.

The shattering of temperature records is only one part of the changes; there is also evidence of the toll on lives. From 2015-2020, 2,137 people had reportedly died due to heat stroke in northwest India but southern India had reported 2,444 deaths due to excess environmental heat, with Andhra Pradesh accounting for over half the reported casualties. The urban heat island effect — whereby cities because of concrete surfaces and dense populations tend to on average be hotter than rural habitations — also contributed to heat stress. Indian authorities are cognisant of these trends with some States, led by Gujarat, having Heat Action Plans (HAP). The National Disaster Management Authority is working with 23 out of 28 heat-prone States to develop HAPs that stress changes in the built environment: using material that keeps the indoors cooler, having an early warning system about heatwaves and improving health infrastructure to treat heat stroke patients. However, much remains in terms of reaching out to rural India as well as governments taking steps to plan infrastructure and housing in ways that recognise the dangers from a warming environment. It is time that India includes financial incentives, preferably via Budget outlays, for effective cooling plans. Adapting to and mitigating this most visceral challenge is the need of the hour.

WAKE-UP CALL

The landslide that occurred last week in the Tupul area in Manipur's Noney district will go down as one of the severest natural disasters in the State, with the death toll reaching 37 and 28 people remaining trapped below the debris even as rescue efforts were on. The tragic disaster has been compounded by the debris of the landslide blocking the Ijei river, creating a significant welling up of water which could inundate low-lying areas if the "dam"-like structure is breached. While the administration has sought to ease the water outflow from the stored water, inclement weather has hampered the pace of the efforts and the government and disaster management officials must now take precautions to ensure that the consequences of the disaster do not snowball even further. The fact that such a disaster occurred in a railway construction site in a landslide-prone area should give development planners and government officials in the State pause. While the Himalayan States in northern India and other States with hill/ghat terrain such as Kerala have

3RD FLOOR AND 4TH FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



registered the bulk of landslides in the last decade or so according to government data, the number of such incidents in Manipur (20 between 2014 and 2020) is not insignificant. The relatively high number of casualties accompanying these landslides and the fact that the Environment Ministry has itself acknowledged that the disasters were “anthropogenically” induced are a matter of serious concern for the State. The Ministry identified the causes of landslides in Manipur as “a result of modification of slopes for construction, widening of road, quarrying for construction materials, fragile lithography, complex geological structures and heavy rainfall”.

As a post-facto exercise, the State government must look at whether sufficient soil and stability tests were done before choosing the site for railway construction work in the Tupul area. Researchers have corroborated the fact that the areas in western Manipur abutting the national highways fall under very high, high or moderate hazard zones. The severe landslide occurred in the Tupul area despite the government identifying susceptible areas in the State through the National Landslide Susceptibility Mapping project. The uncertain nature of rains, with the monsoon being more intense this year compared to predictions, has added to the problem. An early warning system for landslides is still being developed and refined by the Geological Survey of India and this could help reduce the scale of such disasters, once deployed across vulnerable States. While it is understandable that States in the Northeast are keen on accelerating connectivity projects to uplift a relatively economically backward region, disasters such as the landslide in Tupul point to the dangers of not taking ecological challenges related to deforestation seriously enough. This is a wake-up call for governments in States that are prone to landslides regularly.

TARGETING GI TAG, MAYURBHANJ’S SUPERFOOD ‘ANT CHUTNEY’ TO FIND MORE TABLES

People often keep a safe distance from red weaver ants as their sting inflicts a sharp pain and reddish bumps on the skin.

Despite this, weaver ants are popular among the people, mostly of the tribes, of Mayurbhanj district in Odisha for the mouth-watering dish made of them — the Kai chutney.

This savoury food item, rich in proteins, calcium, zinc, vitamin B-12, iron, magnesium, potassium, sodium, copper, fibre and 18 amino acids, is known to boost the immune system and keep diseases at bay.

In Odisha, scientists are now fine-tuning their research to make a presentation for the Geographical Indications (GI) registry of Kai chutney. Applied under food category, the GI tag will help develop a structured hygiene protocol in the preparation of Kai chutney for standard wider use.

Geographical Indications labels enhance the reputation and value of local products and support local businesses.

Weaver ants, *Oecophylla smaragdina*, are abundantly found in Mayurbhanj throughout the year. They make nests with leaves of host trees.

“When required, leafy nests of ants are plucked from their host trees and collected in a bucket of water before sorting and separation from leaves and debris. Larval and adult stages of the ants are preferred and are either eaten raw or turned into ‘chutney’ by mixing them with spicy ingredients,” said Jagannath Patra, a scientist at the Krishi Vigyan Kendra (KVK).



The chutney is prepared by mixing and grinding salt, ginger, garlic and chilly and is sold by tribal people in rural markets.

“The tribes of Mayurbhanj consume Kai chutney or soup to get rid of flu, common cold, whooping cough, to increase appetite and enhance eyesight naturally without corrective eye wear and to treat joint pain and stomach diseases, and for the development of a healthy brain and the nervous system,” Deepak Kumar Mohanty, a senior scientist with the KVK, said.

“The tribal healers also prepare medicinal oil by dipping the collected Kais in pure mustard oil. After 30 days, this oil is used as baby oil and externally used to cure rheumatism, gout, ringworm infection and skin diseases. So, it is the only panacea for the tribes,” the application for GI registry says.

“The Kai family consists of three category members — workers, major workers and queens. Workers and major workers are mostly orange-colored. Kais feed on small insects and other invertebrates, their prey being mainly beetles, flies and hymenopterans,” it said.

RESTORING THE SUN TEMPLE’S EXQUISITE CARVINGS

Visitors to the Sun Temple in Konark, Odisha, will soon be able to see the newly carved stones on the northern side of the jagmohan, or the assembly hall, of the World Heritage Site. The restoration work is likely to be completed within a month, Archaeological Survey of India (ASI) officials said this week.

The pilot project started in 2019 with a study of the stones at the temple and an analysis of the historic drawings and photos from the 19th century onwards. The work on the site began in 2021, Arun Malik, ASI Superintending Archaeologist (Bhubaneswar Circle), said. Local artisans are busy making the mouldings for the section being restored. Khondalite stones were procured from the ancient quarry at Tapang, Mr. Malik said.

Starting in 1901, the British government had placed plain stones across the site and filled the jagmohan with sand to preserve the structure of the 13th century temple. The ASI carried out conservation works after the site was handed over to it in 1936. Mr. Malik said the temple that visitors see today remains standing due to the conservation efforts over the years. Over the years, till 1986, plain stones were placed in order to keep the temple’s structure secure as the conservation policy, which was drafted in 1915, only allowed for additions to be made for structural reasons. In 2014, however, the ASI brought out a new conservation policy that allowed for restoration and recreation of destroyed elements of monuments as long as they were in keeping with the history and authenticity.

Architectural value

“Restoration may be undertaken on monuments with high architectural value and only in parts of a monument wherein there are missing geometric or floral patterns, or structural members of a monument which have been damaged recently,” according to the National Conservation Policy (2014).



INDIA ADDS 540 SPECIES TO FAUNAL DATABASE

India added 540 species to its faunal database in 2021 taking the total number of animal species to 1,03,258. The country also added 315 taxa to the Indian flora during 2021, taking the number of floral taxa in the country to 55,048.

Of the 540 faunal species, 406 are new discoveries and 134 new records to India. Thirteen new genera were also discovered in 2021. Among the new species discovered is one species from mammal, 35 reptiles and 19 species of pisces.

The new mammal species discovered is *Crocidura narcondamica*, a white-toothed shrew, from Narcondam Island of the Andaman and Nicobar group of islands.

Among the reptiles discovered in 2021, notable is *Boiga whitakeri*, or Whitaker's cat snake, from the Western Ghats in Tamil Nadu.

The most number of new discoveries was from the faunal group Hymenoptera, an order of insects, comprising the sawflies, wasps, bees, and ants, in which 80 species, including one new genus, were discovered.

Dhriti Banerjee, Director, Zoological Survey of India ((ZSI), which observed its 107th foundation day on July 1, said scientists from the ZSI had contributed to 68% of the animal discoveries in 2021. She pointed out that during the COVID-19 pandemic, explorations were greatly hampered, but they have been renewed with full vigour now.

With 1.03 lakh species of fauna, India contributes to 6.1% of faunal diversity in the world.

TARUN MAJUMDAR'S FILMS DREW DEEP FROM THE WELL OF BENGALI LIFE AND LITERATURE

Filmmaker Tarun Majumdar, who died in Kolkata on Tuesday at the age of 92, was beloved by the average Bengali moviegoer for the "middle-of-the-road" cinema that was, in a different part of the country and in another language, identified with Basu Chatterjee and Hrishikesh Mukherjee. His films, such as *Balika Badhu* (1967), *Shriman Prithviraj* (1973) and *Dadar Kirti* (1980), bridged the gulf between arthouse and commercial films, drawing droves to the theatres with their gently-told tales, while also charming critics with their literary sensibility and deft direction.

Although he made brief forays into Hindi cinema with remakes — *Balika Badhu* (1976) and *Rahgir* (1969, based on *Palatak*) — Majumdar's large, influential corpus is mostly unknown outside Bengal. This could be put down to what is described by critics as the essential "Bengaliness" of his films, which was not easily rendered in other languages and cultures. While the holy triad of Satyajit Ray, Ritwik Ghatak and Mrinal Sen continues to dominate how the world views Bengali cinema, that untranslatable quality, which draws from the well of Bengali life and literature, has ensured Majumdar's own place in the pantheon.



BUSINESS & ECONOMICS

A 'NO' TO PHARMA FREEBIES, A 'YES' FOR PUBLIC GOOD

The judgment by a two-judge Bench of the Supreme Court of India in M/s Apex Laboratories Pvt. Ltd. vs Deputy Commissioner of Income Tax, Large Tax Payer Unit-II, on February 22, 2022 has struck a blow for public good.

Justice Uday Umesh Lalit and Justice S. Ravindra Bhat dismissed the Special Leave Petition by Apex Laboratories to claim deduction on freebies given to doctors. Upholding a decision by the Madras High Court, the Bench said that the act of pharmaceutical companies giving freebies to doctors is clearly 'prohibited by the law'. Further, it cannot be claimed as a deduction under Section 37(1) of the Income Tax Act, 1961.

The judgment will go a long way in checking unethical and illegal practices in the pharma sector which has become so out of reach for the common man.

A case of misuse

Repelling the contention of the company by S. Ganesh, Senior Counsel, Justice Ravindra Bhat said that pharmaceutical companies have misused a legislative gap to actively perpetuate the commission of an offence of giving freebies to doctors to promote their brands, even though this was prohibited in the law framed by the Medical Council of India (MCI). In the said case, the company was giving out freebies to doctors in order for them to create awareness about a health supplement it was manufacturing called Zincovit.

The judge said that in the process of interpretation of the law, it is the responsibility of the court to discern the social purpose which the specific provision subserves. The judgment said: "Thus, pharmaceutical companies' gifting freebies to doctors, etc. is clearly 'prohibited by law' and not allowed to be claimed as a deduction under Section 37(1). Doing so would wholly undermine public policy. The well-established principle of interpretation of taxing statutes — that they need to be interpreted strictly — cannot sustain when it results in an absurdity contrary to the intentions of the Parliament."

Laying emphasis on the fiduciary relationship between doctor and patient, the Court noted that a doctor's prescription is considered as the final word on medication by the patient even if the cost of such medication is unaffordable. In a situation where such trust is reposed in doctors, having prescriptions manipulated by the lure of freebies is immoral. The Court was conscious that the cost of such freebies is factored in the cost of medicines sold, in turn driving up their prices and perpetuating a publicly injurious cycle. This fact was taken note of by the Parliamentary Standing Committee on Health and Family Welfare in its 45th report, dated August 4, 2010.

UNDERSTANDING THE ALL-TIME HIGH IN INDIA'S TRADE DEFICIT

The story so far: Having crossed a record \$400 billion mark in 2021-22, India's exports have moderated in the first quarter of this year, with May and June clocking upticks of 20.6% and 16.8%, respectively, slowing from a 30.7% rise in April. Sequentially too, overall goods exports declined for the third month in a row in June, even as imports continued to rise sharply, triggering fresh peaks for India's monthly trade deficit.



How has the merchandise trade balance changed in recent months?

While India's exports were surging last year, imports were rising too, according to the Ministry of Commerce. Total goods exports in 2021-22 amounted to \$422 billion, up sharply from the pre-COVID levels of \$313 billion in 2019-20. This was the highest ever export number, and marked the first time in years that an official export target (\$400 billion) was not only met, but surpassed. Imports hit a fresh high of \$613 billion, compared to \$394 billion in the pandemic affected previous year and \$475 billion before that. The trade deficit thus stood at \$191 billion, nearly double of 2020-21.

The chasm between exports and imports has widened in the first quarter of this year, with the cumulative trade deficit already hitting \$70 billion, translating into an average of \$23.3 billion a month. By contrast, the previous highest monthly trade deficit was \$22.9 billion in November 2021. That record has been surpassed significantly in the past two months, with the deficit hitting \$24.3 billion in May and peaking to a new high of \$25.6 billion in June. Economists reckoned the deficit was higher on a seasonally adjusted basis, with Nomura analysts estimating that it stood at \$25.8 billion in May and widened to \$29.9 billion in June. Economists at HSBC Securities and Capital Markets (India) pegged the trade deficit even higher in seasonally adjusted terms, at \$31 billion from \$26 billion in May.

In value terms, imports jumped for the fifth month in a row to a fresh record of \$63.6 billion in June, 51% over the same month a year ago and 6.9% higher than May's tally, which in turn was 7.3% over the value of April's inbound shipments. On the other hand, exports slid 2.6% from May's \$38.9 billion to \$37.9 billion in June.

What is driving up imports and denting exports?

While Russia's continuing conflict with Ukraine since late February this year has propped up commodity prices globally, the spill over effects of runaway inflation are hurting global growth prospects as well as trade demand. The 'lacklustre' exports in June reflect an underlying slowdown in external demand, with weakness seen in exports of engineering products, chemicals, pharmaceuticals, cotton yarn and plastic products, Nomura said in a note. Outbound shipments for these four categories, part of India's top ten exports, contracted. While petroleum exports were still up a sharp 98% from June 2021, they were \$0.7 billion lower than May 2022 levels. And though exports of readymade garments, electronics and rice remained healthy, non-oil exports fell for the second successive month in June on a seasonally adjusted basis, HSBC cautioned in a note on Tuesday. "...We find that in volume terms, low-skill exports like agriculture and textiles have weakened more than high skill exports like engineering goods and pharma," said its chief economist Pranjul Bhandari (along with co-authors).

Imports, on the other hand, have literally been fuelled by energy sources — oil and coal, with the former driven by higher prices and the latter driven by India's domestic coal supply crunch compelling power producers to import more each passing month. The volatility in financial markets and the sharp inflation have also driven up imports of gold — considered a safe haven and hedge against price rise. Coal imports were up 242% in June, gold by 170% (after a dazzling 789% uptick in May), and crude oil imports grew over 94%. But non-oil, non-gold imports (also known as core imports) also grew by a robust 31.7% in June — spurred by higher inflows of plastics, chemicals, electronics and vegetable oils. While higher prices are feeding a large part of the increase in headline imports, import volumes are also growing in line with steady domestic demand, Nomura analysts argued.



What will determine the trade trajectory through the rest of the year?

With several developed economies expected to fall into recession over this year, the dip in exports could accelerate in coming months. The fresh taxes and restrictions imposed on petroleum exports could weaken outbound volumes further, while Indians' appetite for gold may not be dented much by the higher import duties levied by the Centre last week. Oil and gold prices may have corrected a bit recently, but still remain significantly high. Moreover, coal imports will only surge further as Coal India's production levels slide through the monsoon. The weakening rupee will continue to make imports costlier while slowing exports may not be able to capitalise enough on it. Indian exporters don't expect a change in the narrative till the war in Europe abates, along with the high volatility in commodity prices. Economists at Nomura and HSBC expect 'record high trade deficits' to remain the norm for India, for now. But India is not alone, and can perhaps, take solace from the fact that even super-exporter Germany recorded its first trade deficit in 30 years this May, albeit a minor one.

BAN ON WHEAT SHIPMENTS, 15 PER CENT DUTY ON GOLD IMPORTS, CESSSES ON FUEL EXPORTS — DECISIONS SHOW SHORT-TERMISM

Since April 6, retail prices of petrol and diesel haven't gone up. Rather, they have been slashed once, on May 22, following excise duty cuts by the Centre. During these nearly three months, Brent crude prices have risen by about \$15 per barrel and the rupee weakened from 75.9 to 78.9 to the dollar. Not being allowed to raise prices has made oil companies hesitant to sell fuel at a loss in the domestic market, causing shortages in some states. On the other hand, elevated global prices have led private refiners in particular to boost exports of diesel, petrol, naphtha, aviation turbine fuel (ATF) and other products. These have become further viable with deeply discounted crude imports from sanctions-hit Russia, which has emerged as India's top supplier. By importing Russian crude shunned by western buyers at below international prices and re-exporting refined products to those very countries, private oil companies have been earning "phenomenal profits" even while reducing domestic sales, according to Finance Minister Nirmala Sitharaman.

That arbitrage opportunity has now been blocked with the Narendra Modi government slapping a Rs 6-per-litre special additional excise duty on the export of petrol and ATF, and Rs 13/litre on diesel. In addition, for every tonne of petrol and diesel shipped out, exporters will have to undertake to supply half-a-tonne in the domestic market. These measures — along with the imposition of a Rs 23,250 per tonne cess on domestically-produced crude — are populist and retrograde. Populist, because they are a result of the government capping domestic retail fuel prices. State-owned oil companies may have no option but to sell at these prices and incur losses. Private refiners are effectively being forced to do the same now. Yes, they have been making money from exports, while "drying out" their pumps back home. But can they be blamed for the former? And whose fault is the latter?

No less backward-looking is the cess on domestic crude. Producers, it is alleged, are making "windfall gains" from selling crude at international parity prices. Thus, both exports of refined products (valued at \$67.5 billion in 2021-22) and realisation of international prices for crude produced from India are to be regarded as profiteering. This, when the country is projected as a global refinery hub and huge investments are being sought in domestic exploration and production of oil and gas. Whether it is the ban on wheat shipments, the cesses on fuel exports or levying a 15 per cent duty on gold imports, the Modi government's recent actions — ostensibly to curb inflation and a widening external current account deficit — betray short-termism. True, these are extraordinary times. But it is in such times that policy credibility gets tested.

3RD FLOOR AND 4TH FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



WHAT ARE THE NEXT STEPS FOR THE GST REGIME?

The story so far: The Goods and Services Tax (GST) Council, chaired by Union Finance Minister Nirmala Sitharaman, met for the first time in 2022 for a marathon two-day meet this week, just ahead of GST's fifth birthday on July 1. The Council has okayed three ministerial groups' reports, one of which will lead to changes in the tax rates applicable on several items.

What are the goods and services whose rates have been increased?

Based on recommendations made by a Group of Ministers (GoM) led by Karnataka Chief Minister Basavaraj Bommai, the GST Council has scrapped exemptions on several goods and services, done away with concessional rates granted for a few products, and altered tax rates up or down in other cases. Health care devices such as orthopaedic splints, intraocular lens, ostomy appliances, will now be taxed at 5% instead of 12%. The use of in-vitro fertilisation (IVF) services have been exempted, truck rentals for goods will be taxed at 12% (down from 18%) and the GST on ropeways has been lowered from 18% to 5%. However, stem cell preservation services will no longer be tax-free. Hospital room rents over ₹5,000 a day, excluding patients in intensive care units or ICUs, shall now be taxed at 5%. Tetra Pak, used for an increasing number of goods as an alternative to plastic packaging, will now be taxed at 18%, from 12% — which could nudge up costs of several consumer goods. The same 18% rate will apply to tar of all varieties so expect road building costs to rise as well. The Council also hiked rates on over 17 goods and services, where the final products had a lower tax rate than their inputs and led to an anomaly referred to as inverted duty structures. Of these, as many as 10 items' GST rate has been raised to 18% from 5% or 12% prevalent till now, such as writing, drawing and printing ink, knives, forks, spoons, pencil sharpeners, machines for grading farm products as well as eggs and dairy items, LED lamps, solar water heaters and works contracts for building roads, railways, metro projects, and crematoria. Last but not the least, the GST levied on cut and polished diamonds has been raised from 0.25% to 1.5%.

Why does it matter?

The Reserve Bank of India expects India's inflation rate, which hit an eight-year high of 7.8% in April and remained over 7% in May, to average 6.7% in 2022-23. Ms. Sitharaman said the Council members were conscious of inflation concerns while approving the rate changes. It is too early to discern the possible impact of the new tax rates on the overall inflation experience and how much of it will be captured in the official data. With all these rate changes slated to kick in from July 18, any impact can only be gauged when August consumer inflation numbers are released in the second week of September. Even then, with prices of several commodities, including crude oil, remaining elevated, distilling the effect of new GST rates on price rise may not be simple.

Moreover, the panel led by Mr. Bommai has been granted three more months to delve into its other mandate that could have a wider impact on consumers and businesses — rationalising the multiple GST rate slabs such as 5%, 12%, 18% and 28% and raising levies to bolster revenues that have fallen short of expectations. Part of the reason for dipping revenues, apart from a slowing economy in recent years, was the repeated reduction in several items' GST rates ahead of critical elections. However, officials concede that inflation worries do not make this an opportune time for carrying out broader rate hikes.



What lies ahead?

The Council will meet again in August to finalise the GST rates for online gaming, horse racing and casinos — a decision it put off this time for fresh stakeholder consultations. It may also kick off the process to form an appellate tribunal for resolving GST disputes, envisaged since its launch in July 2017. With over a dozen States urging the Centre to continue the GST compensation paid to them for the first five years of the GST regime as revenue flows have been hit by the pandemic, it is hoped that clarity comes through on this issue by the August meeting. Any extension of assured revenues to States could, however, translate into further pain for consumers and industry, who already have to fork out the GST Compensation Cess levied on products such as cars and soft drinks, till March 2026, instead of the June 2022 sunset promised earlier.

‘IMPACT ON EFFICIENCY, STAFF AND CONSUMERS’: PSBS ASKED TO ASSESS ALL MERGERS TILL DATE

In a move that could pave the way for mergers in the public-sector banks (PSB) space, the government has asked banks to share the benefits of mergers that have happened till date.

“The government has sought data on internal assessment by banks regarding impact of amalgamation on various stakeholders that includes employees, customers and operational efficiency,” Sunil Mehta, chief executive of Indian Banks’ Association, who was earlier chairman of Punjab National Bank,

“The process of amalgamation of banks is over and now is the time to reap benefits from this. The benefits can be huge in terms of rationalising the number of branches and using IT for Digital banking — all this will ultimately lead to reduction in cost of operations and add to profitability and customer convenience,” Mehta added.

Banks are most likely to provide data on it this week and the move may pave the way for further consolidation of banks in the country, hinted sources in the know.

As part of its strategy to make banks bigger and financially stronger, the government in 2019, announced a merger of 10 public sector banks to four — the number of PSU banks have been reduced from 27 to 12.

As part of the merger, Corporation Bank and Andhra Banks were merged with Union Bank of India, Syndicate Bank was merged with Canara Bank, Oriental Bank of Commerce and United Bank of India were merged with Punjab National Bank and Allahabad Bank was merged with Indian Bank.

These mergers became operational from April 2020 after the merger of Dena Bank and Vijaya Bank with Bank of Baroda and of associate banks with State Bank of India.

The consolidation strategy of the government is with an aim to make bigger banks that can compete with not just Indian private banks but also banks globally. Post the mergers till date, SBI has the highest market share among all banks at 22 per cent and PNB’s — second largest public-sector bank — market share is about 8 per cent.

As part of its privatisation strategy, the government is looking to privatise two banks that include Mumbai-headquartered Central Bank of India and Bank of India that have not been merged with any bank yet.



UPI: THE DAWN OF DIGITAL FINTECH NIRVANA

If you own a smartphone, you have most probably done UPI-based payments using BHIM or some other mobile application. The Unified Payments Interface or the UPI, processed ₹10,41,520 crore worth of transactions just in May of this year in India. More than 40% of all retail digital payments (non-cash and non-paper payments) in India happen through UPI now.

The functioning of UPI

The UPI was launched in 2016 and is operated by the National Payments Corporation of India (NPCI). The NPCI was formed in 2009 as an initiative of the Reserve Bank of India (RBI) and the Indian Banks' Association (IBA) with the goal to create a robust payment and settlement infrastructure. UPI operates on top of the Immediate Payment Service (IMPS) which was created by the NPCI for immediate fund transfers.

UPI based payments function broadly through three steps. First, one's bank account is mapped to a Virtual Payment Address (VPA). A VPA eliminates the risk of mentioning account details in every transaction. It can be created in a couple of minutes using a UPI app. The only prerequisite is that your bank account be linked to a mobile number. Secondly, a Payment Service Provider (typically a bank) takes care of the to-and-fro transactions to this VPA (and hence to the underlying bank account) and finally, the UPI software orchestrates the fund movement from a customer's VPA to a target VPA and completes the transaction.

This transaction is different from paying with a debit card or credit card as it does not involve a Merchant Discount Rate (MDR). The MDR is a fee that the recipient bank collects from the merchant. For UPI transactions, there is no MDR (like in the case of the Indian government's Rupay card which also does not have an MDR) and hence there is no price to be paid by the merchant.

A ubiquitous payment system

The popularity of UPI is evident — from tiny roadside shops to large brands, many merchants accept UPI-based payments. The primary reason for this penetration is that UPI accepts transactions as small as one rupee and for merchants, the absence of MDR that they have to pay to their banks is a significant incentive to accept UPI payments. Also, just your smartphone being the only device needed to complete a transaction makes the process as simple as it can get, instead of using devices like the Point-of-Sale card-swiping machines. If there is no extra price to be paid by customer or merchant, how does NPCI manage the cost of running the infrastructure for UPI? Is it sustainable in the long run to continue without MDR to fund the infrastructure? The answer can be that cost savings from the reduction in hassles and overheads for banks (by supporting UPI) will be used to bear the cost of operating UPI in the long run.

The ecosystem in which UPI thrives is not to be missed: the presence of high-speed internet in many parts of the country, technologies that power a smartphone, cloud computing and modern software engineering technologies that fulfil a transaction in a few seconds. The security of a UPI transaction is tied to the user's authentication with the mobile phone — there is a mobile personal identification number (MPIN) for the UPI application and there is one more layer of security when the bank's online transaction PIN is to be keyed in as part of every UPI transaction. If you block a mobile number due to theft, for example, then UPI transactions on that mobile number will also be halted.



Continuous innovation

The NPCI has come up with multiple new innovations over the past few years: recurring payments for monthly bills, international payments, linking UPI to credit cards, 123PAY that allows people without smartphones but with only ordinary mobile phones to use UPI using missed calls, allowing one-time payment by letting a merchant generate a QR (Quick Response) code that is valid for just that specific transaction and many more features. The dynamic QR code is a great boost to security and trust because there is no risk of someone having tampered with a static QR code (a static QR code is what is widely prevalent now and we see it on the wall in many shops). The merchant generates a QR code specific to that transaction amount and the customer pays through UPI by scanning the QR code.

The UPI is a phenomenal Indian technological success story. In 2019, Google requested the U.S. Federal Reserve to develop a solution similar to India's UPI citing the thoughtful planning, design and implementation behind it.

UPI brings us one step closer to the age of digital fintech nirvana.

From the dawn of civilisation, man has always accumulated and hoarded; however, UPI enables one to move around with an empty pocket barring a smartphone; it makes us un-learn to carry a wallet but be assured that we can pay when we want to.

RBI EASES RULES TO BOOST FOREX INFLOWS

The Reserve Bank of India (RBI) on Wednesday announced a slew of temporary measures aimed at boosting foreign exchange inflows, including a doubling in the overseas borrowing limit for corporates and removal of interest rate ceilings for NRIs' foreign currency deposits. The move comes as persistent capital outflows and a widening trade deficit have led to a sharp depreciation in the Indian rupee to new lows against the dollar.

Observing that the rupee had depreciated by 4.1% against the dollar (upto July 5) so far this financial year, the RBI asserted that, barring portfolio investments, capital flows remained stable with an adequate level of reserves providing a buffer against external shocks. India's foreign exchange reserves stood at \$593.3 billion as on June 24, supplemented by a substantial stock of net forward assets, it said.

"The Reserve Bank has been closely and continuously monitoring the liquidity conditions in the forex market and has stepped in as needed in all its segments to alleviate dollar tightness with the objective of ensuring orderly market functioning. In order to further diversify and expand the sources of forex funding so as to mitigate volatility and dampen global spillovers, it has been decided to undertake measures... to enhance forex inflows while ensuring overall macroeconomic and financial stability," the RBI added.

As part of the measures, banks have been exempted from maintaining the stipulated Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) on incremental FCNR(B) and NRE term deposits mobilised up to November 4. "It has been decided that with effect from the reporting fortnight beginning July 30, incremental FCNR(B) and NRE deposits with reference base date of July 1, 2022, will be exempt from the maintenance of CRR and SLR," the RBI said.

It also freed banks to temporarily raise fresh FCNR(B) and NRE deposits without reference to extant regulations on interest rates, with effect from July 7 and up to October 31, 2022.



FPI debt norms loosened

To encourage foreign portfolio investment into debt, the RBI said the choice of government bonds available for investment under the fully accessible route (FAR) would be widened, with all new issuances of G-Secs of 7-year and 14-year tenors, including the current issuances of 7.10% GS 2029 and 7.54% GS 2036, designated as specified securities.

The RBI also temporarily doubled the annual limit for External Commercial Borrowings (ECB) to \$1.5 billion or its equivalent.

INDIANS CAN GET ₹10 LAKH FROM RELATIVES ABROAD

The Union Home Ministry has amended certain rules related to the Foreign Contribution (Regulation) Act (FCRA), allowing Indians to receive up to ₹10 lakh in a year from relatives staying abroad without informing the authorities. The earlier limit was ₹1 lakh.

In a notification, the Ministry also said that if the amount exceeds it, the individuals will now have 90 days to inform the government, instead of 30 days earlier.

In a separate notification, the Ministry made five more offences under the FCRA “compoundable” instead of directly prosecuting the organisations or individuals. Earlier, only seven offences under the FCRA were compoundable.

Similarly, making changes in rule 9, which deals with application of obtaining 'registration' or 'prior permission' under the FCRA to receive funds, the amended rules have given individuals and organisations or NGOs 45 days to inform the home ministry about the bank account(s) that are to be used for utilisation of such funds.

This time limit was 30 days earlier.

The government has also “omitted” provision ‘b’ in rule 13, which dealt with declaring foreign funds .

Now, anyone receiving foreign funds will have to follow the existing provision of placing the audited statement of accounts on receipts and utilisation of the foreign contribution, including income and expenditure statement, receipt and payment account, and balance sheet, within nine months of the closure of the financial year on its official website or on the website as specified by the Centre.

MAKING SENSE OF THE RUPEE SLUMP

On July 1, the rupee breached the 79 per dollar mark for the first time ever. The domestic currency has been dominating the headlines for hitting lifetime lows against the greenback for some time. In 2022, it slipped 6.7% against the dollar (see chart 1). While the rupee has fared better than other emerging market currencies including the Philippine peso (8.1% drop), the Thai baht (8.1%), the Chilean peso (12.3%), and the Polish zloty (15.8%), it is the worst performer among the BRICS countries. During the same period, the dollar index, which gauges the strength of the greenback against six peer currencies, rose by 11%.

One factor that has triggered this free fall of currencies is the massive sell-off by foreign portfolio investors. Due to steep interest rate increases by the U.S. Federal Reserve to tame four decades-



high inflation, investors have withdrawn from riskier emerging markets and opted for safe haven assets. So far, in 2022, FPIs have dumped Indian equities worth a net \$29.01 billion, more than double the \$11.9 billion worth of equities sold during all of 2008, the year of the global financial crisis (see chart 2).

This selling spree by FPIs has exacerbated the demand for the dollar and led to a corresponding excess supply of the rupee, weakening the local currency. In order to smoothen the rupee's fall and curb excess volatility, the Reserve Bank of India has been selling dollars in the forex markets from its reserves from time to time. The drawdown of dollars by the central bank has dented reserves. From a high of \$642 billion in September, reserves plummeted to \$593 billion as of June 24, a drop of \$49 billion (see chart 3). According to the RBI's latest 'State of the Economy' report, the foreign exchange reserves in June were equivalent to 10 months of import, down from 15 months of import cover in September 2021.

Besides the FPI outflows, a widening trade deficit has added pressure on India's current account deficit (CAD), which in turn has added pressure on the outlook for the local currency. In FY22, India incurred a CAD of \$38.7 billion, or 1.2% of the GDP. Incurring a CAD means that India is importing more goods and services and spending on servicing overseas borrowings than it is exporting or earning through remittances, which in turn creates more demand for dollars. While the CAD came in at \$13.4 billion for the January-to-March quarter, which is sequentially lower than the \$22.1 billion recorded between October and December (see chart 4), it is expected to rise further this fiscal in the wake of record high trade deficits in May and June.

In order to rein in the widening CAD and reduce pressure on the weakening rupee, the government raised the import duty levied on gold to 15% from 10.75%. While India's production of gold is negligible, the country is the second highest consumer of gold in the world. In FY22, India imported gold worth \$46.17 billion, which is 33% higher than the year earlier (see chart 5). In May, gold imports swelled to \$6.02 billion, recording an almost nine-fold jump from a year earlier.

At the same time, the government also imposed a cess on the export of petrol, diesel and jet fuel. Private refiners have been exporting fuel and earning 'windfall' profits while pumps were running dry in some parts of the country. High-speed diesel and motor gasoline exports more than trebled in March 2022, while the exports of jet fuel more than doubled.

THE RELENTLESS MARCH OF FPIs TO THE EXIT GATE

The story so far: Foreign Portfolio Investors (FPIs) have been on a selling spree in India. June 2022 witnessed the worst sell-off since March 2020 — when India announced a nationwide lockdown — at ₹50,000 crore. This comes on the back of May's sell-off figures of about ₹44,000 crore. June was also the ninth on the trot that FPIs had sold net of their assets — ie, sold more than they had purchased. Their selling actions have triggered a significant decline in benchmark indices, resulting in a drop in market capitalisation of companies.

What are FPIs?

Foreign portfolio investors are those that invest funds in markets outside of their home turf. Their investments typically include equities, bonds and mutual funds. They are generally not active shareholders and do not exert any control over the companies whose shares they hold. The passive nature of their investment also allows them to enter or exit a stock at will and with ease.



Why have FPIs been selling India holdings?

FPIs sold assets worth about ₹50,000 crore in June 2022. This is the second highest sell-off in a month since 1993, after March 2020.

Post-pandemic, recovery in the Indian economy has been uneven. The second wave of the COVID-19 pandemic in 2021 devastated lives and livelihoods. The economy stuttered again when a third, albeit less severe, wave saw the spread of the Omicron variant early this year. Add to this the return of pent-up demand in economies worldwide as the pandemic subsided. The pace of recovery caught suppliers off guard, contributing to supply-side shortages.

As the industry was grappling with this challenge, came Russia's invasion of Ukraine. Sunflower and wheat supplies, to name just two commodities, from these two nations were impacted, leading to a rise in global prices for these crops. As supplies in general tightened across the globe, commodity prices too rose and overall inflation accelerated. India witnessed a quickening pace in price rise that stayed above the Reserve Bank's upper comfort level of 6% for five months running, touching 7.8% in April, before receding to a slightly less aggressive 7.04% in the subsequent month.

Industrial production has seen a bumpy ride without giving confidence of a full and final recovery from the pandemic. For example, the S&P Global India Manufacturing Purchasing Managers' Index (PMI) slid to 53.9 in June — the lowest level in nine months — from 54.6 in the previous month. Experts attribute this to inflation pressures, which also dampened business confidence sentiment to a 27-month low in June, as per survey-based findings. Consumption expenditure too has remained weak in the subcontinent.

With each of these factors contributing to a decline in confidence of robust economic performance, FPIs have been exiting market investments over these past months. Add to the mix the U.S. Federal Reserve raising the benchmark interest rate starting March this year. On June 15, the Fed announced the most aggressive interest rate increase in almost 30 years, raising the benchmark borrowing rate by 0.75 percentage points in its battle against surging inflation. The key rate range had gone up from 0-0.25% in March to 0.75-1% in May.

When the differential between the interest rates in the U.S. and other markets narrow, and if such an occurrence is accompanied by the strengthening of the dollar, then the ability of investors to realise healthy returns is impacted. For returns are measured not only by the value appreciation of assets but also by exchange rate changes. If the dollar strengthens against the rupee, then an investor is able to realise fewer dollars for a given quantum of rupee assets liquidated. Further, if inflation quickens in the overseas market where the investor has placed funds in, then real returns are even further impacted.

They then tend to exit assets seen as 'risky' such as in emerging markets like India, Brazil or South Africa. And indeed, the rupee has been depreciating against the dollar, which has seen a general strengthening against several other currencies. The rupee touched its record low of 79.33 against the greenback on Tuesday.

What impact does an FPI sell-off have?

When FPIs sell their holdings and repatriate funds back to their home markets, the local currency takes a beating. After all, they sell rupees in exchange for their home market currency. As supply of the rupee in the market rises, its value declines. In this instance, the rupee has been seeing all-



time lows recently. About a year ago, it was trading in the region of 73 to a U.S. dollar; it is now flirting with the 78 level. With a weaker rupee, we have to shell out more funds to import the same unit of goods. The most telling impact is on the cost of our crude oil imports that contribute to 85% of our oil needs.

TENDERS: FINMIN FOR EASING PSU INSURERS' SOLVENCY CRITERIA

The Finance Ministry has asked Central Public Sector Enterprises (CPSEs) and government departments to relax the requirement of minimum solvency ratio of 1.5 of the liabilities as one of the eligibility criteria for the participation of public sector insurance companies in the tender process.

According to an office memorandum by the ministry to various departments and insurance firms, the stipulation on high solvency ratio makes three of the four public sector general insurance companies (PSGICs) — National Insurance Company Ltd (NIC), Oriental Insurance Company Ltd (OIC) and United India Insurance Company Ltd (UII) — ineligible to participate in the tender process in spite of their “vast experience and risk management skills”.

The Ministry's note follows the intense competition in the sector and the decline in the performance of three PSU insurers. Only New India Assurance Company Ltd has reported a solvency ratio of more than 1.5 among the four PSU insurers. Government departments and CPSEs, which constitute a big market for insurance companies, award insurance contracts through a tender process.

Solvency ratio – net income and depreciation divided by liabilities — is the financial capacity of an insurance company to meet its obligations. A high ratio means the company is financially sound and it has enough capital to pay all valid claims. As per the IRDAI's mandate, the minimum solvency ratio that insurance companies must maintain is 1.5 to lower risks. In terms of solvency margin, the required value is 150 per cent.

The solvency margin is the extra capital the companies must hold over and above the claim amounts they are likely to incur. Private insurers are required to maintain 1.5 solvency ratio for participating in the tender process.

While solvency margin is a good measure to assess the financial health and stability and the ability of insurers to meet the liability, it is important to note that the insurance sector is duly regulated by Insurance Regulatory and Development Authority of India (IRDAI), the Ministry note said. IRDAI has allowed forbearance (from maintaining required solvency ratio) to these companies considering all aspects and allowed them to continue underwriting business as usual, it said.

It is pertinent to note that the reinsured liability is not factored into calculation of solvency ratio, specified by IRDAI, as a result of which solvency ratio of 1.5 is very high from a risk perspective, the Ministry said. Further, public sector general insurance companies have not defaulted ever on their liabilities. “The government has recently infused capital in the above-mentioned companies and stands committed to provide more capital, as may be required,” notification sent.

“It is requested not to include solvency ratio as a criterion for participation of public sector general insurance companies in general insurance tenders. This would enhance competition in the bidding process without compromising on the quality of services. It is also requested to bring this to the attention of all the procuring entities and organisations under the administrative jurisdiction of your Ministry/ Department,” the Ministry said.



THE NEW GUIDELINES AGAINST 'SERVICE CHARGE', AND WHAT YOU CAN DO IF A RESTAURANT ADDS IT TO YOUR BILL

The Central Consumer Protection Authority (CCPA) on Monday issued guidelines to prevent unfair trade practices, and to protect the interest of consumers with regard to the levy of service charge in hotels and restaurants.

Under the guidelines, consumers can lodge complaints against hotels and restaurants by calling the number 1915.

The CCPA was established in July 2020 under The Consumer Protection Act, 2019, to promote, protect, and enforce the rights of consumers as a class, and to investigate, prosecute, and punish violators.

The CCPA has issued five major guidelines regarding the levy of service charge by restaurants and hotels, which has for long been a contentious issue and has periodically triggered complaints from consumers. The guidelines say:

- (i) No hotel or restaurant shall add service charge automatically or by default in the bill;
- (ii) Service charge shall not be collected from consumers by any other name;
- (iii) No hotel or restaurant shall force a consumer to pay service charge and shall clearly inform the consumer that service charge is voluntary, optional, and at the consumer's discretion;
- (iv) No restriction on entry or provision of services based on collection of service charge shall be imposed on consumers; and
- (v) Service charge shall not be collected by adding it along with the food bill and levying GST on the total amount.

What can a consumer do in case of a violation of these guidelines?

The consumer has four options at different levels of escalation in case she spots the levy of service charge in her bill.

First, she can make a request to the hotel or restaurant to remove the service charge from her bill.

Second, she can lodge a complaint on the National Consumer Helpline (NCH), which works as an alternative dispute redressal mechanism at the pre-litigation level. The complaint can be lodged by making a call on the number 1915, or on the NCH mobile app.

Fourth, she can submit a complaint to the District Collector of the concerned district for investigation and subsequent proceedings by the CCPA. A consumer can complain directly to the CCPA by sending an e-mail to com-ccpa@nic.in.

Why did the CCPA issue the guidelines?

The CCPA took cognizance of grievances regarding restaurants and hotels levying service charge by default, without first asking or informing consumers.



On June 2, the Department of Consumer Affairs under the Ministry of Consumer Affairs, Food & Public Distribution, held a meeting with restaurant associations and consumer organisations on the levy of service charge in hotels and restaurants.

Under which law have these guidelines been issued?

The CCPA has issued guidelines under Section 18 (2) (I) of The Consumer Protection Act, 2019.

The guidelines are in addition to the Centre's 2017 guidelines which prohibit the levy of service charge on consumers by hotels and restaurants, and terms the charging for anything other than "the prices displayed on the menu card along with the applicable taxes" without "express consent" of the customer as "unfair trade practices".

What do restaurants and hotels say?

During the June 2 meeting, representatives of the hotel and restaurant industry told the Centre that the levy of service charge by a restaurant is a "matter of individual policy". There is "no illegality in levying such a charge", they said.

They also said that service charge brings in revenue to the government, since tax is paid on it.

THE NEW RULES TO KEEP ADVERTISEMENTS IN CHECK

The Central Consumer Protection Authority (CCPA) recently issued guidelines to prevent false or misleading advertisements. The guidelines are pathbreaking because they fill significant consumer protection gaps while explicitly outlining advertiser duties. The guidelines also try to discourage the promotion of illogical consumerism aimed at children. The problem of misleading, bait, surrogate and children-targeted advertisement has festered without respite for far too long. The guidelines perform an essential function in bringing the Indian regulatory framework at par with international norms and standards.

Defining a 'valid' advertisement

The guidelines lay down the conditions for non-misleading and valid advertisements. Briefly, an advertisement can be considered non-misleading if it contains true and honest representation of goods and does not exaggerate the accuracy, scientific validity or practical usefulness or capability. In case of unintentional lapse, the advertisement may still be considered as valid if the advertiser has taken prompt action in letting the consumer know the deficiency.

It must be noted that rather than defining what constitutes a 'misleading or invalid advertisement,' the guidelines have sought to define 'valid or non-misleading advertisement.' This take on policy drafting significantly reduces the scope for exploitation of any inadvertent loopholes.

Surrogate advertisements

"Surrogate advertisement" refers to the advertisement of goods in the shadow of other goods. For example, the advertisement of tobacco in the garb of pan masala. Advertisement of tobacco as such is prohibited by the law. While existing laws such as the Cigarettes and other Tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply, and Distribution) Act, 2003 already seeks to govern advertisements related to tobacco, manufacturers and advertisers have been able to circumvent the regulation through the grey area



created by a surrogate advertisement. The guidelines seek to ensure that these grey areas are filled by the black letter of the law, completely disallowing any attempts to advertise products that are otherwise prohibited by law.

Advertisements targeting children

Another important issue taken up by the new guidelines is the discouragement of “children targeted advertisements”. Advertisements that condone, encourage, inspire or unreasonably emulate behaviour that could be dangerous for children or take advantage of children’s inexperience, credulity or sense of loyalty etc. have been prohibited. It goes without saying that advertisements tend to influence children’s buying behaviour and encourage them to consume unhealthy goods, or develop negative feelings toward healthy goods. The guidelines further require that the goods which require a health warning should not be advertised through children as well as personalities from music, sports and cinema. Advertisements that state “any health or nutritional claims or benefits without being adequately and scientifically substantiated” or any surgery which may have adverse effects on the physical and mental health of children are prohibited. Furthermore, an advertisement may be considered as children targeted if the advertisement of any goods, product or service which addresses or targets children may develop negative body image in children or give any impression that such goods, product or service is better than natural or traditional food. For example, advertisements relating to milk additive products often imply that the products have higher nutritional value for the growth of children, increase retention power of the brain during exams, strengthen bones in sports etc., even though these claims are yet to be scientifically proven.

The youth form the most impressionable demographic for all advertisers. To catch them young is a well-known marketing strategy. Children can be influenced through advertisements fairly easily — they are individually capable of making buying decisions, can influence the decisions of their parents and make up the future adult demographic. A marketing strategy that seeks to aggressively play on the immaturity of the younger audience can invariably impinge upon their ‘right to choose’ as well as their right to be informed and protected against unsafe goods and services as well as unfair trade practices.

Additionally, the guidelines also require that advertisements including “chips, carbonated beverages and such other snacks and drinks” shall not be cast on channels exclusively meant for children. However, it remains to be seen as to whether such a guideline can survive a challenge under Article 14 and Article 19(1)(g) of the Indian Constitution in as much as it impinges upon the right of the channels such as Cartoon Network to earn revenue from such advertisements.

Other reforms

The guidelines have also introduced the need to have “disclaimers in advertisements” to “clarify a claim made in such advertisement or make qualifications or resolve ambiguities therein in order to explain such claim in further detail.” Moreover, the advertiser must not “attempt to hide material information with respect to any claim made in such advertisement, the omission or absence of which is likely to make the advertisement deceptive or conceal its commercial intent”. The guidelines require that the disclaimer must be visible to normally sighted persons and prominently placed so that the consumer may read it carefully.

The guidelines also impose duties on the manufacturers, service providers and advertising agency to not claim and make comparisons in an advertisement which relate to matters of objectively ascertainable facts. Moreover, the advertisement must be framed to gain the trust of the



consumers and not to “abuse the trust of consumers or exploit their lack of experience or knowledge”.

The enforcement issues in existing advertisement laws have been addressed by the guidelines in as much as it imposes severe penalties. The guidelines are momentous in empowering customers against mischievous advertisers. The advertisers, too, must take a cue from the guidelines and impose self-regulation to comply with the same. While the guidelines must be hailed as a step in the right direction, there is a definite need to ensure their implementation in the spirit they have been drafted with.

INDIA'S PATENT LAW SAFEGUARDS UNDER FIRE

The price-lowering effect of competition and domestic manufacturing of medicines can transform how diseases get treated in resource-poor settings. Decisions made by Indian patent offices can negatively impact generic competition and supply worldwide, relying on the availability of affordable medicines made in India. Monopolies granted by patent offices on medical products keep prices high and block local manufacturers from supplying low-cost generic drugs.

In 2005, lawmakers from all political parties amended Indian patent law to ensure that the Indian patent office did not grant monopolies on old science or for compounds already in the public domain. The new law now prevents drug corporations from indulging in “evergreening”, a common abusive patenting practice aimed at obtaining separate patent monopolies relating to the same medicine. And to bring this to the notice of the patent examiners, the amended patent law allowed any person to file a pre-grant opposition ‘anytime’ before the patent office decides to grant or reject a patent application.

This week the Economic Times[LM1] reports that the Economic Advisory Council (EAC) to the Prime Minister recommended the period within which patent applications are open to challenge by the public be restricted to a mere six months from the date of its publication.

Since the Indian Patent Offices receive an average of 50,000 patent applications a year, examiners often miss critical information about the patent application under consideration. A recent study on pharmaceutical patent grants in India revealed that 7 out of 10 patents are granted in error by the Indian Patent Office. A robust pre-grant opposition system provides an additional administrative layer of scrutiny that prevents the grant of frivolous patents through third parties’ participation in the review process.

Evergreening monopolies on medical products is a lucrative game for pharmaceutical corporations allowing them to charge high prices. And the Organisation of Pharmaceutical Producers of India (OPPI) — Big Pharma’s association in India — has made several attempts to undermine this safeguard in the patent law and has renewed their efforts.

The commerce ministry, responsible for administering the patents act, is now under pressure to restrict pre-grant patent oppositions.

Pre-grant oppositions

In 2005, the first challenge to a pending patent claim on a medicine was filed by Cancer Patient Aid Association (CPAA) before the Indian patent office. CPAA highlighted that the Swiss corporation Novartis’ patent application on Imatinib Mesylate (Gleevec), a life-saving anti-cancer drug, claims a salt form of old medicine, a common practice within the pharmaceutical industry,



and should not be considered patentable. The patent office subsequently rejected the patent, which was later upheld by the High Court and the Supreme Court. The pre-grant opposition by CPAA on the cancer drug protected the price reduction from over ₹14 lakh per patient per year from Novartis to less than ₹40,000 per patient per year from generic manufacturers.

In the last 17 years, generic manufacturers and people living with HIV, DR-TB, and viral hepatitis have also filed several patent oppositions to safeguard generic competition so that quality, affordable generics can be procured by health programmes. In 2006, PLHIV networks filed the first such opposition to a patent application by Glaxo Group Limited (GSK) for Combivir on a fixed-dose combination of two AIDS drugs, zidovudine/lamivudine. GSK withdrew the patent application in India and several other countries after the patent opposition in India pointed out that the patent claims did not cover a new invention but simply the combination of two existing drugs.

Several such challenges before the patent office have successfully ensured the availability of affordable HIV medicines to millions living across the developing world. The 99% reduction in the prices of antiretrovirals following the generic competition, from \$10,000 per person per year down to less than \$100, has been a critical factor in the expansion of antiretroviral treatment to millions in low and middle-income countries.

Prescribing a timeline and cutting short the window period for pre-grant opposition makes it difficult to challenge frivolous patent applications on drugs and vaccines. The information in patent applications does not permit the public to rapidly identify the claimed medical product. The identification and further analysis are time-consuming as several applications are pending on the same medicine, vaccine or technology. Reducing the opportunities for filing challenges to pending patent claims will not increase efficiency or reduce pendency. On the contrary, pre-grant oppositions provide information to the examiners that can help speed up the examination process and deny invalid patents.

The real challenge

The humanitarian medical organisation, Médecins Sans Frontières (MSF), has supported hundreds of pre-grant oppositions in India, working closely with patient groups to safeguard generic competition to increase access to affordable medicines from India.

In our experience, tackling the overwhelming number of evergreening patent claims on known drugs and technologies is the real challenge for the Indian patent office. The attempt to dilute the timeline on pre-grant opposition diverts from the real problem.

TURBULENCE IN THE AIRLINE

The story so far: The Directorate General of Civil Aviation (DGCA) on Wednesday served a show-cause notice on SpiceJet following at least eight mid-air incidents and an accident since May. In its notice, the aviation safety regulator has blamed these occurrences on "poor internal safety oversight" as well as the airline's failure to maintain its planes due to its poor financial health. The airline has three weeks to respond.

What has the DGCA said in its show cause notice?

In its notice the DGCA has said that the airline has failed to establish "safe, efficient and reliable air services". It says that its review of incidents reported by SpiceJet since April showed that on



several occasions the airline was forced to either cut short its journey and turn back its aircraft and land at the airport of origin, or continue to its destination with "degraded safety margins". It has blamed "poor internal safety oversight" and "inadequate maintenance actions" for the fall in safety standards. In its harshest observation, the regulator has said that a financial assessment undertaken by it in September 2021 revealed that the airline witnessed shortage in supply of spare parts because of its failure to pay vendors on time, most of whom were conducting business with the airline on "cash and carry" basis. Cash and carry requires upfront payments as suppliers don't want to extend credit because of the airline's failure to clear dues on time.

How are incidents and accidents classified?

The Aircraft (Investigation of Accidents and Incidents) Rules, 2017 categorise occurrences into "accidents", "serious incidents" and "incidents". An accident is one where a passenger is fatally or seriously injured, or when the aircraft sustains structural damage or if the aircraft is missing or inaccessible. However, not all kinds of physical damage to the aircraft are considered accidents such as when only one of the two engines fail, damage to propellers, wingtips, antennas, probes, vanes, tires, brakes, wheels, panels, landing gear doors, wind screens, the aircraft skin or minor damages to main rotor blades, tail rotor blades, landing gear, and those resulting from hail or bird strike.

A "serious incident" means an occurrence where there is a high probability of an accident and an "incident" is one which could affect the safety of flight operations.

A senior DGCA official said, "on an average there are about 30 incidents that take place daily, which include go around, missed approaches, diversion, medical emergencies, weather, bird hits, runway incursion or excursion and ATC-driven occurrences. Most of them have no safety implications."

Were the recent SpiceJet incidents serious?

Since May, SpiceJet saw incidents of cracked windshield, an engine shut down and an engine failure, smoke in cabin, a bird strike, a pressurisation snag and a glitch in the weather radar. It also saw an accident, when the airline's Boeing 737-800 flew into turbulence resulting in injuries to several passengers including two who were admitted to an ICU due to head and spine injuries.

A crack on the inner windshield can lead to pressurisation failure, which can then result in a drop in oxygen levels and cause hypoxia among passengers. Smoke inside passenger cabin is also serious according to the rules, and a glitch in the weather radar forced the pilot of a SpiceJet freighter to return to the airport shortly after take off on July 5. A bird strike though is not an airline's fault.

Aviation Safety Consultant Mohan Ranganathan says "often airlines don't report incidents, and also try to cover up accidents as incidents because the insurance premium they pay on aircraft goes up after an accident."

There is a need for greater scrutiny also because of the airline's financial status, which the DGCA has said is impacting the airline's safety standards. The airline reported a consolidated net loss of ₹1,259.21 crore for the nine-month period ended December 31, 2021 and is yet to declare its results for the full financial year 2022.

Many including Captain Ranganathan also blame the organisational culture where pilots are forced to fly despite defects being unresolved and rules given a go-by. For instance, a DGCA

3RD FLOOR AND 4TH FLOOR SHATABDI TOWER, SAKCHI, JAMSHEDPUR



surprise check at a training centre in March revealed that SpiceJet was training its pilots on a simulator despite a faulty stick shaker which warns a pilot if there is an imminent fall. The training was part of the return to service of the infamous Boeing 737 MAX planes which were grounded across the world after two air crashes. The DGCA barred 90 of SpiceJet's pilots from flying the MAXs until they were retrained.

What can the DGCA do?

The Aircraft Rules 1937 empower the DGCA to impose a fine of ₹1 crore, detain any aircraft if it can lead to danger to persons in the aircraft or to any other persons or property. The regulator can also suspend the airline's air operator's certificate (AOC) which is a pre-requisite for offering commercial air services in the country or curtail the airline's schedule, i.e. flights. But the DGCA is also under scrutiny. "The regulator carried out a financial audit only six months back and found glaring lapses. Why did it not act then? The show-cause notice makes a mockery of the whole process," said Captain Ranganathan.

"There were signals from the DGCA's audits of Kingfisher in 2012 and Jet Airways in 2018 about the two airline's poor financial health, but the failure of the DGCA to act in both the cases resulted in hundreds of passengers losing their money, employees rendered jobless when the two airlines closed down soon after," he adds.

THE PROPOSAL FOR AN INDIA-SPECIFIC NORM FOR ASSESSING VEHICULAR SAFETY IN COLLISION

The story so far: On June 24, Union Minister for Road, Transport and Highways Nitin Gadkari approved a Draft GSR (general statutory rules) Notification seeking comments on a proposal to introduce the Bharat New Car Assessment Program (Bharat-NCAP). It would accord vehicles a star rating based on their performance in crash tests. They are intended to increase the export-worthiness of vehicles and competition on safety parameters among manufacturers, as well as instil consumer confidence in their safety. "Bharat NCAP will prove to be a critical instrument in making our automobile industry Aatmanirbhar with the mission of making India the Number 1 automobile hub in the world," he tweeted.

What is the purpose of an NCAP?

New Car Assessment Programs (NCAPs) provide globally reliable information about the crash safety of a vehicle based on certain common criteria and procedures. This then helps vehicles acquire a foothold in international markets. They are separate from country-specific motor standards in the sense that the latter restricts itself to assessing the vehicle's roadworthiness and not necessarily how it would ensure safety in a collision. However, a zero rating in an NCAP cannot prevent a car from being sold in any geography.

Global NCAP is a standardised platform establishing cooperation and coordination among NCAPs internationally whereas regional NCAPs take into account specific local conditions. A car may have attained a good rating elsewhere but it might not be the case in another geography because of potentially separate manufacturing origins and quality. The nature of the domestic markets also matter — consumers may prefer a car with reduced safety specifications for there is greater insistence on affordability.

How would the vehicles be evaluated?



The voluntary Bharat NCAP would assign vehicles between one and five stars on parameters such as Adult Occupant Protection (AOP), Child Occupant Protection (COP) and Safety Assist Technologies (SAT). It would study frontal impact, side impact and the possibility of a door opening after a crash. The potential impact is studied with the help of dummies, of pre-specified measurements, placed inside the vehicle. The car is crashed into an aluminium deformable barrier impersonating an opposing force of the same magnitude — a crash-like situation, with a 40% overlap.

Bharat NCAP would conduct its frontal offset crash testing at 64 kmph instead of the prevailing 56 kmph norm. Offset collisions are those where one side of a vehicle's front and not the full width hits the barrier. Even though the existing regulations adhere to United Nations Regulation 94 for collision testing, its absence in domestic testing norms, and inadequate side protection in vehicles (such as airbags), has been often cited as reasons for the poor performance of Indian vehicles at NCAPs.

After the test collision, to assess adult protection, the dummy would be checked for injuries on the head, neck, chest, knee, pelvis area, lower leg, foot and ankle. Whether the airbags protect the occupant's head that moves forward reflexively in the aftermath of a collision would be evaluated. There must not be any rib compression or injury to the knee joint. Additionally, full or partial ejection of an occupant because of a door opening is negatively marked.

For assessing child protection, the NCAP would evaluate the impact to a child restraint system (CRS) and airbag safety. CRS are portable seats designed to protect children during vehicle collisions. Vehicles that can accommodate a broad variety of child seats available in the domestic market would be rewarded. The child must not be ejected from the CRS and his/her head must be contained within the shell of the CRS preventing any outside blow following a crash.

Higher ratings would be accorded to vehicles with a permanent warning label on frontal airbags. Sudden braking may propel a child in the front row towards the dashboard, against an airbag which is inflating at an immense speed and having huge volume, causing injury or death. Cars must have manual switches to disable airbags which should not be within the child's reach.

What does it hold for the domestic automobile industry?

The proposed move follows Mr. Gadkari's focus on "zero tolerance for road accidents." In February this year, he had said efforts must be made to reduce road accidents by 50% by the year 2025.

With respect to Bharat NCAP, Hemal Thakkar, Director for Transport, Logistics and Mobility at analytics firm CRISIL, said that consumers will have to prepare for an increase in vehicle prices, but will also get safer vehicles. "There could be a dent to the price sensitive lower compact segment as muted income growth has already increased pressure on this segment which will get further accentuated on account of this move," he stated. Vinkesh Gulati, President of the Federation of Automobile Dealers Associations (FADA), believes that having the Bharat NCAP rating criteria would emerge as a turning point in the domestic automotive sector in terms of product, technology and safety, since it would provide a platform that would test vehicular safety as per Indian conditions. "There were Indian OEMs (original equipment manufacturers) who were giving lot of importance to passenger safety and getting their vehicle tested under Global NCAP, but lot of MNC OEMs were not interested in this," Mr. Gulati said. He suggested that the grading system be made mandatory for all OEMs so that the choice is entirely left to the customer.



Addressing the issue of export-worthiness, Mr. Thakkar said that the proposed norm may not make a difference, since any vehicle that is exported to the EU or North America needs to be homologated in the respective country. However, India exports a lot of passenger vehicles to Africa and Latin America, because of which prices of vehicles would increase, he said.

If the Bharat NCAP is implemented, domestic testing agencies would conduct tests for M1 category of vehicles, that is, passenger vehicles having not more than eight seats in addition to the driver's seat, and weighing less than 3.50 tonnes — imported or domestically manufactured. If cleared, it would be applicable from April 1, 2023.

VIVO SENT 50% OF SALE PROCEEDS TO CHINA: ED

The Enforcement Directorate on Thursday alleged that Vivo India remitted almost 50% of the sale proceeds overseas, mainly to China, to report huge losses in several domestically incorporated companies to avoid payment of taxes in India.

“Vivo is cooperating with the authorities to provide them with all required information. As a responsible corporate, we are committed to be fully compliant with laws,” Vivo India's spokesperson had earlier said.

The ED statement came two days after it conducted searches at 48 locations across the country, including the premises linked to Vivo India and its associated entities, in a case involving Grand Prospect International Communication Private Ltd. (GPICPL) that was allegedly being run by some Chinese nationals.

According to the agency, of the total sale proceeds of ₹1,25,185 crore in the country, Vivo India had transferred out ₹62,476 crore.

Attempt to cover-up

“Due procedures as per law were followed during the said operations... the employees of Vivo India, including some Chinese nationals, did not cooperate with the search proceedings and had tried to abscond, remove and hide digital devices which were retrieved by the search teams,” said the agency.

It has so far seized 119 bank accounts of various entities with gross balance of about ₹465 crore, including ₹66 crore in fixed deposits of Vivo India, two kg of gold bars and ₹73 lakh in cash.

Vivo Mobiles India was incorporated in Delhi in August 2014 as a subsidiary of Hong Kong-based Multi Accord Ltd. In December 2014, GPICPL was incorporated allegedly by Chinese nationals Zhengshen Ou, Bin Lou and Zhang Jie, with the help of chartered accountant Nitin Garg. It was registered with the Shimla Registrar of Companies with its offices shown in Himachal Pradesh's Solan and Jammu.

Mr. Bin left the country on April 26, 2018, while Mr. Zhengshen and Mr. Zhang went abroad last year. The ED said that Mr. Bin was also a former director of Vivo. He had allegedly floated 18 companies across the country just after the incorporation of Vivo India in 2014-15. Another Chinese national, Zhixin Wei, incorporated four companies.



NOT ONLY TO BENGAL, CENTRE OWES MGNREGS FUNDS TO MANY OTHER STATES TOO

As on July 1, the Union government owes funds to 15 States under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), show official data published on the Union Rural Development Ministry website. They included West Bengal, where last week workers who have not been paid for five months took to the streets.

Since January, the Union Rural Development Ministry has not released any funds to West Bengal, citing procedural lapses including absence of social audits to ensure transparency in implementation of the scheme.

The Centre owes ₹7,130 crore to the State, out of which ₹2,800 crore is just by way of wages of the workers.

However, even in the States that do not have these issues, at the end of the first quarter of the financial year, even the first tranche of MGNREGS funds has not yet landed.

Take for example Bihar, a State ruled by an alliance of the Janata Dal(U) and the Bharatiya Janata Party (BJP) in this financial year, which has accumulated dues of ₹2,611 crore. Union Rural Development Minister Giriraj Singh is the MP for Begusarai in Bihar. The Centre released the last instalment in March, just before the financial year 2021-22 came to a close.

According to officials of the State MGNREGS Department, of the total pending amount, ₹701.28 crore are dues that the Union government owes to the workers in the State. This amount has not been cleared since June 7. This is in direct violation of the MGNREGS, which states that the wages have to be paid within a fortnight.

Madhya Pradesh, another BJP-run State, has a similar story. The Centre owes the State ₹1,322 crore. Umakant Umrao, Principal Secretary, Panchayat and Rural Development, says that while there has not been any substantial delay in the wage component of the MGNREGA funds, the dues are largely for the material component, of which the Centre bears 60% and the States have to arrange 40%.

The delay in the material component of the MGNREGS has a domino impact affecting future projects. "The gram panchayats usually procure the material from local vendors on credit. Everyone expects to be paid on time, but most of these vendors are tolerant of delay for a few weeks. The problem arises when this delay stretches out for longer, they become reluctant to supply material for any later projects. The work cycle thus gets broken," Mr. Umrao says.

Here is how the delay happens. Chhattisgarh received the last tranche of funds on March 22, 2022,

According to senior officials at the Union Rural Development Ministry, the payments are stuck because of procedural delays and overhauling of the Public Finance Management System by the Union Finance Ministry, which now has compliance requirements. "Every day, we are clearing the dues of various States and the list of outstanding amounts will shrink," a senior official said.

The MGNREGS funds has wage, material and administrative components. The wages, borne by the Centre, is transferred to the workers' bank accounts. As on June 29, as per the numbers deduced from data available on the government website, Vijay Ram, researcher at People's Action For Employment Guarantee, says the Centre owes ₹11,097 crore to workers across the country.



HOW YOUR CAR INSURANCE WILL FACTOR IN YOUR DRIVING BEHAVIOUR

On Wednesday, the Insurance Regulatory and Development Authority of India (IRDAI) allowed general insurance companies to introduce new technology-enabled concepts — called “pay as you drive”, “pay how you drive” and floater cover for multiple vehicles — as part of the motor insurance package.

The new concepts will enable vehicle owners to take advantage of their driving behaviour patterns, general upkeep of the vehicles, mileage and vehicle usage patterns, leading to cheaper insurance policies for their vehicles.

What do they mean?

PAY AS YOU DRIVE: The customer would be required to pay as per his or her usage. This cover may be defined as per the approximate declaration of the customer in terms of planned usage in the cover year and can be tracked using technological support — an app with geo tagging. However, the insurers would also have to clarify the process of settling a claim in event of the customer exceeding the declared usage.

PAY HOW YOU DRIVE: Conventionally, customers get a discount in the event of not reporting any claim in a coverage year. Now the customer may opt for live tracking of their driving behaviour in terms of speed and usage, which can be utilised by the insurer to provide the customer with better or dynamic pricing in terms of premium. The customer will be provided with a technological tool or device to track this behaviour by the insurer.

FLOATER COVER: As in the case of floater policies in health insurance, IRDAI has now proposed that in case the individual customer owns more than one vehicle (two- wheelers or four-wheelers), insurers can provide the customers the flexibility to cover all their vehicles under one policy. “This may also facilitate the customer with attractive pricing and convenience in terms of having one policy for multiple vehicles,” said Supriya Rathi, Whole Time Director, Anand Rathi Insurance Brokers.

What role does technology play?

These products will need Telematics, a mix of telecommunications and informatics that is used to keep track of driving-related data, including storage and transfer of information. Telematics makes use of devices that help in tracking driving habits. The device, whose installation is included under the policy, will enable the customer as well as the insurance company to monitor driving habits. Using these monitoring tools can also help in increasing road safety for the customer as well as other cars. Also, using such data will enable the insurance company to recommend better plans that offer a comprehensive cover depending on usage. “The new move will encourage people to take care of their vehicles, follow traffic rules and maintain good driving behaviour,” said Rakesh Jain, CEO of Reliance General Insurance.

What are the benefits for customers?

Currently, there is uniform price for motor cover due to lack of user behaviour-based pricing of insurance premium. The new concepts will make it cost-effective for low-usage customers, especially those who drive less than 10,000 km a year, and how safely and efficiently they use their vehicles.



“On the flip side, such a move will eliminate the cross-subsidy currently enjoyed by high-usage customers, possibly resulting in slightly higher premiums for this set. How it adds to complexity in claims will emerge once insurers release product details,” said Susheel Tejuja, Founder and MD, PolicyBoss.com (Landmark Insurance Brokers).

Further, motor insurance essentially becomes more affordable, especially for those customers who primarily opt for only third-party cover and overlook the benefits of own damage (OD) cover. Such initiatives are a push towards increasing penetration of motor insurance in India. This will give lower-mileage drivers more transparency and control over their auto insurance.

When are the changes expected?

Some insurance companies have already devised such products based on the new concepts through the Regulatory Sandbox route. “We have tested the product concept of ‘pay as you drive’ under the regulatory sandbox and feel excited about the opportunity. Further, the introduction of add-on covers such as these will also act as a catalyst in deepening the penetration of Insurance in the country,” said Udayan Joshi, President, Underwriting & Reinsurance, Liberty General Insurance.

“Insurers are expected to launch the new products in the coming weeks. However, vehicle users are expected to take some time before they understand these schemes,” said an insurance official.

IRDAI said the concept of motor insurance is constantly evolving. “The advent of technology has created a relentless pace for the insurance fraternity to rise up to interesting yet challenging demands of the millennials. The general insurance sector needs to keep pace with and adapt to the changing needs of the policyholders,” IRDAI said.

What happens if insurance companies face claims that are higher than premium mobilised?

Insurance officials say the new concepts will not be able to make any impact on the underwriting losses (higher claims than the premium mobilised). The underwriting losses of general insurance companies were at Rs 20,039 crore in 2020-21, down by 15.52% over the previous year. Insurance companies mobilised a total premium of Rs 70,432 crore, a rise of 3.98%, in the motor vehicles category during the year ended March 2022, according to data from the General Insurance Council.

WHY ARE CRYPTO PLATFORMS SUSPENDING WITHDRAWALS AND WHAT ARE ITS IMPLICATIONS?

Singapore-headquartered cryptocurrency lending and trading platform Vault suspended withdrawals, trading and deposits Monday because of volatile market conditions and financial difficulties, the company announced in a blog post. With this, Vault joins major crypto broker Voyager Digital and crypto lender Celsius Network LLC to suspend trading and withdrawals.

Another crypto lending platform Babel Finance had also halted withdrawals.

Why has Vault suspended withdrawals?

In the blog post written by Vault CEO Darshan Bathija — a BITS Pilani alumnus — the company said it has frozen its operations after users pulled nearly \$200 million over the last three weeks that saw cryptocurrency prices plummeting. Other platforms suspending withdrawals by users



have cited facing “unusual liquidity pressures” as the reason behind preventing users from taking out their funds.

What are the next steps for Vault?

Vault said it has hired financial and legal advisers to analyse options, including a potential restructuring. The company has engaged Kroll as financial adviser, and Cyril Amarchand Mangaldas and Rajah & Tann Singapore LLP as legal advisers in India and Singapore, respectively. Last July, the company raised \$25 million led by Peter Thiel-founded Valar Ventures along with Pantera Capital and Coinbase.

Why are cryptocurrencies witnessing such a sharp decline?

Earlier, prices of cryptocurrencies had been falling in response to the US Federal Reserve raising policy interest rates to rein in the inflation, thereby draining out excess liquidity from the market. However, in May, two Stablecoins TerraUSD and its sister cryptocurrency Luna broke from their dollar peg and wiped out more than \$40 billion of investor money. The selloff in TerraUSD rolled over to other major digital assets such as Bitcoin, which has lost more than 50% of its value since May.

Why is the announcement by Vault and other crypto platforms over suspending trading significant?

The key aspect of this development is the liquidity crunch faced by these companies. Following the crash of TerraUSD and Luna, a Singapore-based hedge fund Three Arrows Capital (3AC) saw its assets under management plunge by over 70% given its heavy investments in Luna. As a result, 3AC defaulted on loans amounting to \$670 million extended to it by Voyager Digital. This led to a spillover effect causing Voyager Digital to suspend trading, deposits and withdrawals. Similarly, another lender, Celsius Network, last month paused all withdrawals, swap and transfers between accounts for its 1.7 million customers. Notably, 3AC has filed for bankruptcy.

What is the big picture here?

The several cases of crypto lenders being brought down by the spiralling prices of digital assets point to cryptocurrencies being a heavily leveraged asset class. According to a Wall Street Journal report, 3AC, which is a big borrower in the system, saw its levered positions on some cryptocurrencies being liquidated by exchanges such as BitMEX and Deribit after failing to meet margin calls. The report also noted that given the uncertainty in the crypto market, some lenders have started recalling loans extended to large borrowers to check for their financial health.

“There is a shortage of supply as companies like Celsius have now turned off withdrawals and have a smaller amount of assets to lend out,” Adam Reeds, chief executive of the crypto lender Ledn, was quoted as saying by the Wall Street Journal. “Many market makers who used to borrow from platforms like that are now looking at alternatives,” Reeds said.

Are authorities stepping in?

The Monetary Authority of Singapore (where Vault, 3AC, and TerraUSD creator Terraform Labs are based) is “carefully considering the introduction of additional consumer protection safeguards”, its Chairman Tharman Shanmugaratnam said, as per a Bloomberg report. The city-state is considering new rules such as placing limits on retail participation, and norms for use of



leverage when transacting in cryptocurrencies. The report added that last week the Monetary Authority of Singapore reprimanded 3AC for providing false information and exceeding the limit on assets under management, and is continuing to investigate the fund for more rule breaches.

WHO IS 'CRYPTOQUEEN' RUJA IGNATOVA, NOW AMONG FBI'S TEN MOST WANTED?

Dr Ruja Ignatova, the self-styled 'cryptoqueen', who allegedly led one of the world's biggest cryptocurrency scams, is now on the Federal Bureau of Investigation's 10 Most Wanted Fugitives list, the probe agency announced on Thursday (June 30).

Investigators have accused the 42-year-old woman, who was born in Bulgaria, of defrauding victims of more than \$4 billion (€3.83 billion) through the OneCoin cryptocurrency company that she founded in 2014

The FBI is offering a \$100,000 reward for any information leading to the arrest of Ignatova, who has been missing since 2017, when US officials first issued a warrant for her arrest.

'Old scam with a virtual twist'

Before leading one of the most notorious cryptocurrency scams, Ruja Ignatova had an illustrious resume, with a law degree from Oxford and a stint with McKinsey.

In 2014, she established OneCoin Ltd, and the 'cryptoqueen' began to market her currency as a "bitcoin killer." According to investigators, Ignatova made false representations to receive huge amounts of funds from investors, many of whom did not fully understand how to invest in cryptocurrency. The company operated around the world, and had more than 3 million investors from over a hundred countries. Records that were obtained during the investigation reveal that between the fourth quarter of 2014 and third quarter of 2016 alone, OneCoin generated a whopping €3.353 billion in sales revenue and earned "profits" of €2.232 billion.

"She timed her scheme perfectly, capitalizing on the frenzied speculation of the early days of cryptocurrency," said Damian Williams, the top federal prosecutor from Manhattan.

Ignatova promised investors big returns at minimal risk and, according to prosecutors, offered buyers a commission, if they sold OneCoin to more people, so as to lure even more people into buying her fraudulent currency.

IRS Special Agent in Charge, John R. Tafur called it "an old scam with a virtual twist" — which was made for the sole purpose of defrauding investors.

The "exit strategy" for OneCoin was to "take the money and run and blame someone else," Ignatova said to her co-founder in an email unearthed during the investigation.

Investigators allege that it was essentially a Ponzi scheme from the very start, which was falsely portrayed as a cryptocurrency. Ponzi schemes are a kind of fraud where one party promises high returns on investment with little to no risk. Early investors are repaid by acquiring new ones. Once there are not enough people to secure new rounds of investment, the scheme collapses and investors lose their money.

How the scam worked



The misrepresentations Ignatova and other OneCoin representatives are said to have conned victims of the fraud through a series of false and misleading statements.

They had promised that OneCoin cryptocurrency was 'mined' through mining servers and its value was based on market supply and demand, with the value supposedly growing from €0.50 to around €29.95 per coin, as of January 2019. In reality, OneCoin was not mined at all, and its value was completely determined internally by Ignatova and her co-conspirators.

OneCoin also claimed to have a blockchain (a digital ledger that identifies the currency and records its historical transactions) that is used by other crypto currencies. Since it was not secured by any such technology, the OneCoin tokens were basically worthless, as they could not be actively traded, could not be used to buy anything and investors had no way of tracing their money.

"OneCoin claimed to have a private blockchain," said FBI Special Agent Ronald Shimko in a statement reported by AFP.

"This is in contrast to other virtual currencies, which have a decentralized and public blockchain. In this case, investors were just asked to trust OneCoin," he said.

Ignatov also repeatedly told OneCoin members that an "initial public offering" of the company would take place on various dates between 2018 and 2019, to create excitement and receive even more investment from the victims. However, the FBI reports that this offering was consistently postponed and it never took place.

The escape

The 'cryptoqueen' disappeared into thin air in 2017, when investigating bodies from across the world began to search for her.



DreamIAS



LIFE & SCIENCE

THE NEED FOR SPACE SUSTAINABILITY

The story so far: On June 23, the U.K. hosted the fourth summit for Space Sustainability in London in collaboration with the Secure World Foundation. In line with the ambitious U.K. National Space Strategy, George Freeman, the Minister of Science, announced a new 'Plan for Space Sustainability.' According to him, this plan aims to "set a global commercial framework for the insurability, the licensing and the regulation of commercial satellites." It also aims to reduce the cost for those who comply with the best sustainability standards and thus encourages a thriving ecosystem for the industry.

What does sustainability in outer space mean?

The earth's orbital environment has more than tripled in the past decade. As the cost of missions reduce and the number of players increase, the complexity of missions and slot allotment issues also increase. With the emergence of large constellations and complex satellites, there is a risk of collisions and interference with radio frequencies. As the outer space is considered a shared natural resource, the United Nations Committee on the Peaceful Uses of Outer Space (COPUOS) in 2019 adopted a set of 21 voluntary, non-binding guidelines to ensure the long-term sustainability of outer space activities.

One of the hot issues when it comes to space sustainability is orbital crowding. It poses a direct threat to the operations and safety of a mission and is likely to cause legal and insurance-related conflicts. Space debris is another prominent issue. After the completion of a mission, an 'end-of-life protocol' requires space objects to be moved to the graveyard orbit or to a low altitude. Neither of the options are sustainable in the long run. Other causes of concern are solar and magnetic storms which potentially damage communication systems. Such space weather threats need to be addressed along with the efforts to identify the terrestrial carbon footprint of outer space missions.

Long-term sustainability looks toward space research and development of technology to ensure the reuse and recycling of satellites at every stage. The U.K. plan proposes active debris removal and in-orbit servicing.

What does the U.K. plan for space sustainability entail?

The U.K. calls for an "Astro Carta" for space sustainability, based on the Artemis Accords model for sustainable space exploration. The U.K. Space Sustainability plan mentions four primary elements: to review the regulatory framework of the U.K.'s orbital activity; to work with organisations such as the G-7 and the UN to emphasise international engagement on space sustainability; to try and develop safety and quality-related metrics that quantify the sustainability of activities; and, to induce additional funding of \$6.1 million on active debris removal. The U.K. also confirmed investments in its National Space Surveillance and Tracking Programme, which works on collision assessment services for U.K.-licensed satellite operators.

Post-Brexit, the U.K. space programme has been transformed. It now hopes to drive the sustainability factor internationally and provide an opportunity for the private sector to develop models that enhance operations' safety and reduce debris footprint. The U.K. aims to draw investments not only from government investors but also from others.



Where does India stand on space sustainability?

The headquarters of the Indian National Space Promotion and Authorisation Centre (In-SPACe) was formally inaugurated last month. One can expect an increased role of the private sector in India's space activities. India hosts promising start-ups like Agnikul and Skyroot, which are developing launch vehicles for small payloads and Dhruva Space, which works on high-tech solar panels for satellites and satellite deployers. India is well on its way to create a subsystem that addresses global sustainability questions.

The Indian Space Research Organisation (ISRO) has initiated 'Project NETRA' to monitor space debris. The domestic surveillance system would provide first-hand information on the status of debris, which would aid further planning on protecting space assets. In April 2022, India and the U.S. signed a new pact for monitoring space objects at the 2+2 dialogue. The controlled anti-satellite weapons (ASAT) tests and the risk of collisions must be collectively addressed.

To provide in-orbit servicing, ISRO is developing a docking experiment called 'SPADEX'. It looks at docking a satellite on an existing satellite, offering support in re-fuelling and other in-orbit services while enhancing the capability of a satellite. According to Professor P. G. Diwakar at NIAS Bangalore, this would not only ensure the longevity of a mission but would also provide a futuristic option to combine missions/experiments.

What next?

Outer space in the 2020s can no longer be considered a 'space race' because of the cost, when compared to the beginning of this century. Today, any entity (government or private) with the necessary access to resources and technology can invest in outer space. Sustainable practices in outer space would directly help reduce orbital crowding and collision risk while nurturing future technologies. As the natural course of evolution, the Plan for Space Sustainability, which includes private industries, is a timely move. This would serve as a model for other space programmes.

However, the broad question of sustainability cannot be driven by one country/entity alone. While most National Space Programs set sustainability standards, a collective effort by all space players, with the active role of the UN COPUOS or the United Nations Office for Outer Space Affairs (UNOOSA), is needed to set equitable standards for the ease of activities. Many of the measures for sustainability are resource-consuming and expensive for medium-and-small space programs. In this case, private initiatives of sustainability standards would make accessibility more challenging, giving undue advantage to programs with stable investments.

The UK's Astro Carta idea throws light on the need for addressing the principles and rules that guide the activities of entities in outer space. More clarity is required to know the exact framework and guiding principles of the Astro Carta to determine the path it intends to take. India has always emphasised cost-effective and efficient missions with problem-solving applications. Its debris footprint is minuscule; it has 114 debris among the 25,182 pieces, of sizes larger than 10 cm, in the lower earth orbits. The emerging private sector could be encouraged with a set of sustainability guidelines to ensure optimum utilisation of resources and increase the safety and productivity of missions.



AN INTEROPERABLE FOUNDATION FOR THE METAVERSE

From a futuristic idea in the novel Snow Crash three decades ago, the metaverse has now come of age. Metaverse projects are booming, and large tech firms have thrown plenty of money into a yet-to-be-fully understood digital fantasy land.

The Big Tech rush

Starting with Facebook, now renamed Meta Platforms, companies have invested millions to build online universes where people can meet and talk to each other virtually. Meta has set aside \$10 billion to buy and develop hardware and software to provide VR (virtual reality) capabilities within the metaverse.

Google's CEO Sundar Pichai has also expressed his interest in augmented reality (AR). The search giant could soon augment some of its apps for users to experience in a virtual setting. The company's Maps AR, or Live View feature, shows superimposed details (like arrows) on the app when users are walking or looking for direction. It has also invested nearly \$40 million in a private fund toward projects in the metaverse. Compared to Meta's investment in the metaverse, Google's is small, but not negligible.

Microsoft, a long-standing player in AR/VR, is also moving fast into the digital land. It comes to the online universe through the gaming channel. The software maker has splashed \$70 billion to buy Call of Duty maker Activision Blizzard. The video gaming company's popular titles will help the cash-rich Windows maker corner a big part of the virtual reality space.

Chip makers are also investing in building semiconductors to power the 3D world. Nvidia is putting GPUs in consoles, PCs and laptops. Qualcomm is busy building extended reality to enable device makers to power their gadgets for people to view the metaverse in action. The chip maker is also working alongside Microsoft to advance AR-related interfaces.

The need for interoperability

With hardware and software makers coming together, the race to the metaverse feels like the Gold Rush of 1849. This time around, there won't be any physical gold to mine. And this digital land is unlike the wild wild west of the 19th century. The treasure here is the digital footprint users will leave behind as they play games and socialise. For example, picture a school science exhibition where different groups of students are showcasing their projects. Each one of them highlights a particular concept in science. That is exactly how the metaverse looks now. Each company is building software or hardware for the metaverse on its own.

But to make all of it work in sync, interoperability between various software and hardware is key. There has to be a set of commonly agreed upon protocols to make the metaverse work, just like how Transfer Control Protocol/Internet Protocol (TCP/IP) enabled the Internet to go live four decades ago. Such protocols help us in connecting to a WiFi network from home and office without changing our devices.

They are a result of open standards. Industry leaders and experts have pointed out that the potential of the metaverse will be best realised only if it is built on open standards.

Proponents of the metaverse call it the future of the Internet with 3D at its core. And to fully simulate the digital world, 3D interoperability has to be met.



Joining hands

This is why open-source platforms like Web3D Consortium, World Wide Web Consortium, XR Association (XRA), Cesium and several other industry players have come together as the Metaverse Standards Forum to build interoperability into the amorphous metaverse.

Open to any organisation at no cost, the Metaverse Standards Forum “will focus on pragmatic, action-based projects such as implementation prototyping, hackathons, plugfests, and open-source tooling to accelerate the testing and adoption of metaverse standards”. It will also develop consistent language and deployment guidelines to expand the online universe. The Forum has also confirmed that it will not create standards by itself but coordinate requirements and resources to foster the creation and evolution of standards within organisations working in relevant domains.

This group will gather data and share insights with organisations to ensure standardised APIs (application programming interface) in order to provide access to input and output capabilities commonly associated with XR (extended reality) hardware and sensors.

It will also enable mobile handheld devices and standalone headsets to interact with each other. This coming together of various open-source platforms is an important step to build an interoperable foundation for an idea that finally came of age.

Their joint experiences and learnings can help maintain safety and fair use of technology in the digital space.

APPLE'S 'LOCKDOWN MODE' – HOW NEW IPHONE FEATURE BATTLES ADVANCED SPYWARE

Apple has announced a major change to iPhone security in an effort to make it harder for mercenary spyware firms like Pegasus-maker NSO Labs to target and hack users of the iPhone. This has come in the aftermath of several private cyber offensive companies finding zero-day flaws, and letting their clients — typically government agencies and authorities — to hack into the devices of journalists, activists, dissidents, etc.

Lockdown Mode: What is the new iPhone feature?

The 'Lockdown Mode' feature, which will be available later this year for iPhones, iPads and Mac devices, will reduce the attack surface for hackers on these devices by limiting the functionalities of the smartphone that could be potentially accessed by spy softwares. This will include blocking of most message attachment types, disabling of certain complex web technologies like some JavaScript compilations, blocking of incoming invitations and service requests on Apple services like FaceTime, blocking of wired connections of an iPhone with a computer, etc. Apple said it would continue to roll out new protections to strengthen Lockdown Mode in the future.

Why is Apple rolling out these features?

In a blog post, Apple said it has detailed these initiatives to “help protect users who may be personally targeted by some of the most sophisticated digital threats, such as those from private companies developing state-sponsored mercenary spyware”. The announcement has come in the aftermath of several such spyware firms being exposed over the last few years for hacking into iPhone and Android devices.



Who have been targets of spywares like Pegasus?

A global consortium of media groups had revealed in July 2021 that the spyware had been used by several governments around the world to snoop on opponents, journalists, businessmen etc. The Indian leg of the investigation had reported that among the potential list of targets were Congress leader Rahul Gandhi, political strategist Prashant Kishor, the then Election Commissioner Ashok Lavasa, now Information and Technology Minister Ashwini Vaishnaw (who was not the minister then), along with several other prominent names. The list also mentioned numbers of around 40 journalists.

What are the other announcements made by Apple?

In addition to the Lockdown Mode, Apple also announced a \$10 million grant, in addition to any damages awarded from the lawsuit filed against NSO Group, to support organisations that investigate, expose, and prevent highly targeted cyberattacks, including those created by private companies developing state-sponsored mercenary spyware. The grant will be made to the Dignity and Justice Fund established and advised by the Ford Foundation, which expects to make its first grants in late 2022 or early 2023. It will initially fund approaches to help expose mercenary spyware and protect potential targets.

WOMAN MATHEMATICIAN FROM UKRAINE WINS FIELDS MEDAL

Ukrainian mathematician Maryna Viazovska was named on Tuesday as one of four recipients of the prestigious Fields Medal, which is often described as the Nobel Prize in mathematics.

The International Mathematical Union said Ms. Viazovska, who holds the chair in number theory at the Swiss Federal Institute of Technology Lausanne, was being honoured for her work on the densest packing of identical spheres in eight dimensions.

Ms. Viazovska said Russia's attack on Ukraine in February had profoundly changed her life and those of all Ukrainians.

The Fields Medal is awarded every four years to mathematicians under age 40. The recipients are normally announced at the International Congress of Mathematicians, which was originally due to be held in Russia this year but moved to Helsinki instead.

"The ongoing barbaric war that Russia still continues to wage against Ukraine clearly shows that no other alternative was feasible," the president of the International Mathematical Union, Carlos E. Kenig, said.

WHAT IS A DERECHO, A STORM THAT TURNED THE SKY GREEN IN THE US?

States of Nebraska, Minnesota and Illinois in the US were hit by a storm system called a derecho on Tuesday. As the storm rolled in, winds gusting at around 140 km per hour, snapped power lines and knocked down trees. As the storm hit, it turned the skies green, with even many experienced storm chasers claiming to have never witnessed such atmospheric optics, according to the Washington Post. What is a derecho, how did it turn the US skies green?

A derecho, according to the US's National Weather Service is "a widespread, long-lived, straight-line windstorm" that is associated with a "band of rapidly moving showers or thunderstorms". The name comes from the Spanish word 'la derecha' which means 'straight'. Straight-line storms



are those in which thunderstorm winds have no rotation unlike a tornado. These storms travel hundreds of miles and cover a vast area.

Being a warm-weather phenomenon, a derecho generally – not always – occurs during summertime beginning May, with most hitting in June and July. However, they are a rare occurrence as compared to other storm systems like tornadoes or hurricanes.

For a storm to be classified as a derecho it must have wind gusts of at least 93 km per hour; wind damage swath extending more than 400 km. According to University of Oklahoma's School of Meteorology, the time gap between successive wind damage events should not be more than three hours.

Why did the sky turn green during the derecho that hit US recently?

Severe thunderstorms result in a 'green sky' due to light interacting with the huge amount of water they hold. A report in the Washington Post said that it is believed that the big raindrops and hail scatter away all but the blue wavelengths due to which primarily blue light penetrates below the storm cloud. This blue then combines with the red-yellow of the afternoon or the evening sun to produce green, the report said.

Are there different types of derechos?

They fall into three categories – progressive, serial and hybrid. A progressive

derecho is associated with a short line of thunderstorms that may travel for hundreds of miles along a relatively narrow path. It is a summer phenomenon.

A serial derecho, on the other hand, has an extensive squall line – wide and long – sweeping across a large area. It usually occurs during spring or fall.

Where do derechos usually occur?

Hybrid ones have the features of both progressive and serial derechos.

They mostly occur across central and eastern parts of the United States.

Derechos have also been documented elsewhere across the world. In 2010, Russia witnessed its first documented derecho. They have also swept through Germany and Finland, and more recently in Bulgaria and Poland.

MEASURING QUAKES

The story so far: Recently a powerful earthquake of magnitude 5.9 on the Richter scale struck a remote town in Afghanistan, killing over a thousand and injuring many more. According to the U.S. Federal Emergency Management Agency, a 5.9 on the Richter scale is roughly equivalent to 37 times the energy released by the atomic bomb dropped on Hiroshima. Experts are still trying to figure out the best early warning system to mitigate the damage caused by earthquakes.

How do earthquakes happen?

According to the theory of plate tectonics, the Earth's crust and upper mantle are made of large rigid plates that can move relative to one another. Slip on faults near the plate boundaries can



result in earthquakes. The point inside the Earth where the earthquake rupture starts is called the focus or hypocentre. The point directly above it on the surface of the Earth is the epicentre.

What are seismic waves?

Any elastic material when subjected to stress, stretches in a proportional way, until the elastic limit is reached. When the elastic limit is crossed, it breaks. Similarly, the Earth also has an elastic limit and when the stress is higher than this limit, it breaks. Then there is a generation of heat, and energy is released. Since the material is elastic, the energy is released in the form of elastic waves. These propagate to a distance determined by the extent of the impact. These are known as seismic waves.

How are earthquakes measured?

Earthquakes are measured by seismographic networks, which are made of seismic stations, each of which measures the shaking of the ground beneath it. In India, the National Seismological Network does this work. It has a history of about 120 years and its sensors can now detect an earthquake within five to ten minutes.

What is the Richter magnitude scale?

This is a measure of the magnitude of an earthquake and was first defined by Charles F. Richter of the California Institute of Technology, U.S., in 1935. The magnitude of an earthquake is the logarithm of the amplitude of the waves measured by the seismographs. Richter scale magnitudes are expressed as a whole number and a decimal part, for example 6.3 or 5.2. Since it is a logarithmic scale, an increase of the whole number by one unit signifies a tenfold increase in the amplitude of the wave and a 31-times increase of the energy released.

How are zones designated?

Based on seismicity, intensity of earthquakes experienced, and geological and tectonic qualities of a region, countries are divided into several zones. In India, for example, there are four zones, designated Zone II-Zone V. Among these, Zone V is the most hazardous and Zone II the least hazardous.

Can you build early warning systems for earthquakes?

Since parameters of the earthquake are unknown, it is near impossible to predict an earthquake. The problem with earthquakes is that they are heavily dependent on the material property, which varies from place to place, says Professor Rai. If there are elastic waves propagating through a material, there are two kinds of waves — the primary wave which reaches first, and the second one called the secondary wave, which is more destructive. Suppose the primary wave is measured, and we have efficient computer systems, all the inputs and excellent data collection, then it can be said that a possible earthquake of this much magnitude and energy has occurred and this could lead to a ground amplitude which could be destructive. If it is known that the amount of energy released is extremely high, trains and power grids can be shut down and the damage minimised. "This has worked in some locations, but not on a large commercial basis," says Prof. Rai. "The most successful early warning systems are in Japan. They have several hundreds of thousands recording devices. Responses are sent to a central point where they estimate whether it is large enough to form a tsunami or some other hazard, and precautionary steps are taken," he points out.